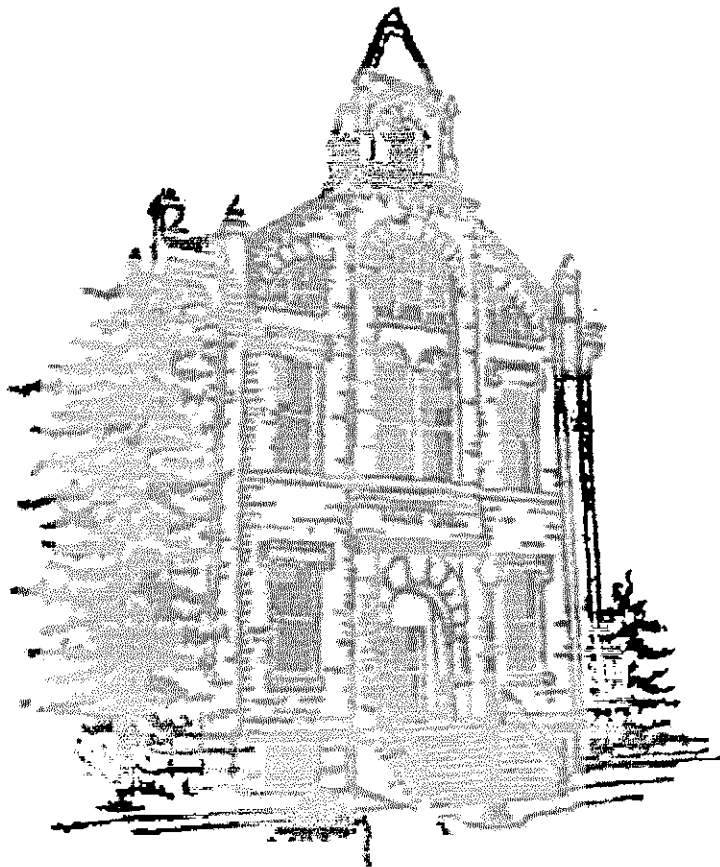


# Comprehensive Annual Financial Report

*City of  
Amherst, Ohio*



For the Year Ended  
December 31, 2001





STATE OF OHIO  
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

88 East Broad Street  
Columbus, Ohio 43215

Telephone 614-466-4514  
800-282-0370

Facsimile 614-728-7398  
[www.auditor.state.oh.us](http://www.auditor.state.oh.us)

City of Amherst  
480 Park Avenue  
Amherst, Ohio 44001-2195

We have reviewed the Independent Auditor's Report of the City of Amherst, Lorain County, prepared by Ciuni & Panichi, Inc, for the audit period January 1, 2001 through December 31, 2001. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The City of Amherst 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

June 28, 2002

**This Page is Intentionally Left Blank.**

**City of Amherst, Ohio**  
*Comprehensive Annual Financial Report*  
*For the Year Ended December 31, 2001*  
*Table of Contents*

*Page*

**I. Introductory Section**

Table of Contents .....	i
Letter of Transmittal .....	v
List of Principal Officials .....	xiv
Organizational Chart .....	xv
GFOA Certificate of Achievement .....	xvi

**II. Financial Section**

Report of Independent Accountants .....	1
General Purpose Financial Statements	
Combined Balance Sheet--All Fund Types and Account Groups .....	4
Combined Statement of Revenues, Expenditures and Changes in Fund Balances - All Governmental Fund Types .....	8
Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget (Non-GAAP Basis) and Actual - All Governmental Fund Types .....	10
Combined Statement of Revenues, Expenses and Changes in Retained Earnings/Fund Balance - All Proprietary Fund Types and Nonexpendable Trust Fund .....	14
Combined Statement of Cash Flows - All Proprietary Fund Types and Nonexpendable Trust Fund .....	15
Combined Statement of Revenues, Expenses and Changes in Fund Equity - Budget (Non-GAAP Basis) and Actual - All Proprietary Fund Types and Nonexpendable Trust Fund .....	17
Notes to the General Purpose Financial Statements .....	20

Combining, Individual Fund and Account Group Statements and Schedules

***Governmental Funds:***

*General Fund:*

Description of Fund .....	44
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual .....	46

*Special Revenue Funds:*

Description of Funds .....	50
Combining Balance Sheet .....	52
Combining Statement of Revenues, Expenditures and Changes in Fund Balances.....	56
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual	
Street Construction Maintenance and Repair Fund .....	60
State Highway Fund.....	61
Street Maintenance and Repair Permissive Fund.....	62
Park and Pool Fund.....	63
Office on Aging Fund .....	64
Planning Commission Fund.....	65
Park Fund .....	66
Cable Television Fund .....	67
Law Enforcement Fund.....	68
Drug Law Enforcement Fund .....	69
DUI Enforcement Fund.....	70
DARE Grant Fund .....	71
COPS Grant Fund .....	72
Bullet Proof Vest Fund .....	73
Local Law Enforcement Fund.....	74
Traffic Safety Grant Fund.....	75
Recycling Fund .....	76
Chip Grant Fund .....	77
CDBG Downtown Fund.....	78
All Special Revenue Funds .....	79

*Debt Service Fund:*

Description of Fund.....	81
--------------------------	----

*Capital Projects Funds:*

Description of Funds .....	81
Combining Balance Sheet .....	82
Combining Statement of Revenues, Expenditures and Changes in Fund Balances.....	84
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual	
Street Improvement Income Tax Fund .....	86
Fire Apparatus Levy Fund .....	87
CDBG Improvements Fund .....	88
Permanent Improvement Fund.....	89
Issue II Improvement Fund.....	90
All Capital Projects Funds .....	91

**Proprietary Funds:**

*Enterprise Funds:*

Description of Funds .....	92
Combining Balance Sheet .....	93
Combining Statement of Revenues, Expenses and Changes in Retained Earnings .....	94
Combining Statement of Cash Flows .....	95
Schedule of Revenues, Expenses and Changes in Fund Equity - Budget (Non-GAAP Basis) and Actual	
Water Fund.....	96
Sewer Fund .....	97
Electric Fund.....	98
All Enterprise Funds .....	99

*Internal Service Fund:*

Description of Fund.....	101
--------------------------	-----

**Fiduciary Funds:**

*Nonexpendable Trust and Agency Funds:*

Description of Funds .....	101
Combining Balance Sheet - All Trust and Agency Funds.....	102
Combining Statement of Changes in Assets and Liabilities - All Agency Funds .....	103

**General Fixed Assets Account Group:**

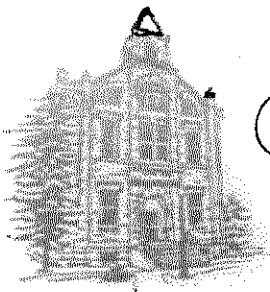
Description of Account Group.....	104
Schedule of General Fixed Assets by Function and Activity.....	105
Schedule of Changes in General Fixed Assets by Function and Activity.....	106
Schedule of General Fixed Assets - By Sources.....	107

**III. Statistical Section**

General Fund Expenditures by Function - Last Ten Years .....	S1
General Fund Revenues by Source - Last Ten Years .....	S2
Property Tax Levies and Collections - Last Ten Years.....	S3

Assessed and Estimated Actual Values of Taxable Property - Last Ten Years .....	S4
Property Tax Rates - Direct and Overlapping Governments - Last Ten Years .....	S5
Ratio of Net General Bonded Debt to Assessed Value and Net Bonded Debt per Capita - Last Ten Years .....	S6
Computation of Legal Debt Margin .....	S7
Computation of Direct and Overlapping Debt.....	S8
Ratio of Annual Debt Service Expenditures for General Bonded Debt to Total General Fund Expenditures - Last Ten Years .....	S9
Demographic Statistics - Last Ten Years .....	S10
Construction and Bank Deposits - Last Nine Years .....	S11
Principal Taxpayers .....	S12
Miscellaneous Statistics.....	S13





# City of Amherst

DIANE L. ESWINE, AUDITOR

May 3, 2002

Honorable Mayor,  
Members of Amherst City Council and  
The Citizens of Amherst, Ohio

We are pleased to submit to you the City of Amherst's Comprehensive Annual Financial Report (CAFR) for the year ended December 31, 2001.

This is the official report of the City of Amherst's results of operations and financial position to its residents, its elected officials, investment banks and underwriters, rating agencies and other interested parties.

Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. We believe the data as presented is accurate in all material respects, that it is presented in a manner designed to set forth fairly the financial position and results of operations of the City as measured by financial activity of its various funds, and that all disclosures necessary to enable the reader to gain the maximum understanding of the City's financial activity have been included.

The Comprehensive Annual Financial Report is presented in the following three sections:

**The Introductory Section** includes a table of contents, this transmittal letter, a list of the City's principal officials, elected and appointed, the City of Amherst's organizational chart and the Certificate of Achievement.

**The Financial Section** includes the Report of Independent Accountants, the general purpose financial statements, including explanatory notes that provide an overview of the City's financial position and operating results, and the combining financial statements and schedules of the individual funds and account groups that provide detailed information relative to the general purpose financial statements.

**The Statistical Section** includes selected financial and demographic information, generally presented on a multi-year basis.

## Form of Government

The City of Amherst, Ohio was incorporated in 1962 under the laws of the State of Ohio. It operates under a Mayor-Council form of government.

The City provides a full range of services. These services include: police and fire protection, the construction and maintenance of highways, streets and infrastructure, recreational activities, family and child health care, senior services, community planning, zoning and development, and water, sewer, electric, and sanitation services. The Amherst City School district, the Amherst Hospital and the Amherst Public Library have not met the established criteria for inclusion in the reporting entity and, accordingly, are excluded from this report.

- v -

## **The Reporting Entity**

The City has reviewed its reporting entity definition in order to ensure conformance with the Governmental Accounting Standards Board Statement No. 14 "The Financial Reporting Entity". In evaluating how to define the City of Amherst for financial reporting purposes, management has considered all agencies, departments and organizations making up the City (the primary government) and its potential component units.

Numerous entities operate within the City's geographical boundaries. These entities have been excluded from the accompanying financial statements because the City cannot legally access their resources, the City has no obligation to finance deficits or provide financial support to them and the City is not obligated for their debts.

## **Economic Condition and Outlook**

The City of Amherst is situated on the western side of Lorain County, south of the City of Lorain. The City of Amherst is within a one-hour drive of the major cities of Cleveland and Akron. The City of Amherst is traversed by two major limited-access highways, both east-west transportation links, and by two state routes. Interstate 90 has two entrances to Amherst. Interstate 80, the Ohio Turnpike, has plans to build a new exit at Route 58 but the time schedule for that has been repeatedly delayed. We are expecting some resolution to this issue in the near future. Route 58 is one of the county's major north-south transportation links and Route 254 is another east-west artery. Other forms of transportation such as rail, lake shipping, and airfreight and passenger services are readily available, although not located within the City limits.

Amherst is predominantly a residential community and is an ideal area for families. The Amherst School System is considered one of the best in the county. Students from Amherst have done very well on State Proficiency tests. The Amherst Exempted Village School District successfully completed a levy-campaign in 2000 to raise money for the construction of a new building for a junior high school, an addition to the current junior high building (Nord), and an addition to the current high school building. Those buildings are currently under construction. The new Amherst Junior High School is scheduled to be completed in December of 2002 with occupancy beginning in January 2003. The addition to Nord involves additional classrooms and a new dining area. This is to begin construction in the summer of 2002 and be completed in the fall of 2003. There are two projects at the high school. The new science wing and cafeteria is to be completed by the start of the school year in the fall of 2002. The Fine Arts addition is to be completed in December of 2002 with occupancy in January of 2003. This should help to alleviate the overcrowding situation currently existing in the school system.

Both Lorain County Community College (LCCC) and Oberlin College are within easy driving of the City of Amherst. LCCC recently teamed-up with other major universities so that students will be able to obtain four-year degrees while attending the LCCC campus. LCCC also offers opportunities for high school students to get a head start by offering certain students the opportunity to earn college credits while still in high school.

LCCC has recently opened a new technology building (Patsy C. Campana, Sr. Engineering and Development Center) and a new program in cooperation with Toledo University to increase the opportunity for students to have the latest in technological training and education. The new GLIDE (Great Lakes Incubator for Developing Enterprises) program is also housed in Campana Center and is a business incubator. These new programs are designed to help Lorain County have both the skilled labor and emerging new business to take advantage of the new technologies available.

Nordson Corporation, founded by a native Amherstian, is the only major manufacturing facility located within the City of Amherst. There have been some concerns about major cutbacks in employees within the corporation and how that will affect our income tax collections. We have had new businesses come into the area that so far have made up for any shortfalls in revenue.

The City continues to explore the use of township land on the southeastern edge of Amherst. Approximately fifty-seven acres of land in this area has already been annexed and plans are just beginning to construct a small industrial park there. One company is already beginning to clear land to begin development. There has also been some discussion of further annexation or a Joint Economic District. This is in the area of the proposed new Turnpike Exit at Route 58.

Amherst is in the second year of both the \$500,000 Community Development Block Grant (CHIP) grant for housing rehabilitation and a \$400,000 Community Development Block Grant (CDBG) for revitalization of the downtown area. In addition the City is seeking Main Street designation. The Building Doctor (a program of the Ohio Historic Preservation Office) is to have a clinic in April of 2002 to provide technical assistance to those wishing to take advantage of the opportunity. A design review board has been established and is functioning. A number of businesses are taking advantage of the opportunity to get assistance in upgrading their buildings. Included in the CDBG grant request was the purchase of property and improvements for a new downtown parking lot. Parking in the downtown area has been a major issue for at least thirty years. Lack of parking has been considered to be a main deterrent to the revitalization of the downtown area. This issue is currently being addressed; the property has been purchased and improvements should be completed by the summer of 2002. This is to be a landscaped parking lot with an ornamental fence and lighting.

Amherst has a historical small town feeling, which is promoted by the local historical society. The Amherst Historical Society is continuing to work to develop the Sandstone Village and has considerable support from the Nord Family Foundation and members of the Nord family. This project is designed to help the economic viability of the community. Work is continuing on the historical village. The City is helping to enhance the area by the new lighting and pavement treatment to be installed at the corner of north and South Lake Street and Milan Avenue.

## **Major Initiatives**

### ***Projects Continued from 2000***

Several major capital projects were completed during 2001:

Beaver Creek Reservation – On July 1<sup>st</sup>, 2001 the City and the Lorain County Metro Parks dedicated the new west side park (known as the Beaver Creek Reservation). This facility has been well received by the community and many people have taken advantage of both the use of the new shelter house and the park pathways. This was just the beginning phase of a multi-phased project designed to establish a walking and bike trail along the Beaver Creek.

Milad Abraham Property – Purchase of the downtown property for parking has been finalized. The architect's drawings for the improvements to the property have also been completed.

Waste Water Treatment Plant – Planning on the major changes to the wastewater treatment plant continued both in terms of the engineering, EPA (Environmental Protection Agency) approval, and loan approval. Although the City has obtained preliminary approval from the EPA and most of the issues were resolved in 2001, the City still needs final EPA approval. Construction is scheduled to begin in 2002.

Downtown Coordinator – Work began in 2001 on the housing and downtown revitalization funded through the two grants the City received (CHIP and CDBG). These are both two year projects ending in the summer of 2002.

Corner of North Main and Cooper Foster Park – The new traffic light and widening of North Main Street was largely completed. Lawn repair and stripping remain to be finished when weather allows.

### **Projects Started During 2001**

Installation of the New Pumps at the West Side Tower – The new pumps were installed and are currently in operation.

Jackson Street Bridge – Construction of the new Jackson Street Bridge is nearly complete. This project will be completed early in 2002.

Replacement of the Park Avenue and Kresge Bridges - Replacement of both of these bridges was completed.

Sanitary upgrades were completed on Brandt Avenue.

Water line extension and Sanitary sewer extension lines along southern route 58 were begun.

### **Plans for 2002**

Successful completion of building improvements in the commercial downtown revitalization area as prescribed by the current CDBG Grant.

Successful completion of building improvements to the housing stock as prescribed by the current CHIP Grant.

Installation of 98 additional parking spaces in the downtown area with ornamental fence, landscaping and lighting.

Implementation of the Kent State Urban Design Plan.

Building viable civic organizations to enhance the community.

Attaining Main Street designation.

Exploration of new uses for the Old Post Office building and Rich's Auto Body Building.

Continue to maintain and enhance the grounds owned by the City – Establish a Grounds and Maintenance Division within the Street Maintenance Department.

Continue the renovation City Hall – Specifically a load test on the 3<sup>rd</sup> floor auditorium is necessary before any further work can be done. We need to continue to investigate the requirements of the Americans with Disabilities Act for access to the 3<sup>rd</sup> floor. Specifications and bidding will be completed in spring of 2002 and construction should begin toward the end of the year.

Continue the upgrade of the Wastewater Treatment Plant so that it meets the requirements of the EPA. Complete the engineering phase, finalize the loan with the Ohio Public Works Commission and begin construction.

Establishment of a comprehensive Surface Water Control Plan by 2003 – Begin exploring possible alternatives and consultants.

Painting of the old water tower.

Exploration of grant money to connect timing sequences on traffic lights in order to improve traffic flow.

Upgrading of the Cooper Foster pump station.

Widen and improve the North Lake and Milan Avenue intersection. Enhance historical appearance of the area.

Replace the Franklin Avenue sanitary sewer.

## **Financial Information**

### *Accounting Policies and Budgetary Control*

In the preparation of its annual report, the City of Amherst utilizes the modified accrual basis of accounting for governmental and agency funds, and the accrual basis of accounting for enterprise, internal service and nonexpendable trust funds. When using the modified accrual basis, revenues are recognized when measurable and available, and expenditures are recognized when goods and services are received. The accrual basis recognizes revenues when earned and expenses when incurred. This timing enables management to improve the quality of its decision making process by providing more consistent, comparable information regarding the current and past operations and financial position of the City.

The budgetary process is prescribed by provisions of the Ohio Revised Code and the City Charter and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the Tax Budget, the Certificate of Estimated Resources, and the Appropriation Ordinance, all of which are prepared on the budgetary basis of accounting. The Certificate of Estimated Resources and the Appropriations Ordinance are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. All funds, other than agency funds, are legally required to be budgeted and appropriated. The legal level of budgetary control is at the object level within each department. Any budgetary modifications at this level may only be made by Ordinance of the City Council.

Budgetary control is maintained by an encumbrance for purchase commitment amounts prior to the release of purchase order to vendors. Purchase requisitions for the expenditures of monies are first reviewed by the department head and then forwarded to the appropriate official for his/her signature. They are then sent to the Auditor's Office for the preparation of a purchase order. The Auditor's Office certifies the purchase order for the availability of funds, and the estimated expenditure is encumbered against the available appropriation. The City adopts a temporary appropriation budget on or before January 1 or each year for the period January 1 through March 31. An annual appropriation budget is passed by April 1 of each year for the period January 1 through December 31. All disbursements and transfers of cash between funds require appropriation authority.

### *Internal Accounting and Reporting Control*

As part of its continuing commitment to excellence in financial reporting, the budgeting and reporting, the City utilizes a computerized financial accounting and reporting system. The Mayor and the Auditor continually evaluate enhancements to the present internal accounting controls and procedures. They oversee the appropriateness of internal control, develop procedures to enhance internal control, and consult with outside auditors to insure that the City remains at a sound financial level of operation.

The City has built internal accounting controls into its financial accounting, budgeting and reporting system to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss resulting from unauthorized use or disposition; and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The internal accounting controls built into the City's system were developed using the concept of reasonable assurance. This concept recognized that the cost of a control should not exceed the benefits likely to be derived from its implementation, and that the evaluation of costs and benefits should require estimates and judgments by management. We believe that the City's internal accounting controls adequately safeguard the City's assets and provide reasonable assurance of proper recording and reporting of financial transactions.

The general fund encompasses the general governmental functions of the City and all other functions not accounted for in other funds. General fund revenues and explanations of significant increases and decreases are summarized as follows:

<u>Revenues</u>	<u>2000 Amount</u>	<u>2001 Amount</u>	<u>Change</u>	<u>Percent Change</u>
Property and Other Local Taxes	\$590,578	\$687,995	\$97,417	16.50%
Municipal Income Taxes	1,661,354	1,844,926	183,572	11.05
Intergovernmental	919,050	878,695	(40,355)	(4.39)
Charges for Services	217,575	134,031	(83,544)	(38.40)
Fees, Licenses and Permits	153,326	317,158	163,832	106.85
Contributions and Donations	15,000	1,050	(13,950)	(93.00)
Interest	987,114	693,700	(293,414)	(29.72)
Other	29,827	67,989	38,162	127.94
Total Revenues	<u>\$4,573,824</u>	<u>\$4,625,544</u>	<u>\$51,720</u>	

Building, particularly residential, continues in the City of Amherst. The Property Tax increase of 16.50 percent is a result of new construction. The Municipal Income Tax increase of 11.05 percent is largely due to the increase in residential growth.

The 38.40 percent decrease in charges for services is largely a result of reduction in contract fees for the fire department.

The 106.85 percent increase in fees, licenses and permits is due to a large number of building permits issued during 2001 due to the construction of two school buildings.

The 93 percent decrease in contributions and donations was the result of the City receiving fewer donations during 2001.

The 29.72 percent decrease in interest is a result of lowered interest rates. We anticipate that trend will continue in 2002 as interest rates continue to be low and we do not anticipate them going up in the near future.

General fund expenditures and explanations of significant increases and decreases are summarized as follows:

Expenditures	2000 Amount	2001 Amount	Change	Percent Change
Current:				
Security of Persons and Property	\$2,006,168	\$2,195,928	\$189,760	9.46%
Public Health and Welfare	65,189	84,789	19,600	30.07
Community Development	206,578	171,746	(34,832)	(16.86)
General Government	1,992,610	1,342,666	(649,944)	(32.62)
Debt Service:				
Principal Amount	4,661	4,766	105	2.25
Interest and Fiscal Charges	801	7,465	6,664	831.96
Total Expenditures	<u>\$4,276,007</u>	<u>\$3,807,360</u>	<u>(\$468,647)</u>	

The 9.46 percent increase in the expenditures for the Security of Persons and Property is due to moving the fire chief from part time to full time status, and some increases in the police budget that added some personnel, much of which was funded through federal grants

The 30.07 percent increase in public health and welfare expenditures is the result of an increase in fees paid to the Lorain County Health District.

The 16.86 percent decrease in expenditure in the community development area was a result of not having a community development director for a part of the year.

The 32.62 percent decrease in the general government area is a result of the severe reduction in expenditures related to the restoration of the City Hall. In 2000 the City spent over \$818,000 compared to only approximately \$35,000 in 2001.

### ***General Fund Balance***

During 2001, the fund balance of the general fund increased \$261,401 from \$2,875,262 to \$3,136,663. The fund balance increase is attributable to increases in property taxes, income taxes and monies received from the electric enterprise fund for electric deregulation kilowatt-hour tax.

### ***Enterprise Funds***

The City's enterprise operations are comprised of water, sewer, and electric funds.

The water fund had a net loss of \$138,823 during 2001 and retained earnings of \$3,467,646 at December 31, 2001. The sewer fund had a net income of \$330,757 during 2001 and retained earnings of \$6,057,317 at December 31, 2001. The electric fund had a net income of \$209,616 during 2001 and retained earnings of \$4,021,860 at December 31, 2001.

### ***Internal Service Fund***

The only internal service fund carried on the financial records relates to self-insurance. This fund accounts for the revenues and expenses related to the provision of medical and dental benefits to City employees. The internal service fund had retained earnings of \$51,694 at December 31, 2001, compared with retained earnings of \$145,482 at December 31, 2001, reflecting a net loss of \$93,788.

## ***Fiduciary Funds***

The City of Amherst's fiduciary funds are comprised of the nonexpendable trust fund and agency funds.

The cemetery trust nonexpendable trust fund had a fund balance of \$4,024 at December 31, 2001. The agency funds included in the City's financial statements are the street openings, building standards assessment, and the joint ambulance district. These funds had assets totaling \$17,494 at December 31, 2001.

## **Debt Administration**

The gross indebtedness of the City of Amherst at December 31, 2001, was \$10,841,109. These issues included \$2,904,000 general obligation bonds, \$127,109 OPWC loans, \$315,000 bond anticipation notes, \$5,365,000 enterprise funds' bonds and \$2,130,000 AMP Ohio enterprise notes. The overall legal debt margin at December 31, 2001, was \$24,112,109 with an unvoted total debt margin of \$11,326,835.

## **Cash Management**

Cash management is a vital component in the City of Amherst's overall financial strategy. The primary objective of the City's investment activity is the protection of investment principal. A prudent investment program is maintained to assure the overnight and over-the-weekend investments of all possible dollars, as well as longer term investments, generally not exceeding ninety days. In addition to the security of the investment, a major consideration is the timing of needed cash to pay City liabilities. Cash resources of all City funds are combined for maximum return and are invested in accordance with the Ohio Revised Code. Allowable deposits and investments include certificates of deposits, savings accounts, State Treasurer's Investment Pool (Star Ohio), and repurchase agreements.

## **Risk Management**

The City of Amherst insures all risks with the exception of health insurance through a private insurance carrier. Property valuations are revised annually to provide insurance companies and the City with an accurate inventory of insurable property and replacement cost values. The City of Amherst manages the medical and dental benefits for its employees on a self-insured basis. A third party administrator processes and pays the claims. The City purchases a stop-loss coverage of \$201,178 in aggregate per employee.

## **Other Information**

### ***Independent Audit***

The City is subjected to an annual examination by an independent auditor. Independent auditor Ciuni and Panichi, Inc. was selected to render an opinion on the City's financial statements as of December 31, 2001. The Auditor's opinion has been included in this report. An annual audit serves to maintain and strengthen the City's accounting and budgetary controls.



### *Awards*

The Government Finance Officers Association of the United States and Canada (GFOA) awards a Certificate of Achievement for Excellence in Financial Reporting to those governmental entities whose CAFR is easily readable, efficiently organized, and conforms to GFOA reporting standards. Such a report must satisfy both generally accepted accounting principles (GAAP) as well as applicable legal requirements. The City of Amherst received this honor for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2000. A Certificate of Achievement is valid for a period of one year only. The City of Amherst believes the current report conforms to the Certificate of Achievement Program requirements, and has submitted it to the GFOA to determine its eligibility for another Certificate of Achievement.

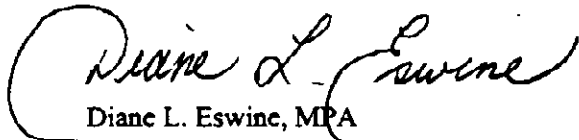
### *Acknowledgments*

The preparation of the comprehensive annual financial report on a timely basis was made possible by the dedicated service of the entire staff of the Auditor's department. I would like to express my appreciation to all staff members who have contributed or assisted in its preparation.

Special appreciation is expressed to the Local Government Services Division of State Auditor Jim Petro's office for assistance in planning, designing and reviewing this financial report.

In closing, I would also like to thank the Mayor and the members of Amherst City Council, for without your continued support, the preparation of this report to help ensure the continued financial integrity of the City, would not have been possible.

Respectfully submitted,

  
Diane L. Eswine, MPA  
Amherst City Auditor

**City of Amherst**  
*Principal Officials*

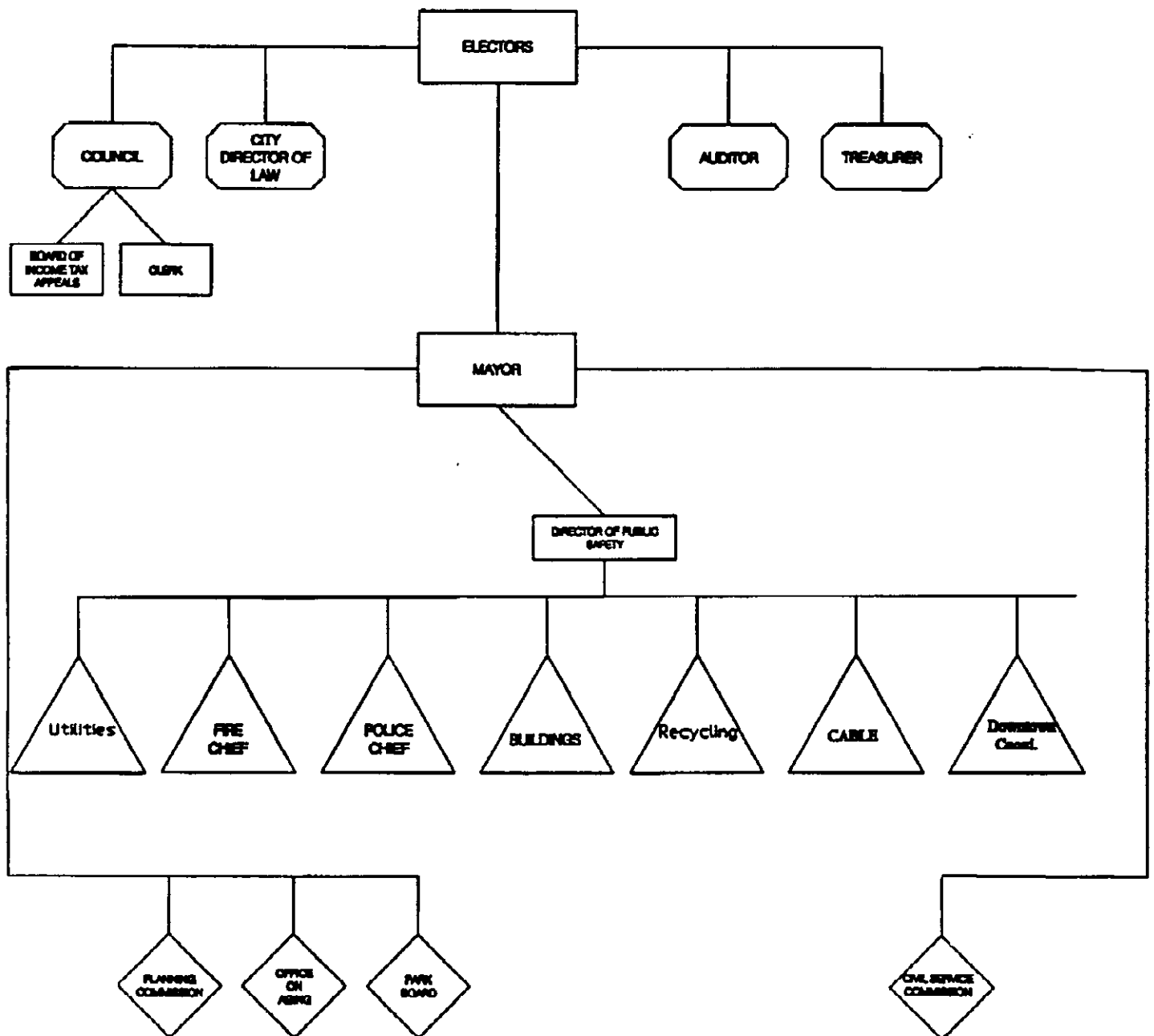
***Elected Officials***

Mayor .....	John G. Higgins
President of Council .....	John S. Dietrich
Council Member - Ward 1 .....	Terrence A. Traster
Council Member - Ward 2 .....	Edwin R. Cowger
Council Member - Ward 3 .....	Steve P'Simer
Council Member - Ward 4 .....	Jennifer Wasilk
Council Member - At large .....	Nancy L. Brown
Council Member - At large .....	David C. Kukucka
Council Member - At large .....	Nicholas Brusky
Auditor .....	Diane L. Eswine
Director of Law .....	Kenneth S. Stumphauzer
Treasurer .....	Kathleen Litkovitz

***Appointed Officials***

Council Clerk .....	Olga Sivinski
Secretary to the Mayor and Safety/Service Director .....	Sally Cornwell
Assistant Law Director .....	Scott Serazin
Civil Assistant to Law .....	Abraham Lieberman
Safety/Service Director .....	Sherrill McLoda
Deputy Auditor .....	Gwen Melbar
Budgetary Clerk .....	Donna Rumppler
Income Tax Secretary .....	Laura Kemp
Treasurer's Administrative Assistant .....	Karen Flynn
Acting Chief Building Inspector .....	Tim Reynolds
Building Inspector .....	Ron Konowal
Utilities Superintendent .....	Ron Merthe
Amherst Area Office on Aging Director .....	Nina Lorandaeu
Police Chief .....	Lonnie D. Dillon
Fire Chief .....	Ralph Zilch
Park Commission Chairman .....	Gordon Brown
Main Street Program Director .....	Lesia Boytchuk-Schneider
Cable Station Manager .....	Charlene Duncan

# CITY OF AMHERST ORGANIZATIONAL CHART



# Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Amherst,  
Ohio

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

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



*Thomas A. Drew*  
President

*Jeffrey L. Esler*  
Executive Director

## INDEPENDENT AUDITORS' REPORT

City of Amherst  
Amherst, Ohio

We have audited the accompanying general-purpose financial statements of the City of Amherst, 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 Amherst'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 the 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 Amherst, 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.

As described in Note 3 to the basic financial statements, the City adopted the provisions of Governmental Accounting Standards Board Statement No. 33 *Accounting and Financial Reporting for Nonexchange Transactions* as of December 31, 2001. This results in a change to the City's method of accounting for certain nonexchange revenues.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 3, 2002 on our consideration of the City of Amherst'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.

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

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

A handwritten signature in cursive script, appearing to read "C. P. Cameron, Esq.", is written in black ink.

Cleveland, Ohio  
May 3, 2002

## **General Purpose Financial Statements**

The general purpose financial statements of the City include the basic combined financial statements, presented by fund type and account group, and notes to the financial statements that are essential to the fair presentation of the financial position and results of operations and cash flows of proprietary fund types.

**City of Amherst, Ohio**  
*Combined Balance Sheet*  
*All Fund Types and Account Groups*  
*December 31, 2001*

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
<b><i>Assets and Other Debits</i></b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$2,824,026	\$2,964,732	\$482,033	\$5,310,285
Cash and Cash Equivalents in Segregated Accounts	0	0	0	0
Receivables:				
Taxes	1,496,128	0	243,500	750,384
Accounts	8,784	92,907	0	0
Interfund	402,000	0	0	0
Intergovernmental	136,166	180,840	15,092	185,180
Materials and Supplies Inventory	123,073	52,425	0	0
Prepaid Items	42,183	0	0	0
Restricted Assets:				
Customer Deposits	0	0	0	0
Investment in Joint Venture	0	0	0	0
Fixed assets (net, where applicable, of accumulated depreciation)	0	0	0	0
<b>Other Debits</b>				
Amount Available in Debt Service for Retirement of General Obligation Bonds	0	0	0	0
Amount to be Provided from General Government Resources	0	0	0	0
<b><i>Total Assets and Other Debits</i></b>	<b>\$5,032,360</b>	<b>\$3,290,904</b>	<b>\$740,625</b>	<b>\$6,245,849</b>



Proprietary Fund Types		Fiduciary Fund Types	Account Groups		Totals (Memorandum Only)
Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long-Term Obligations	
\$4,946,866	\$154,602	\$15,332	\$0	\$0	\$16,697,876
0	0	6,186	0	0	6,186
0	0	0	0	0	2,490,012
1,356,864	0	0	0	0	1,458,555
0	0	0	0	0	402,000
0	0	0	0	0	517,278
309,918	0	0	0	0	485,416
0	0	0	0	0	42,183
174,210	0	0	0	0	174,210
2,050,825	0	0	0	0	2,050,825
13,599,248	0	0	10,032,088	0	23,631,336
0	0	0	0	482,033	482,033
0	0	0	0	2,759,460	2,759,460
<u>\$22,437,931</u>	<u>\$154,602</u>	<u>\$21,518</u>	<u>\$10,032,088</u>	<u>\$3,241,493</u>	<u>\$51,197,370</u>

(continued)

**City of Amherst, Ohio**  
*Combined Balance Sheet*  
*All Fund Types and Account Groups (continued)*  
*December 31, 2001*

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
<b><i>Liabilities, Fund Equity, and Other Credits</i></b>				
<b>Liabilities</b>				
Accounts Payable	\$50,697	\$52,653	\$0	\$11,781
Claims Payable	0	0	0	0
Contracts Payable	0	1,223	0	146,223
Interfund Payable	0	402,000	0	0
Accrued Wages Payable	38,082	10,359	0	0
Compensated Absences Payable	10,128	555	0	0
Deposits Held and Due to Others	0	0	0	0
Intergovernmental Payable	57,530	20,980	0	0
Deferred Revenue	1,417,725	142,217	258,592	843,831
Accrued Interest Payable	6,535	0	0	0
Notes Payable	315,000	0	0	0
OPWC Loans Payable	0	0	0	0
Payable from Restricted Assets:				
Customer Deposits	0	0	0	0
Capital Lease Payable	0	0	0	0
General Obligation Bonds Payable	0	0	0	0
<b><i>Total Liabilities</i></b>	<b>1,895,697</b>	<b>629,987</b>	<b>258,592</b>	<b>1,001,835</b>
<b>Fund Equity and Other Credits</b>				
Investment in General Fixed Assets	0	0	0	0
Retained Earnings:				
Unreserved	0	0	0	0
Fund Balance:				
Reserved for Encumbrances	152,247	145,921	0	940,395
Reserved for Inventory	123,073	52,425	0	0
Reserved for Contributions	0	0	0	0
Unreserved:				
Undesignated	2,861,343	2,462,571	482,033	4,303,619
<b><i>Total Fund Equity and Other Credits</i></b>	<b>3,136,663</b>	<b>2,660,917</b>	<b>482,033</b>	<b>5,244,014</b>
<b><i>Total Liabilities, Fund Equity, and Other Credits</i></b>	<b>\$5,032,360</b>	<b>\$3,290,904</b>	<b>\$740,625</b>	<b>\$6,245,849</b>

See accompanying notes to the general purpose financial statements

Proprietary Fund Types		Fiduciary Fund Types	Account Groups		Totals (Memorandum Only)
Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long-Term Obligations	
\$659,648	\$0	\$0	\$0	\$0	\$774,779
0	102,908	0	0	0	102,908
58,051	0	0	0	0	205,497
0	0	0	0	0	402,000
23,921	0	0	0	0	72,362
82,087	0	0	0	156,177	248,947
0	0	17,494	0	0	17,494
156,813	0	0	0	46,737	282,060
0	0	0	0	0	2,662,365
29,202	0	0	0	0	35,737
2,130,000	0	0	0	0	2,445,000
109,609	0	0	0	17,500	127,109
174,210	0	0	0	0	174,210
102,567	0	0	0	117,079	219,646
5,365,000	0	0	0	2,904,000	8,269,000
<u>8,891,108</u>	<u>102,908</u>	<u>17,494</u>	<u>0</u>	<u>3,241,493</u>	<u>16,039,114</u>
0	0	0	10,032,088	0	10,032,088
13,546,823	51,694	0	0	0	13,598,517
0	0	0	0	0	1,238,563
0	0	0	0	0	175,498
0	0	2,000	0	0	2,000
0	0	2,024	0	0	10,111,590
<u>13,546,823</u>	<u>51,694</u>	<u>4,024</u>	<u>10,032,088</u>	<u>0</u>	<u>35,158,256</u>
<u>\$22,437,931</u>	<u>\$154,602</u>	<u>\$21,518</u>	<u>\$10,032,088</u>	<u>\$3,241,493</u>	<u>\$51,197,370</u>

**City of Amherst, Ohio**  
*Combined Statement of Revenues, Expenditures  
and Changes in Fund Balances  
All Governmental Fund Types  
For the Year Ended December 31, 2001*

	Governmental	
	General	Special Revenue
<b>Revenues</b>		
Property and Other Local Taxes	\$687,995	\$47,004
Municipal Income Taxes	1,844,926	0
Intergovernmental	878,695	829,179
Charges for Services	134,031	398,815
Fees, Licenses, and Permits	317,158	921
Contributions and Donations	1,050	0
Interest	693,700	817
Other	67,989	66,797
<i>Total Revenues</i>	4,625,544	1,343,533
<b>Expenditures</b>		
Current:		
Security of Persons and Property	2,195,928	158,129
Public Health and Welfare	84,789	147,585
Leisure Time Activities	0	233,885
Community Development	171,746	0
Transportation	0	946,083
General Government	1,342,666	523,802
Capital Outlay	0	15,202
Debt Service:		
Principal Retirement	4,766	29,593
Interest and Fiscal Charges	7,465	0
<i>Total Expenditures</i>	3,807,360	2,054,279
<i>Excess of Revenues Over (Under) Expenditures</i>	818,184	(710,746)
<b>Other Financing Sources (Uses)</b>		
Inception of Capital Lease	0	132,160
Operating Transfers In	323,692	708,000
Operating Transfers Out	(900,594)	0
<i>Total Other Financing Sources (Uses)</i>	(576,902)	840,160
<i>Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</i>	241,282	129,414
<i>Fund Balances Beginning of Year - Restated (See Note 3)</i>	2,875,262	2,489,278
Increase in Reserve for Inventory	20,119	42,225
<i>Fund Balances End of Year</i>	\$3,136,663	\$2,660,917

See accompanying notes to the general purpose financial statements

Fund Types		Totals (Memorandum Only)
Debt Service	Capital Projects	
\$259,208	\$174,975	\$1,169,182
0	1,806,406	3,651,332
31,912	384,302	2,124,088
0	0	532,846
0	0	318,079
0	150,000	151,050
0	0	694,517
0	0	134,786
291,120	2,515,683	8,775,880
0	0	2,354,057
0	0	232,374
0	0	233,885
0	0	171,746
0	0	946,083
4,278	0	1,870,746
0	1,971,307	1,986,509
123,000	5,000	162,359
154,295	0	161,760
281,573	1,976,307	8,119,519
9,547	539,376	656,361
0	0	132,160
41,595	444,473	1,517,760
0	(617,166)	(1,517,760)
41,595	(172,693)	132,160
51,142	366,683	788,521
430,891	4,877,331	10,672,762
0	0	62,344
<u>\$482,033</u>	<u>\$5,244,014</u>	<u>\$11,523,627</u>

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

	General Fund			Variance with Final Budget Favorable (Unfavorable)
	Budgeted Amounts		Actual	
	Original	Final		
<b>Revenues</b>				
Property and Other Local Taxes	\$502,458	\$633,719	\$687,995	\$54,276
Municipal Income Taxes	1,388,318	1,751,000	1,829,599	78,599
Intergovernmental	425,514	536,675	890,159	353,484
Charges for Services	96,730	122,000	172,468	50,468
Fees, Licenses, and Permits	114,966	145,000	312,234	167,234
Contributions and Donations	793	1,000	1,050	50
Interest	713,584	900,000	715,934	(184,066)
Other	39,644	35,000	67,271	32,271
<i>Total Revenues</i>	<u>3,282,007</u>	<u>4,124,394</u>	<u>4,676,710</u>	<u>552,316</u>
<b>Expenditures</b>				
Current:				
Security of Persons and Property	2,252,812	2,524,803	2,275,937	248,866
Public Health and Welfare	87,677	98,262	85,202	13,060
Leisure Time Activities	0	0	0	0
Community Development	209,455	234,743	184,031	50,712
Basic Utility Services	0	0	0	0
Transportation	0	0	0	0
General Government	1,954,109	2,157,574	1,553,052	604,522
Debt Service:				
Principal Retirement	0	0	0	0
Interest and Fiscal Charges	0	0	0	0
<i>Total Expenditures</i>	<u>4,504,053</u>	<u>5,015,382</u>	<u>4,098,222</u>	<u>917,160</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(1,222,046)</u>	<u>(890,988)</u>	<u>578,488</u>	<u>1,469,476</u>
<b>Other Financing Sources (Uses)</b>				
Proceeds of Notes	249,754	315,000	315,000	0
Advances In	0	0	0	0
Advances Out	(358,693)	(400,000)	(400,000)	0
Operating Transfers In	232,374	586,147	323,692	(262,455)
Operating Transfers Out	(889,078)	(1,245,524)	(900,594)	344,930
<i>Total Other Financing Sources (Uses)</i>	<u>(765,643)</u>	<u>(744,377)</u>	<u>(661,902)</u>	<u>82,475</u>
<i>Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</i>	<u>(1,987,689)</u>	<u>(1,635,365)</u>	<u>(83,414)</u>	<u>1,551,951</u>
<i>Fund Balances Beginning of Year</i>	2,343,270	2,343,270	2,343,270	0
Prior Year Encumbrances Appropriated	316,641	316,641	316,641	0
<i>Fund Balances End of Year</i>	<u>\$672,222</u>	<u>\$1,024,546</u>	<u>\$2,576,497</u>	<u>\$1,551,951</u>

Special Revenue Funds				Debt Service Fund			
Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
Original	Final			Original	Final		
\$50,000	\$50,000	\$48,210	(\$1,790)	\$288,948	\$288,948	\$259,208	(\$29,740)
0	0	0	0	0	0	0	0
1,236,293	1,634,311	839,700	(794,611)	0	0	31,912	31,912
357,900	357,900	342,095	(15,805)	0	0	0	0
4,000	4,000	1,044	(2,956)	0	0	0	0
0	0	0	0	0	0	0	0
0	1,000	844	(156)	0	0	0	0
8,400	51,400	66,797	15,397	0	0	0	0
<u>1,656,593</u>	<u>2,098,611</u>	<u>1,298,690</u>	<u>(799,921)</u>	<u>288,948</u>	<u>288,948</u>	<u>291,120</u>	<u>2,172</u>
193,006	244,701	172,576	72,125	0	0	0	0
169,942	172,442	151,526	20,916	0	0	0	0
333,448	333,449	245,082	88,367	0	0	0	0
400,000	400,000	65,884	334,116	0	0	0	0
0	0	0	0	0	0	0	0
1,136,731	1,177,152	915,748	261,404	0	0	0	0
1,109,065	1,133,144	572,041	561,103	5,400	5,400	4,278	1,122
0	0	0	0	123,000	123,000	123,000	0
0	0	0	0	154,295	154,295	154,295	0
<u>3,342,192</u>	<u>3,460,888</u>	<u>2,122,857</u>	<u>1,338,031</u>	<u>282,695</u>	<u>282,695</u>	<u>281,573</u>	<u>1,122</u>
<u>(1,685,599)</u>	<u>(1,362,277)</u>	<u>(824,167)</u>	<u>538,110</u>	<u>6,253</u>	<u>6,253</u>	<u>9,547</u>	<u>3,294</u>
0	0	0	0	0	0	0	0
400,000	400,000	400,000	0	0	0	0	0
0	0	0	0	0	0	0	0
725,380	765,380	708,000	(57,380)	0	0	41,595	41,595
(100,000)	(100,000)	0	100,000	0	0	0	0
<u>1,025,380</u>	<u>1,065,380</u>	<u>1,108,000</u>	<u>42,620</u>	<u>0</u>	<u>0</u>	<u>41,595</u>	<u>41,595</u>
(660,219)	(296,897)	283,833	580,730	6,253	6,253	51,142	44,889
2,128,388	2,128,388	2,128,388	0	430,891	430,891	430,891	0
369,123	369,123	369,123	0	0	0	0	0
<u>\$1,837,292</u>	<u>\$2,200,614</u>	<u>\$2,781,344</u>	<u>\$580,730</u>	<u>\$437,144</u>	<u>\$437,144</u>	<u>\$482,033</u>	<u>\$44,889</u>

(continued)

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

	Capital Projects Funds			Variance with Final Budget Favorable (Unfavorable)
	Budgeted Amounts		Actual	
	Original	Final		
<b>Revenues</b>				
Property and Other Local Taxes	\$245,490	\$245,490	\$174,975	(\$70,515)
Municipal Income Taxes	1,545,000	1,545,000	1,795,388	250,388
Intergovernmental	555,000	573,000	384,302	(188,698)
Charges for Services	0	0	0	0
Fees, Licenses, and Permits	0	0	0	0
Contributions and Donations	150,000	150,000	150,000	0
Interest	0	0	0	0
Other	0	0	0	0
<i>Total Revenues</i>	<u>2,495,490</u>	<u>2,513,490</u>	<u>2,504,665</u>	<u>(8,825)</u>
<b>Expenditures</b>				
Current:				
Security of Persons and Property	380,695	480,695	455,857	24,838
Public Health and Welfare	0	0	0	0
Leisure Time Activities	0	0	0	0
Community Development	0	0	0	0
Basic Utility Services	221,929	240,180	0	240,180
Transportation	3,463,643	3,640,047	2,466,300	1,173,747
General Government	178,000	178,000	2,273	175,727
Debt Service:				
Principal Retirement	4,926	5,000	5,000	0
Interest and Fiscal Charges	0	0	0	0
<i>Total Expenditures</i>	<u>4,249,193</u>	<u>4,543,922</u>	<u>2,929,430</u>	<u>1,614,492</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(1,753,703)</u>	<u>(2,030,432)</u>	<u>(424,765)</u>	<u>1,605,667</u>
<b>Other Financing Sources (Uses)</b>				
Proceeds of Notes	0	0	0	0
Advances In	0	0	0	0
Advances Out	0	0	0	0
Operating Transfers In	310,000	887,773	444,473	(443,300)
Operating Transfers Out	(652,159)	(662,000)	(617,166)	44,834
<i>Total Other Financing Sources (Uses)</i>	<u>(342,159)</u>	<u>225,773</u>	<u>(172,693)</u>	<u>(398,466)</u>
<i>Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</i>	<u>(2,095,862)</u>	<u>(1,804,659)</u>	<u>(597,458)</u>	<u>1,207,201</u>
<i>Fund Balances Beginning of Year</i>	4,145,782	4,145,782	4,145,782	0
Prior Year Encumbrances Appropriated	667,158	667,158	667,158	0
<i>Fund Balances End of Year</i>	<u>\$2,717,078</u>	<u>\$3,008,281</u>	<u>\$4,215,482</u>	<u>\$1,207,201</u>

See accompanying notes to the general purpose financial statements



Totals  
(Memorandum Only)

Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
Original	Final		
\$1,086,896	\$1,218,157	\$1,170,388	(\$47,769)
2,933,318	3,296,000	3,624,987	328,987
2,216,807	2,743,986	2,146,073	(597,913)
454,630	479,900	514,563	34,663
118,966	149,000	313,278	164,278
150,793	151,000	151,050	50
713,584	901,000	716,778	(184,222)
48,044	86,400	134,068	47,668
<u>7,723,038</u>	<u>9,025,443</u>	<u>8,771,185</u>	<u>(254,258)</u>
2,826,513	3,250,199	2,904,370	345,829
257,619	270,704	236,728	33,976
333,448	333,449	245,082	88,367
609,455	634,743	249,915	384,828
221,929	240,180	0	240,180
4,600,374	4,817,199	3,382,048	1,435,151
3,246,574	3,474,118	2,131,644	1,342,474
127,926	128,000	128,000	0
154,295	154,295	154,295	0
<u>12,378,133</u>	<u>13,302,887</u>	<u>9,432,082</u>	<u>3,870,805</u>
<u>(4,655,095)</u>	<u>(4,277,444)</u>	<u>(660,897)</u>	<u>3,616,547</u>
249,754	315,000	315,000	0
400,000	400,000	400,000	0
(358,693)	(400,000)	(400,000)	0
1,267,754	2,239,300	1,517,760	(721,540)
<u>(1,641,237)</u>	<u>(2,007,524)</u>	<u>(1,517,760)</u>	<u>489,764</u>
<u>(82,422)</u>	<u>546,776</u>	<u>315,000</u>	<u>(231,776)</u>
(4,737,517)	(3,730,668)	(345,897)	3,384,771
9,048,331	9,048,331	9,048,331	0
<u>1,352,922</u>	<u>1,352,922</u>	<u>1,352,922</u>	<u>0</u>
<u>\$5,663,736</u>	<u>\$6,670,585</u>	<u>\$10,055,356</u>	<u>\$3,384,771</u>

**City of Amherst, Ohio**  
*Combined Statement of Revenues,  
Expenses, and Changes in Retained Earnings/Fund Balance  
All Proprietary Fund Types and Nonexpendable Trust Fund  
For the Year Ended December 31, 2001*

	Proprietary Fund Types		Fiduciary Fund Type	Totals (Memorandum Only)
	Enterprise	Internal Service	Nonexpendable Trust	
<b>Operating Revenues</b>				
Charges for Services	\$9,331,149	\$441,227	\$0	\$9,772,376
Interest	0	0	148	148
Other	53,272	0	0	53,272
<i>Total Operating Revenues</i>	<u>9,384,421</u>	<u>441,227</u>	<u>148</u>	<u>9,825,796</u>
<b>Operating Expenses</b>				
Personal Services	1,843,636	0	0	1,843,636
Contractual Services	7,662,879	213,680	0	7,876,559
Materials and Supplies	725,431	0	90	725,521
Other	1,268	0	0	1,268
Claims	0	321,335	0	321,335
Depreciation	416,243	0	0	416,243
<i>Total Operating Expenses</i>	<u>10,649,457</u>	<u>535,015</u>	<u>90</u>	<u>11,184,562</u>
<i>Operating Income (Loss)</i>	<u>(1,265,036)</u>	<u>(93,788)</u>	<u>58</u>	<u>(1,358,766)</u>
<b>Non-Operating Revenues (Expenses)</b>				
Equity in Income of Joint Venture	2,050,825	0	0	2,050,825
Interest and Fiscal Charges	(384,239)	0	0	(384,239)
<i>Total Non-Operating Revenues (Expenses)</i>	<u>1,666,586</u>	<u>0</u>	<u>0</u>	<u>1,666,586</u>
<i>Net Income (Loss)</i>	<u>401,550</u>	<u>(93,788)</u>	<u>58</u>	<u>307,820</u>
<i>Retained Earnings/Fund Balance Beginning of Year - Restated (See Note 3)</i>	<u>13,145,273</u>	<u>145,482</u>	<u>3,966</u>	<u>13,294,721</u>
<i>Retained Earnings/Fund Balance End of Year</i>	<u>\$13,546,823</u>	<u>\$51,694</u>	<u>\$4,024</u>	<u>\$13,602,541</u>

See accompanying notes to the general purpose financial statements

**City of Amherst, Ohio**  
*Combined Statement of Cash Flows*  
*All Proprietary Fund Types and Nonexpendable Trust Fund*  
*For the Year Ended December 31, 2001*

	<u>Proprietary Fund Types</u>		<u>Fiduciary Fund Type</u>	Totals (Memorandum Only)
	<u>Enterprise</u>	<u>Internal Service</u>	<u>Nonexpendable Trust</u>	
<b><i>Increase (Decrease) in Cash and Cash Equivalents</i></b>				
<b>Cash Flows from Operating Activities</b>				
Cash Received from Customers	\$9,456,948	\$0	\$0	\$9,456,948
Cash Received from Quasi-External Operating Transactions with Other Funds	0	441,227	0	441,227
Deposits Received	28,027	0	0	28,027
Deposits Returned	(23,462)	0	0	(23,462)
Cash Payments to Employees for Services and Benefits	(1,870,289)	0	0	(1,870,289)
Cash Payments for Goods and Services	(8,536,767)	(213,680)	0	(8,750,447)
Cash Payments for Claims	0	(249,098)	0	(249,098)
Cash Received from Other Operating Revenues	53,272	0	0	53,272
Cash Payments for Other Operating Expenses	(1,268)	0	(90)	(1,358)
<i>Net Cash Used for Operating Activities</i>	<u>(893,539)</u>	<u>(21,551)</u>	<u>(90)</u>	<u>(915,180)</u>
<b>Cash Flows from Capital and Related Financing Activities</b>				
Acquisition of Fixed Assets	(313,431)	0	0	(313,431)
Principal Payments on General Obligation Bonds	(275,000)	0	0	(275,000)
Interest Payments on General Obligation Bonds	(274,849)	0	0	(274,849)
Principal Payments on OPWC Loans	(6,643)	0	0	(6,643)
Principal Payment on Notes	(70,000)	0	0	(70,000)
Interest Payment on Notes	(106,404)	0	0	(106,404)
<i>Net Used for Capital and Related Financing Activities</i>	<u>(1,046,327)</u>	<u>0</u>	<u>0</u>	<u>(1,046,327)</u>
<b>Cash Flows from Investing Activities</b>				
Interest	0	0	148	148
<i>Net Increase (Decrease) in Cash and Cash Equivalents</i>	(1,939,866)	(21,551)	58	(1,961,359)
<i>Cash and Cash Equivalents Beginning of Year</i>	<u>7,060,942</u>	<u>176,153</u>	<u>3,966</u>	<u>7,241,061</u>
<i>Cash and Cash Equivalents End of Year</i>	<u>\$5,121,076</u>	<u>\$154,602</u>	<u>\$4,024</u>	<u>\$5,279,702</u>

(continued)

**City of Amherst, Ohio**  
*Combined Statement of Cash Flows*  
*All Proprietary Fund Types and Nonexpendable Trust Fund (continued)*  
*For the Year Ended December 31, 2001*

	Proprietary Fund Types		Fiduciary Fund Type	Totals
	Enterprise	Internal Service	Nonexpendable Trust	(Memorandum Only)
<b>Reconciliation of Operating Income (Loss) to Net Cash Used for Operating Activities</b>				
<b>Operating Activities</b>				
<i>Operating Income (Loss)</i>	<u>(\$1,265,036)</u>	<u>(\$93,788)</u>	<u>\$58</u>	<u>(\$1,358,766)</u>
Adjustments:				
Depreciation	416,243	0	0	416,243
Interest Received by Nonexpendable Trust Fund	0	0	(148)	(148)
(Increase) Decrease in Assets:				
Accounts Receivable	125,799	0	0	125,799
Materials and Supplies Inventory	(20,129)	0	0	(20,129)
Increase (Decrease) in Liabilities:				
Accounts Payable	(179,474)	0	0	(179,474)
Claims Payable	0	72,237	0	72,237
Contracts Payable	58,051	0	0	58,051
Accrued Wages Payable	2,628	0	0	2,628
Compensated Absences Payable	(67,799)	0	0	(67,799)
Intergovernmental Payable	31,613	0	0	31,613
Customer Deposits	4,565	0	0	4,565
Total Adjustments	<u>371,497</u>	<u>72,237</u>	<u>(148)</u>	<u>443,586</u>
<i>Net Cash Used for Operating Activities</i>	<u>(\$893,539)</u>	<u>(\$21,551)</u>	<u>(\$90)</u>	<u>(\$915,180)</u>
<b>Reconciliation of Cash and Cash Equivalents to Balance Sheet</b>				
Trust and Agency	\$21,518			
Less: Agency Funds	<u>17,494</u>			
Nonexpendable Trust Fund	<u>\$4,024</u>			

See accompanying notes to the general purpose financial statements

**City of Amherst, Ohio**  
*Combined Statement of Revenues, Expenses, and  
Changes in Fund Equity - Budget (Non-GAAP Basis) and Actual  
All Proprietary Fund Types and Nonexpendable Trust Fund  
For the Year Ended December 31, 2001*

	Enterprise Funds			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
<b>Revenues</b>				
Charges for Services	\$9,266,500	\$9,409,900	\$9,456,948	\$47,048
Interest	0	0	0	0
Customer Deposits	30,000	30,000	28,027	(1,973)
Other	0	0	53,272	53,272
<i>Total Revenues</i>	<u>9,296,500</u>	<u>9,439,900</u>	<u>9,538,247</u>	<u>98,347</u>
<b>Expenses</b>				
Current:				
Personal Services	2,063,904	2,284,038	1,870,589	413,449
Contractual Services	8,346,724	8,854,412	7,856,898	997,514
Materials and Supplies	1,378,125	1,499,308	802,966	696,342
Other	4,985	5,401	1,268	4,133
Claims	0	0	0	0
Capital Outlay	1,367,711	1,622,016	943,646	678,370
Debt Service:				
Principal Retirement	323,179	356,643	351,643	5,000
Interest and Fiscal Charges	349,136	381,550	381,253	297
Deposits Returned:				
Refunds	31,919	35,000	23,462	11,538
<i>Total Expenses</i>	<u>13,865,683</u>	<u>15,038,368</u>	<u>12,231,725</u>	<u>2,806,643</u>
<i>Excess of Revenues Under Expenses</i>	(4,569,183)	(5,598,468)	(2,693,478)	2,904,990
<i>Fund Equity Beginning of Year</i>	5,957,495	5,957,495	5,957,495	0
Prior Year Encumbrances Appropriated	1,103,447	1,103,447	1,103,447	0
<i>Fund Equity End of Year</i>	<u>\$2,491,759</u>	<u>\$1,462,474</u>	<u>\$4,367,464</u>	<u>\$2,904,990</u>

(continued)

**City of Amherst, Ohio**  
*Combined Statement of Revenues, Expenses, and  
Changes in Fund Equity - Budget (Non-GAAP Basis) and Actual  
All Proprietary Fund Types and Nonexpendable Trust Fund (continued)  
For the Year Ended December 31, 2001*

	Internal Service Fund			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
<b>Revenues</b>				
Charges for Services	\$600,000	\$600,000	\$441,227	(\$158,773)
Interest	0	0	0	0
Customer Deposits	0	0	0	0
Other	0	0	0	0
<i>Total Revenues</i>	<u>600,000</u>	<u>600,000</u>	<u>441,227</u>	<u>(158,773)</u>
<b>Expenses</b>				
Current:				
Personal Services	0	0	0	0
Contractual Services	300,000	300,000	213,680	86,320
Materials and Supplies	0	0	0	0
Other	0	0	0	0
Claims	300,000	300,000	249,098	50,902
Capital Outlay	0	0	0	0
Debt Service:				
Principal Retirement	0	0	0	0
Interest and Fiscal Charges	0	0	0	0
Deposits Returned:				
Refunds	0	0	0	0
<i>Total Expenses</i>	<u>600,000</u>	<u>600,000</u>	<u>462,778</u>	<u>137,222</u>
<i>Excess of Revenues Under Expenses</i>	0	0	(21,551)	(21,551)
<i>Fund Equity Beginning of Year</i>	176,153	176,153	176,153	0
Prior Year Encumbrances Appropriated	0	0	0	0
<i>Fund Equity End of Year</i>	<u>\$176,153</u>	<u>\$176,153</u>	<u>\$154,602</u>	<u>(\$21,551)</u>

See accompanying notes to the general purpose financial statements

Nonexpendable Trust Fund				Totals (Memorandum Only)			
Original	Final	Actual	Variance with Final Budget Favorable (Unfavorable)	Original	Final	Actual	Variance with Final Budget Favorable (Unfavorable)
\$0	\$0	\$0	\$0	\$9,866,500	\$10,009,900	\$9,898,175	(\$111,725)
0	0	153	153	0	0	153	153
0	0	0	0	30,000	30,000	28,027	(1,973)
0	0	0	0	0	0	53,272	53,272
0	0	153	153	9,896,500	10,039,900	9,979,627	(60,273)
0	0	0	0	2,063,904	2,284,038	1,870,589	413,449
0	0	0	0	8,646,724	9,154,412	8,070,578	1,083,834
0	0	0	0	1,378,125	1,499,308	802,966	696,342
0	0	0	0	4,985	5,401	1,268	4,133
0	0	0	0	300,000	300,000	249,098	50,902
100	100	90	10	1,367,811	1,622,116	943,736	678,380
0	0	0	0	323,179	356,643	351,643	5,000
0	0	0	0	349,136	381,550	381,253	297
0	0	0	0	31,919	35,000	23,462	11,538
100	100	90	10	14,465,783	15,638,468	12,694,593	2,943,875
(100)	(100)	63	163	(4,569,283)	(5,598,568)	(2,714,966)	2,883,602
3,947	3,947	3,947	0	6,137,595	6,137,595	6,137,595	0
0	0	0	0	1,103,447	1,103,447	1,103,447	0
<u>\$3,847</u>	<u>\$3,847</u>	<u>\$4,010</u>	<u>\$163</u>	<u>\$2,671,759</u>	<u>\$1,642,474</u>	<u>\$4,526,076</u>	<u>\$2,883,602</u>





**City of Amherst, Ohio**  
*Notes to the General Purpose Financial Statements*  
*For the Year Ended December 31, 2001*

---

**Note 1 - Description of the City and Reporting Entity**

The City of Amherst (the "City") is a municipal corporation established and operated under the laws of the State of Ohio. The City was first incorporated in 1962. The City provides for a Mayor-Council form of government. Elected officials include eight council members, mayor, law director, auditor, and treasurer.

A reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the City consists of all funds, departments, boards and agencies that are not legally separate from the City. For the City of Amherst, this includes: police and fire protection, the construction and maintenance of highways, streets and infrastructure, recreational activities, family and child health care, senior services, community planning, zoning and development, and water, sewer, electric, and sanitation services.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization's resources; the City is legally obligated or has otherwise assumed the responsibility to finance deficits of, or provide financial support to the organization; or the City is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the City in that the City approves the budget, the issuance of debt, or the levying of taxes. The City has no component units.

The City is associated with the Lorain County General Health District, a jointly governed organization, and the Sandstone Joint Ambulance District and the Ohio Municipal Electric Generation Agency (JV2) joint ventures. These organizations are presented in Notes 18 and 19 of the General Purpose Financial Statements.

**Note 2 - Summary of Significant Accounting Policies**

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

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

The City uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain City functions or activities.

A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations. An account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

**City of Amherst, Ohio**  
*Notes to the General Purpose Financial Statements*  
*For the Year Ended December 31, 2001*

---

For financial statement presentation purposes, the various funds of the City are grouped into the following generic fund types under the broad fund categories: governmental, proprietary and fiduciary.

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

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

***Special Revenue Funds*** These funds are established to account for the proceeds of specific revenue sources (other than amounts relating to major capital projects) that are legally restricted to expenditures for specified purposes.

***Debt Service Fund*** This fund is used to account for the accumulation of financial resources for, and the payment of general long-term debt principal, interest and related cost.

***Capital Projects Funds*** These funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities.

***Proprietary Fund Types*** The 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 following are the City's proprietary fund types:

***Enterprise Funds*** The enterprise funds are used to account for the City's water, sewer and electric operations. They are financed and operated in a manner similar to private sector business enterprises where the intent 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 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 Fund*** The internal service fund is used to account for the financing of services provided by one department or agency to other departments or agencies of the City on a cost-reimbursement basis.

***Fiduciary Fund Types*** Fiduciary funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governmental units and other funds. These include nonexpendable trust and agency funds.

***Nonexpendable Trust Fund*** The nonexpendable trust fund is accounted for in essentially the same manner as proprietary funds.

***Agency Funds*** Agency funds are purely custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

**City of Amherst, Ohio**  
*Notes to the General Purpose Financial Statements*  
*For the Year Ended December 31, 2001*

---

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

**General Fixed Assets Account Group** The general fixed assets account group is used to account for fixed assets other than those accounted for in the proprietary funds.

**General Long-Term Obligations Account Group** The general long-term obligations account group is used to account for all unmatured long-term obligations of the City that are not a specific liability of the proprietary funds.

**B. Measurement Focus and Basis of Accounting**

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

All proprietary funds and the nonexpendable trust fund are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Fund equity (i.e., net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund type operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net total assets.

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made.

The modified accrual basis of accounting is followed for the governmental and agency funds. The full accrual basis of accounting is followed for the proprietary funds and the nonexpendable trust fund.

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

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlements and donations. On an accrual basis, revenue from income taxes is recognized in the period in which the income is earned. Revenue from property taxes is recognized in the fiscal year for which the tax is levied. (See Note 7) Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year-end: income taxes, state-levied locally shared taxes, interest, grants, fees and rentals.

**City of Amherst, Ohio**  
*Notes to the General Purpose Financial Statements*  
*For the Year Ended December 31, 2001*

---

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

Property taxes for which there is an enforceable legal claim as of December 31, 2001, but which were levied to finance year 2002 operations, have been recorded as deferred revenue. Grants and entitlements received before eligibility requirements are met are also recorded as deferred revenue. On the modified accrual basis, receivables that will not be collected within the available period have also been reported as deferred revenue.

On the accrual basis of accounting, expenses are recognized at the time they are incurred.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

**C. Budgetary Process**

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriation ordinance, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriations ordinance are subject to amendment throughout the year with the legal restriction that the fund appropriations cannot exceed estimated resources, as certified. All funds, other than agency funds, are required to be budgeted and appropriated. The legal level of budgetary control is at the object level within each department. Budgetary modifications may only be made by resolution of the City Council at the legal level of control.

**Tax Budget** During the first Council meeting in July, the Mayor presents the annual operating budget for the following fiscal year to City Council for consideration and passage. The adopted budget is submitted to the County Auditor, as Secretary of the County Budget Commission, by July 20 of each year, for the period January 1 to December 31 of the following year.

**Estimated Resources** The County Budget Commission determines if the budget substantiates a need to levy all or part of previously authorized taxes and reviews estimated revenue. The 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 expenditures from any fund during the ensuing fiscal year will not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriation ordinance. On or about January 1, the certificate of estimated resources is amended to include unencumbered fund balances at December 31 of the preceding year. The certificate may be further amended during the year if the City Auditor determines, and the Budget Commission agrees, that an estimate needs to be either increased or decreased. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported on the budgetary statements as final budgetary amounts reflect the amounts in the final amended official certificate of estimated resources issued during 2001.

**Appropriations** A temporary appropriation ordinance to control expenditures may be passed on or about January 1 of each year for the period January 1 to March 31. An annual appropriation ordinance must be passed by April 1 of each year for the period January 1 to December 31. The appropriation ordinance fixes spending authority at the fund, department and object level. The appropriation ordinance may be amended during the year as new information becomes available. Total fund appropriations may not exceed current estimated resources, as certified. The allocation of appropriations among departments and objects within a

**City of Amherst, Ohio**  
*Notes to the General Purpose Financial Statements*  
*For the Year Ended December 31, 2001*

---

fund may be modified during the year only by an ordinance of Council. During the year, several supplemental appropriation measures were passed. None, however, were significant in amount. The amounts reported as the original budgeted amounts reflect the first appropriation resolution for that fund that covered the entire year, including amounts automatically carried forward from prior years. The budget figures which appear in the statements of budgetary comparisons represent the final appropriation amounts, including all amendments and modifications.

***Encumbrances*** As part of formal budgetary control, purchase orders, contracts, and other commitments for the expenditure of monies are recorded as the equivalent of expenditures on the non-GAAP budgetary basis in order to reserve that portion of the applicable appropriation and to determine and maintain legal compliance. The Ohio Revised Code prohibits expenditures plus encumbrances from exceeding appropriations at the object level within each department. On the GAAP basis, encumbrances outstanding at year end are reported as a reservation of fund balance for subsequent year expenditures for governmental fund types and disclosed in the notes to the financial statements for proprietary funds and the nonexpendable trust fund.

***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 year and is not reappropriated

***D. Cash and Cash Equivalents***

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

During 2001, investments were limited to State Treasury Asset Reserve of Ohio (STAROhio). STAROhio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAROhio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAROhio are valued at STAROhio's share price which is the price the investment could be sold for on December 31, 2001.

Investment procedures are restricted by the provisions of the Ohio Revised Code. Interest revenue credited to the general fund during 2001 amounted to \$693,700, which includes \$116,272 assigned from other City funds.

The City has segregated bank accounts for monies held separate from the City's central bank account. These depository accounts are presented in the Combined Balance Sheet as "cash and cash equivalents in segregated accounts."

For purposes of presentation on the combined balance sheet, investments of the cash management pool and investments with original maturities of three months or less at the time they are purchased by the City are considered to be cash equivalents. Investments not purchased from the pool with an initial maturity of more than three months are reported as investments.

**City of Amherst, Ohio**  
*Notes to the General Purpose Financial Statements*  
*For the Year Ended December 31, 2001*

---

***E. Interfund Assets and Liabilities***

Receivables and payables resulting from transactions between funds for services provided or goods received are classified as "due from other funds" or "due to other funds" on the balance sheet. Short-term interfund loans are classified as "interfund receivables/payables."

***F. Inventory***

Inventories of governmental funds are stated at cost while inventories of proprietary funds are stated at the lower of cost or market. For all funds, cost is determined on a first-in, first-out basis. Inventory in governmental funds consists of expendable supplies held for consumption. The costs of inventory items are recorded as expenditures in the governmental fund types when purchased. Reported materials and supplies inventory is equally offset by a fund balance reserve in the governmental funds which indicates that it does not constitute available spendable resources even though it is a component of net current assets. Inventories of proprietary funds consist of expendable supplies and are expensed when used.

***G. Restricted Assets***

Customer deposits have been reported as restricted assets because the deposit remains the property of the customer. The restricted assets account is balanced by a customer deposits payable liability account to demonstrate the fiduciary relationship with the customers.

***H. Fixed Assets and Depreciation***

General fixed assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisition and construction are reflected as expenditures in governmental funds, and the related assets are reported in the general fixed assets account group. Fixed assets utilized in the proprietary funds are capitalized in those funds.

All purchased fixed assets are valued at cost when historical records are available and at an estimated historical cost when no historical records exist. Donated fixed assets are valued at their estimated fair market value on the date received.

Improvements are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Interest incurred during the construction of general fixed assets is also not capitalized.

Public domain ("infrastructure") general fixed assets consisting of roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems are not capitalized, as these assets are immovable and of value only to the City.

Assets in the general fixed assets account group are not depreciated. Depreciation for the proprietary fund type is computed using the straight-line method over an estimated useful life. Improvements to fund fixed assets are depreciated over the remaining useful lives of the related fund fixed assets. The lives used are as follows:

**City of Amherst, Ohio**  
*Notes to the General Purpose Financial Statements*  
*For the Year Ended December 31, 2001*

---

Buildings	25 years
Improvements other than buildings	15 - 70 years
Machinery and equipment	3 - 20 years
Vehicles	3 years

Interest is capitalized on proprietary fund fixed assets acquired with tax-exempt debt. The City's policy is to capitalize net interest on construction projects until substantial completion of the project. The amount of capitalized interest equals the difference between the interest cost associated with the tax-exempt borrowing used to finance the project from the date of borrowing until completion of the project and the interest earned from temporary investment of the debt proceeds over the same period. Capitalized interest is amortized on the straight-line basis over the estimated useful life of the asset. For 2001, interest incurred on proprietary fund construction projects was immaterial.

***I. Compensated Absences***

The liability for compensated absences is based on the provisions of Governmental Accounting Standards Board Statement No. 16, "Accounting for Compensated Absences." Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means. Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those the City has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employees' wage rates at fiscal year end, taking into consideration any limits specified in the City's termination policy.

For governmental funds, the current portion of unpaid compensated absences is the amount expected to be paid using expendable available resources. These amounts are recorded in the account "compensated absences payable" in the fund from which the employees who have accumulated unpaid leave are paid. The remainder is reported in the general long-term obligations account group. In proprietary funds, the entire amount of compensated absences is reported as a fund liability.

***J. Accrued Liabilities and Long-Term Obligations***

In general, governmental fund payables and accrued liabilities are reported as obligations of the funds regardless of whether they will be liquidated with current resources. However, claims and judgements, compensated absences, and contractually required pension contributions that will be paid from governmental funds are reported as a liability in the general long-term obligations account group to the extent that they will not be paid with current expendable available financial resources. Payments made more than thirty days after year end are generally considered not to have been paid with current available financial resources. Bonds, long-term loans and capital leases are recognized as a liability of the general long-term obligations account group until due.

Long-term debt and other obligations financed by proprietary funds are reported as liabilities in the appropriate proprietary funds.

**City of Amherst, Ohio**  
*Notes to the General Purpose Financial Statements*  
*For the Year Ended December 31, 2001*

---

***K. Fund Equity***

Reservations of fund balances are established to identify the existence of assets that, because of their nonmonetary nature or lack of liquidity, represent financial resources not available for current appropriation or expenditures, including amounts legally segregated for a specific future use. Fund balances are reserved for inventories of supplies and materials, encumbrances, and contributions. Contributions indicate that the principal is legally restricted.

***L. Interfund Transactions***

Quasi-external transactions are accounted for as revenues and expenditures/expenses. Transactions that constitute reimbursements to a fund for expenditures or expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

***M. Estimates***

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

***N. Memorandum Only - Total Columns***

Totals columns on the general purpose financial statements are captioned "Totals (Memorandum Only)" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position or results of operations in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

**Note 3 – Change in Accounting Principles and Restatement of Prior Year Fund Equity**

For the year ended December 31, 2001, the City has implemented GASB Statement No. 33, "Accounting and Financial Reporting for Nonexchange Transactions", and GASB Statement No. 36, "Recipient Reporting for Certain Shared Nonexchange Revenues." The implementation of these statements had no effect on fund balance as of December 31, 2000 as previously reported.

The City implemented a new fixed asset policy which increases the capitalization threshold from \$1,000 to \$5,000. This decreased the balance in the general fixed assets account group by \$766,520 from \$9,201,664 to \$8,435,144. This also decreased the retained earnings in the enterprise funds by \$1,614,285 from \$14,759,538 to \$13,145,273.



**City of Amherst, Ohio**  
*Notes to the General Purpose Financial Statements*  
*For the Year Ended December 31, 2001*

---

**Note 4 – Compliance**

The following funds had original appropriations in excess of original estimated resources plus available balances for 2001, contrary to Ohio Revised Code, Section 5705.39:

Fund	Estimated Resources	Appropriations	Excess
<b>Special Revenue Fund</b>			
Park	\$111,582	\$115,000	\$3,418
Local Law Enforcement	0	2,377	2,377
<b>Capital Projects Funds</b>			
CDBG Improvements	174,914	178,000	3,086
Issue II Improvement	1,621,472	1,967,417	345,945

**Note 5 - Budgetary Basis Of Accounting**

While reporting financial position, results of operations, and changes in fund balance on the basis of generally accepted accounting principles (GAAP basis), the budgetary basis as provided by law is based upon accounting for transactions on a basis of cash receipts, disbursements and encumbrances.

The Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget (Non-GAAP Basis) and Actual - All Governmental Fund Types and the Combined Statement of Revenues, Expenses and Changes in Fund Equity - Budget (Non-GAAP Basis) and Actual - Proprietary Fund Types and Nonexpendable Trust Fund are presented on the budgetary basis to provide a relevant comparison of actual results with the budget and to demonstrate compliance with State statute.

The major differences between the budget basis and the GAAP basis are:

1. Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).
2. Expenditures/expenses are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).
3. Outstanding year end encumbrances are treated as expenditures/expenses (budget) rather than as a reservation of fund balance for governmental fund types and as note disclosure in the proprietary funds and nonexpendable trust fund (GAAP).
4. Short-term note proceeds and note principal retirement for governmental funds and all debt principal retirement for the proprietary funds and nonexpendable trust fund are operating transactions (budget) as opposed to balance sheet transactions (GAAP).
5. For the proprietary fund, the acquisition and construction of capital assets are reported on the operating statement (budget) rather than as a balance sheet transaction (GAAP).

**City of Amherst, Ohio**  
*Notes to the General Purpose Financial Statements*  
*For the Year Ended December 31, 2001*

6. Unrecorded cash, which consists of unrecorded interest, is not reported by the City on the operating statements (budget), but is reported on the GAAP basis operating statements.

The following tables summarize the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements on a fund type basis:

Excess of Revenues and Other Financing Sources  
Over (Under) Expenditures and Other Financing Uses  
All Governmental Fund Types

	General	Special Revenue	Debt Service	Capital Projects
GAAP Basis	\$241,282	\$129,414	\$51,142	\$366,683
Net Adjustment for Revenue Accruals	(16,446)	(152,683)	0	(11,018)
Proceeds of Notes	315,000	0	0	0
Advance In	0	400,000	0	0
Unrecorded Interest	67,612	80	0	0
Net Adjustment for Expenditure Accruals	(110,957)	90,330	0	141,680
Advance Out	(400,000)	0	0	0
Encumbrances	(179,905)	(183,308)	0	(1,094,803)
Budget Basis	<u>(\$83,414)</u>	<u>\$283,833</u>	<u>\$51,142</u>	<u>(\$597,458)</u>

Net Income (Loss)/Excess of Revenues Over Expenses – All Proprietary Funds  
And Nonexpendable Trust Fund

	Enterprise	Internal Service	Nonexpendable Trust
GAAP Basis	\$401,550	(\$93,788)	\$58
Net Adjustment for Revenue Accruals	153,826	0	0
Equity in Income of Joint Venture	(2,050,825)	0	0
Unrecorded Interest	0	0	5
Net Adjustment for Expense Accruals	(547,229)	72,237	0
Acquisition of Fixed Assets	(313,431)	0	0
Depreciation	416,243	0	0
Encumbrances	(753,612)	0	0
Budget Basis	<u>(\$2,693,478)</u>	<u>(\$21,551)</u>	<u>\$63</u>

**City of Amherst, Ohio**  
*Notes to the General Purpose Financial Statements*  
*For the Year Ended December 31, 2001*

---

**Note 6 - Deposits and Investments**

State statutes classify monies held by the City into three categories.

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

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

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts including passbook accounts.

Protection of the City's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, by surety company bonds deposited with the finance director by the financial institution or by a single collateral pool established by the financial institution to secure the repayment of all public monies deposited with the institution.

Interim monies may be deposited or invested in the following securities:

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

**City of Amherst, Ohio**  
*Notes to the General Purpose Financial Statements*  
*For the Year Ended December 31, 2001*

---

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the City, and must be purchased with the expectation that it will be held to maturity.

Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the treasurer or, if the securities are not represented by certificate, upon receipt of confirmation of transfer from the custodian.

The following information classifies deposits and investments by categories of risk as defined in GASB Statement 3, "Deposits with Financial Institutions, Investments (including Repurchase Agreements), and Reverse Repurchase Agreements."

**Cash on Hand.** At year end, the City had \$1,000 in undeposited cash on hand which is included on the balance sheet as part of "equity in pooled cash and cash equivalents."

**Deposits** At year-end, the carrying amount of the City's deposits was \$294,556 and the bank balance was \$720,452. Of the bank balance:

1. \$100,000 was covered by federal depository insurance.
2. \$620,452 was uncollateralized and uninsured. Although the securities were held by the pledging financial institutions trust department or agent in the City's name and all State statutory requirements for the investment of money had been followed, noncompliance with federal requirements could potentially subject the City to a successful claim by the FDIC.

**Investments** The City's investments are required to be categorized to give an indication of the level of risk assumed by the City at year end. Category 1 includes investments that are insured or registered or are held by the City or its agent in the City's name. Category 2 includes uninsured and unregistered investments which 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. The STAROhio is unclassified since it is not evidenced by securities that exist in physical or book entry form.

	Fair Value
	<hr/>
STAROhio	<u>\$16,582,716</u>

**City of Amherst, Ohio**  
*Notes to the General Purpose Financial Statements*  
*For the Year Ended December 31, 2001*

---

A reconciliation between the classifications of cash and investments on the combined financial statements and the classification per GASB Statement No. 3 is as follows:

	Cash and Cash Equivalents	Investments
GASB Statement No. 9	\$16,878,272	\$0
Cash on Hand	(1,000)	0
Investment: STAROhio	(16,582,716)	16,582,716
GASB Statement No. 3	\$294,556	\$16,582,716

**Note 7 – Receivables**

Receivables at December 31, 2001, consisted of taxes, accounts (e.g., billings for user charged services, including unbilled utility services), and intergovernmental receivables arising from grants, entitlements, or shared revenues. All receivables are considered fully collectible.

**A. Property Taxes**

Property taxes include amounts levied against all real, public utility and tangible personal property located in the City. Property tax revenue received during 2001 for real and public property taxes represents collections of 2000 taxes. Property tax payments received during 2001 for tangible personal property (other than public utility property) are for 2001 taxes.

2001 real property taxes are levied after October 1, 2001, on the assessed value as of January 1, 2001, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2001 real property taxes are collected in and intended to finance 2002.

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2001 public utility property taxes which became a lien December 31, 2000, are levied after October 1, 2001, and are collected in 2002 with real property taxes.

2001 tangible personal property taxes are levied after October 1, 2000, on the values as of December 31, 2000. Collections are made in 2001. Tangible personal property assessments are 25 percent of true value.

The full tax rate for all City operations for the year ended December 31, 2001, was \$6.13 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon with 2001 property tax receipts income were based are as follows:

**City of Amherst, Ohio**  
*Notes to the General Purpose Financial Statements*  
*For the Year Ended December 31, 2001*

---

Category	Assessed Value
Real Property	\$231,059,630
Public Utility Tangible	5,692,860
Tangible Personal	18,953,000
<i>Total</i>	\$255,705,490

Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits later payment dates to be established.

Tangible personal property taxes paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30, with the remainder payable at September 20.

The County Treasurer collects property taxes on behalf of all taxing districts in the county, including the City of Amherst. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes receivable represent real and tangible personal property taxes, public utility taxes and outstanding delinquencies which are measurable as of December 31, 2001 and for which there is an enforceable legal claim. Although total property tax collections for the next year are measurable, amounts to be received during the available period are not subject to reasonable estimation at December 31, nor were they levied to finance 2001 operations. The receivable is offset by deferred revenue.

***B. Income Taxes***

The City levies a municipal income tax of one and one half percent on substantially all income earned within the City; in addition, residents are required to pay tax on income earned outside of the City. The City allows a credit of one percent of the income taxed by another taxing entity.

Employers within the City are required to withhold income tax on employee compensation and remit the tax to the City either monthly or quarterly. Corporations and other individual taxpayers are required to pay their estimated tax quarterly and file a declaration annually. Income tax proceeds were credited to the general fund and the street improvement income tax capital projects fund.

**City of Amherst, Ohio**  
*Notes to the General Purpose Financial Statements*  
*For the Year Ended December 31, 2001*

---

**C. Intergovernmental Receivables**

A summary of the principal items of intergovernmental receivables follows:

	Amount
General Fund	\$136,166
<b>Special Revenue Funds</b>	
Street Construction Maintenance and Repair	111,422
State Highway	7,927
Street Construction Maintenance and Repair Permissive	31,271
Chips Grant	21,269
CDBG Downtown	8,951
<i>Total Special Revenue Funds</i>	180,840
Bond Retirement Fund	15,092
<b>Capital Projects Funds</b>	
Fire Apparatus Levy	10,180
CDBG Improvements	175,000
<i>Total Capital Projects Funds</i>	185,180
<i>Total</i>	\$517,278

**Note 8 - Fixed Assets**

**A. General Fixed Assets**

The changes in general fixed assets during 2001 were as follows:

	Balance 12/31/2000	Additions	Reductions	Balance 12/31/2001
Land	\$800,849	\$328,590	\$0	\$1,129,439
Buildings	4,487,979	674,167	0	5,162,146
Improvements other than Buildings	833,129	185,765	0	1,018,894
Machinery and Equipment	949,618	311,740	0	1,261,358
Vehicles	1,363,569	96,682	0	1,460,251
<i>Total</i>	\$8,435,144	\$1,596,944	\$0	\$10,032,088

**City of Amherst, Ohio**  
*Notes to the General Purpose Financial Statements*  
*For the Year Ended December 31, 2001*

---

***B. Proprietary Fund Fixed Assets***

All fund fixed assets relate to the Water, Sewer and Electric enterprise funds. The balances as of December 31, 2001, for the funds were as follows:

	Enterprise
Land	\$52,000
Buildings	7,049,511
Improvements Other Than Buildings	53,484
Machinery and Equipment	11,833,252
Vehicles	519,943
 Total	 19,508,190
 Less Accumulated Depreciation	 (5,908,942)
 <i>Net Fixed Assets</i>	 <i>\$13,599,248</i>

**Note 9 - Contingent Liabilities**

The City of Amherst is a party to legal proceedings seeking damages. The City management is of the opinion that ultimate disposition of these claims and legal proceedings will not have a material effect, if any, on the financial condition of the City.

**Note 10 - Compensated Absences**

The criteria for determining vacation and sick leave liabilities are derived from negotiated agreements and State laws. Employees earn five to thirty-five days of vacation per year, depending upon length of service. Earned, unused vacation time is paid upon termination of employment.

All employees earn 4.6 hours of sick leave per each completed bi-weekly pay period in active status. Sick leave accrual is continuous, without limit. The payment of accrued sick leave to a retired employee is specified in the employee's legislated contract. At the present time, the various contracts for the City's employees stipulate that a retiring employee may receive payment for anywhere from a minimum of one-quarter of unused sick hours to a maximum of one thousand hours of accrued sick leave depending upon the employee's department and longevity.

As of December 31, 2001, the liability for unpaid compensated absences was \$248,947 for the entire City.

**Note 11 - Risk Management**

***A. Property and Liability***

The City of Amherst is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disaster. During 2001, the City contracted with a private insurance carrier for various types of insurance as follows:



**City of Amherst, Ohio**  
*Notes to the General Purpose Financial Statements*  
*For the Year Ended December 31, 2001*

---

Company	Type	Coverage
Arrowhead Public Risk	General Liability	\$1,000,000 per occurrence 2,000,000 general aggregate
	Property	32,572,930
	Automobile Fleet Liability	1,000,000 per occurrence
	Employer's Liability	1,000,000 per occurrence
	Employee Benefits Liability	1,000,000 / 3,000,000
	Police Professional	1,000,000 / 3,000,000
	Public Officials Liability	1,000,000 / 1,000,000
	Umbrella Liability	10,000,000

The City carries commercial insurance coverages for all risks. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years and there were no significant reductions in coverage from the prior year.

***B. Workers' Compensation***

Workers' Compensation coverage is provided by the State. The City pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

***C. Medical***

The City has elected to provide employees' major medical, hospitalization, prescription, and dental coverage through a self-insured program. The City maintains a self-insurance internal service fund to account for and finance its uninsured risks of loss in this program. Employees who are members of the AFSCME union also receive vision coverage. Patrolmen were given vision coverage through AFSCME in addition to union members. All are subject to the deductible. The third party administrators review and pay all claims on behalf of the City. Over 50% of covered employees are in a preferred provider medical plan with no annual deductible. The remaining covered employees are in a traditional medical plan with a \$200-per-year individual deductible and a \$400-per-year family deductible. The dental plan has a \$50-per-year individual deductible and a \$150-per-year family deductible. The City purchases a stop-loss coverage of \$201,178 in aggregate per employee.

The claims liability of \$102,908 as estimated by the third party administrator and reported in the Health Insurance internal service fund at December 31, 2001, is based on the requirements of GASB Statement No. 30 which requires a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported 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. The estimate was not affected by incremental claims adjustment expenses and does not include other allocated or unallocated claim adjustment expenses. Changes in the funds claims liability amount in 1999 through 2001 were as follows:

**City of Amherst, Ohio**  
*Notes to the General Purpose Financial Statements*  
*For the Year Ended December 31, 2001*

	<u>Balance at Beginning of Year</u>	<u>Current Year Claims</u>	<u>Claim Payments</u>	<u>Balance at End of Year</u>
1999	\$65,215	\$300,253	\$331,940	\$33,528
2000	33,528	223,183	226,040	30,671
2001	30,671	321,335	249,098	102,908

**Note 12 - Capital Leases**

In prior years, the City entered into capitalized leases for the acquisition of copiers and a postage machine. In 2001, the City entered into a lease for a sewer cleaner. Each lease meet the criteria of a capital lease as defined by Statement of Financial Accounting Standards No. 13, "Accounting for Leases", which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee. General fixed assets consisting of equipment have been capitalized in the sewer enterprise fund and the general fixed assets account group in the amounts of \$132,160 and \$162,392, respectively. Capital lease payments have been reclassified and are reflected as debt service in the general purpose financial statements for the governmental funds. These expenditures are reflected as program/function expenditures on a budgetary basis. During 2001, no depreciation was expensed due to this being the first year of inception of the lease.

The following is a schedule of the future minimum lease payments required under the capital leases and the present value of the minimum lease payments as of December 31, 2001.

<u>Year</u>	<u>General Long-Term Obligations Account Group</u>	<u>Enterprise</u>
2002	\$34,430	\$29,593
2003	34,428	29,593
2004	34,428	29,593
2005	31,031	29,593
Total	134,317	118,372
Less Amount Representing Interest	(17,238)	(15,805)
Present Value of Net Minimum Lease Payments	<u>\$117,079</u>	<u>\$102,567</u>

**City of Amherst, Ohio**  
*Notes to the General Purpose Financial Statements*  
*For the Year Ended December 31, 2001*

**Note 13 - Long-Term Obligations**

Changes in long-term obligations of the City during 2001 are as follows:

	Balance 12/31/00	Additions	Deletions	Balance 12/31/01
<b>General Long-Term Obligations</b>				
<b>General Obligation Bonds</b>				
1979 7.0%				
Jackson and Quarry Bridge Various	\$52,000	\$0	\$13,000	\$39,000
1993 7.0%				
Police and Jail Facility	2,470,000	0	90,000	2,380,000
1998 3.5 - 4.55%				
Capital Purpose	505,000	0	20,000	485,000
<i>Total General Obligation Bonds</i>	<u>3,027,000</u>	<u>0</u>	<u>123,000</u>	<u>2,904,000</u>
2000 0.0%				
OPWC Loans	22,500	0	5,000	17,500
Capital Leases	19,278	132,160	34,359	117,079
Intergovernmental Payable	44,767	46,737	44,767	46,737
Compensated Absences	194,448	0	38,271	156,177
<i>Total General Long-Term Obligations</i>	<u>3,307,993</u>	<u>178,897</u>	<u>245,397</u>	<u>3,241,493</u>
<b>Proprietary Fund Obligations</b>				
<b>General Obligation Bonds</b>				
1999 4.55%				
Water Capital Purpose Bonds	1,085,000	0	40,000	1,045,000
1993 5.36%				
Sewer Refunding Bonds	1,515,000	0	95,000	1,420,000
1999 4.55%				
Sewer Capital Purpose Bonds	780,000	0	30,000	750,000
1993 5.36%				
Electric Refunding Bonds	915,000	0	55,000	860,000
1999 4.55%				
Water Capital Purpose Bonds	1,345,000	0	55,000	1,290,000
<i>Total General Obligation Bonds</i>	<u>5,640,000</u>	<u>0</u>	<u>275,000</u>	<u>5,365,000</u>
1998 0.0%				
OPWC Loans	116,252	0	6,643	109,609
Capital Lease	0	132,160	29,593	102,567
Compensated Absences	149,886	0	67,799	82,087
<i>Total Proprietary Fund Obligations</i>	<u>5,906,138</u>	<u>132,160</u>	<u>379,035</u>	<u>5,659,263</u>
<i>Total Long-Term Obligations</i>	<u>\$9,214,131</u>	<u>\$311,057</u>	<u>\$624,432</u>	<u>\$8,900,756</u>

**City of Amherst, Ohio**  
*Notes to the General Purpose Financial Statements*  
*For the Year Ended December 31, 2001*

General obligation bonds and the OPWC loan, other than the enterprise general obligation bonds and OPWC loans, are the direct obligation of the City and will be paid from the general bond retirement debt service fund using property tax revenues. Compensated absences will be paid from the fund from which the employees' salaries are paid. The intergovernmental payable represents contractually required pension contributions paid outside the available period and will be paid from the fund from which the pension is paid. The capital leases reported in the general long-term obligations account group will be paid from the general fund and the street construction maintenance and repair special revenue fund.

The water, sewer, and electric enterprise funds general obligation bonds and OPWC loan will be repaid from the respective pledged revenues. The City pledges the full faith and credit and taxing ability of the City in the event that the enterprise funds' revenues are not sufficient to meet the debt principal and interest requirements.

The City's overall legal debt margin was \$24,112,109 at December 31, 2001. The unvoted legal debt margin was \$11,326,835.

The following is a summary of the City's future annual principal and interest requirements to retire general obligation and OPWC long-term obligations.

	General Obligation Bonds	OPWC Loans	Total
2002	\$811,770	\$11,642	\$823,412
2003	813,985	11,642	825,627
2004	809,995	11,642	821,637
2005	802,000	9,142	811,142
2006-2010	3,982,167	33,213	4,015,380
2011-2015	3,164,274	33,213	3,197,487
2016-2020	1,555,630	16,615	1,572,245
Total Principal and Interest	11,939,821	127,109	12,066,930
Less: Interest	(3,670,821)	0	(3,670,821)
Total Principal	\$8,269,000	\$127,109	\$8,396,109

**Note 12 - Notes Payable**

Changes in the notes payable are as follows:

	Outstanding 12/31/00	Additions	Deletions	Outstanding 12/31/01
<b>General Fund</b>				
2001 3.85%				
Real Estate Acquisition	\$0	\$315,000	\$0	\$315,000
<b>Electric Fund</b>				
2000 2.30% AMP-Ohio				
Electric System Improvements	2,200,000	0	70,000	2,130,000
<i>Total</i>	\$2,200,000	\$315,000	\$70,000	\$2,445,000

**City of Amherst, Ohio**  
*Notes to the General Purpose Financial Statements*  
*For the Year Ended December 31, 2001*

---

All the notes are backed by the full faith and credit of the City of Amherst and mature within one year. The note liability is reflected in the fund which received the proceeds.

**Note 14 - Defined Benefit Pension Plans**

***A. Public Employees Retirement***

All full-time employees, other than non-administrative full-time police officers and firefighters, participate in the Public Employees Retirement System of Ohio (PERS), a cost-sharing multiple-employer public employee retirement system administered by the Public Employees Retirement Board. PERS provides basic retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. Benefits are established by Chapter 145 of the Ohio Revised Code. PERS issues a stand-alone financial report which may be obtained by writing to the Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642.

Plan members are required to contribute 8.5 percent of their annual covered salary to fund pension obligations. The 2001 employer pension contribution rate for the City was 9.25 percent of covered payroll, increased from 6.54 percent in 2000. For 2000, PERS instituted a temporary employer rate rollback for state and local governments. Contributions are authorized by State statute. The contribution rates are determined actuarially. The City's required contributions to PERS for the years ended December 31, 2001, 2000, and 1999 were \$253,156, \$160,860, and \$290,613, respectively. The full amount has been contributed for 2000 and 1999. 76.09 percent has been contributed for 2001, with the remainder being reported as a liability in the general long-term obligations account group.

***B. Ohio Police and Fire Pension Fund***

The City contributes to the Ohio Police and Fire Pension Fund (OP&F), a cost-sharing multiple employer public employee retirement system administered by the OP&F's Board of Trustees. OP&F provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by the Ohio State Legislature and by Chapter 742 of the Ohio Revised Code. OP&F issues a publicly available financial report that includes financial information and required supplementary information. That report may be obtained by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215 - 5164.

Police and firefighters are required to contribute 10 percent of their annual covered salary to fund pension obligations and the City is required to contribute 12 percent for police and 16.5 percent for firefighters. For 2000, the City contributions were 12.25 percent for police and 16.75 percent for firefighters. Contributions are authorized by State statute. The City's contributions to the OP&F for police were \$114,384 for the year ended December 31, 2001, \$104,802 for the year ended December 31, 2000 and \$162,408 for the year ended December 31, 1999. The full amount has been contributed for 2000 and 1999. 72.39 percent have been contributed for 2001, with the remainder being reported as a liability in the general long-term obligations account group.

***C. Social Security System***

Effective July 1, 1991, all employees not otherwise covered by the Public Employees Retirement System or the Police and Fire Pension Fund are covered by Social Security. As of December 31, 1998, the City's volunteer firefighters are covered by Social Security. The City's liability is 6.2 percent of wages paid.

**City of Amherst, Ohio**  
*Notes to the General Purpose Financial Statements*  
*For the Year Ended December 31, 2001*

---

**Note 15 – Postemployment Benefits**

***A. Public Employees Retirement System (PERS)***

The Public Employees Retirement System of Ohio (PERS) provides postretirement health care coverage to age and service retirees with ten or more years of qualifying Ohio service credit. Health care coverage for disability recipients and primary survivor recipients is available. The health care coverage provided by the retirement system is considered an Other Postemployment Benefit as described in GASB Statement No. 12. A portion of each employer's contribution to PERS is set aside for the funding of postretirement health care based on authority granted by State statute. The 2001 employer contribution rate was 13.55 percent of covered payroll; 4.30 percent was the portion that was used to fund health care for 2001. For 2000, the contribution rate was 10.84 percent of covered payroll; 4.30 percent was the portion that was used to fund health care.

Benefits are advance-funded using the entry age normal cost method. Significant actuarial assumptions, based on PERS's latest actuarial review performed as of December 31, 2000, include a rate of return on investments of 7.75 percent, an annual increase in active employee total payroll of 4.75 percent compounded annually (assuming no change in the number of active employees) and an additional increase in total payroll of between .54 percent and 5.1 percent based on additional annual pay increases. Health care premiums were assumed to increase 4.75 percent annually.

All investments are carried at market. For actuarial valuation purposes, a smoothed market approach is used. Assets are adjusted to reflect 25 percent of unrealized market appreciation or depreciation on investment assets.

The number of active contributing participants was 411,076. The City's actual contributions for 2001 which were used to fund postemployment benefits were \$117,683. The actual contribution and the actuarially required contribution amounts are the same. PERS's net assets available for payment of benefits at December 31, 2000, (the latest information available) were \$11,735.9 million. The actuarially accrued liability and the unfunded actuarial accrued liability were \$14,364.6 million and \$2,628.7 million, respectively.

***B. Ohio Police and Fire Pension Fund***

The Ohio Police and Fire Pension Fund (OP&F) provides postretirement 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 school full-time or on a 2/3 basis.

The health care coverage provided by the retirement system is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 12. The Ohio Revised Code provides the authority allowing the Ohio Police and Fire Pension Fund's board of trustees to provide health care coverage and states that health care costs paid from the Ohio Police and Fire Pension Fund shall be included in the employer's contribution rate. Health care funding and accounting is on a pay-as-you-go basis. The total police employer contribution is 19.5 percent of covered payroll and the total firefighter employer contribution rate is 24 percent of covered payroll, of which 7.5 percent of covered payroll was applied to the postemployment health care program during 2001. For 2000 the percent used to fund healthcare was 7.25 percent. In addition, since July 1, 1992, most retirees have been required to contribute a portion of the cost of their health care coverage through a deduction from their monthly benefit payment.

The City's actual contributions for 2001 that were used to fund postemployment benefits were \$71,490 for police. The OP&F's total health care expense for the year ended December 31, 2000, (the latest information available) was \$106,160,054, which was net of member contributions of \$5,657,431. The number of OP&F participants eligible to receive health care benefits as of December 31, 2000, was 12,853 for police and 10,037 for firefighters.

**City of Amherst, Ohio**  
*Notes to the General Purpose Financial Statements*  
*For the Year Ended December 31, 2001*

---

**Note 16 - Segment Information for Enterprise Funds**

The City maintains three enterprise funds to account for the water, sewer, and electric services. The table below reflects the more significant financial data relating to the enterprise funds of the City as of and for the fiscal year ended December 31, 2001.

	Water	Sewer	Electric	Total
Operating Revenue	\$1,377,640	\$2,131,660	\$5,875,121	\$9,384,421
Depreciation Expense	106,622	176,554	133,067	416,243
Net Income (Loss)	(138,823)	330,757	209,616	401,550
Fixed Asset Additions	135,267	54,087	124,077	313,431
Net Working Capital	521,411	2,092,690	621,820	3,235,921
Total Assets	4,713,444	8,613,285	9,111,202	22,437,931
Long-Term Liabilities	1,015,504	2,250,965	2,072,702	5,339,171
Total Equity	3,467,646	6,057,317	4,021,860	13,546,823
Total Encumbrances	\$20,076	\$612,165	\$121,371	\$753,612

**Note 17 – Interfund Transactions**

On the balance sheet, the general fund reported an interfund receivable at December 31, 2001, of \$402,000 and the CDBG downtown and bullet proof vest special revenue funds had interfund payables for \$400,000 and \$2,000, respectively.

**Note 18 - Jointly Governed Organization**

**Lorain County General Health District** - The Lorain County General Health District is a jointly governed organization which provides health services to the citizens within the Health District. The Health District is governed by the Board of Health which represents the area served by the Health District and oversees the operation of the Health District. The Board of Health members are appointed to staggered four year terms. One member is appointed by the City of North Ridgeville, one member is jointly appointed by the Cities of Amherst and Oberlin, and one member is elected jointly by the Cities of Avon and Sheffield Lake. The remaining four members are appointed by the various mayors of villages, chairmen of the township trustees and the County Commissioners. The City contributed \$30,226 during 2001 for the operation of the Health District. Complete financial statements can be obtained from the Lorain County General Health District, 9880 South Murray Ridge Road, Elyria, Ohio 44035.

**City of Amherst, Ohio**  
*Notes to the General Purpose Financial Statements*  
*For the Year Ended December 31, 2001*

---

**Note 19 - Joint Ventures**

***Sandstone Joint Ambulance District*** - The City is a participant in a joint venture agreement with Amherst Township for the operation of the Sandstone Joint Ambulance District (Ambulance District) as provided in Ohio Revised Code. The City and the Township each appoint two members of the five-member Board of Trustees which oversees the operations. The fifth member of the Board is appointed by Amherst Hospital. The Sandstone Joint Ambulance District has contracted with North Central Emergency Medical Service to provide ambulance services. Continued existence of the Ambulance District is dependent on the City's continued participation; however, the City does not have an equity interest in the Ambulance District. The Ambulance District is not accumulating significant financial resources or experiencing fiscal stress which would cause additional financial benefit to or burden on the City. The City contributed \$72,721, which represents 65 percent of total contributions, in 2001. The Township contributes 35 percent of the required funds. The City's contribution is recorded in the General Fund. Complete financial statements can be obtained from the Sandstone Joint Ambulance District, Amherst, Ohio.

***Ohio Municipal Electric Generation Agency Joint Venture 2 (JV2)***

The City is a participant with 36 subdivisions within the State of Ohio in a joint venture to secure distributive generation resources to provide power and energy during times of high power prices or transmission constraints limiting power availability. The Ohio Municipal Electric Generation Agency Joint Venture 2 (JV2) was created for that purpose. On dissolution of the joint venture, the net assets of JV2 will be shared by the participants on a percentage basis. The JV2 is managed by AMP-Ohio, who acts as the joint venture's agent. The participants are obligated by the agreement to remit monthly for operating expenses and demand costs. In accordance with the agreement, the City remitted \$58,969 to the joint venture for 2001. The City's net investment and its share of the operating results of JV2 are reported in the City's electric enterprise fund. The City's equity interest in JV2 was \$2,050,825 at December 31, 2001. Financial information can be obtained from AMP-Ohio, 2600 Airport Drive, Columbus, Ohio 43219, or from the City's utility department.

**Note 20 - Contractual Commitments**

The City had the following contractual commitments outstanding at December 31, 2001:

Contractor	Original Contract	Expended To Date	Remaining Balance at 12/31/01
Osterland Company	\$486,300	\$421,443	\$64,857
Ed Burdue and Company	217,837	0	217,837
Bender Construction	695,614	308,738	386,876
<i>Total</i>	<u>\$1,399,751</u>	<u>\$730,181</u>	<u>\$669,570</u>



**Combining, Individual Fund  
and Account Group Statements  
And Schedules**

## **General Fund**

The general fund is used to account for financial resources traditionally associated with general operations which are not required for by another fund.

**City of Amherst, Ohio**  
Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget (Non-GAAP Basis) and Actual  
General Fund  
For the Year Ended December 31, 2001

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
<b>Revenues:</b>				
Property and Other Local Taxes	\$502,458	\$633,719	\$687,995	\$54,276
Municipal Income Taxes	1,388,318	1,751,000	1,829,599	78,599
Intergovernmental	425,514	536,675	890,159	353,484
Charges for Services	96,730	122,000	172,468	50,468
Fees, Licenses and Permits	114,966	145,000	312,234	167,234
Contributions and Donations	793	1,000	1,050	50
Interest	713,584	900,000	715,934	(184,066)
Other	39,644	35,000	67,271	32,271
	<u>3,282,007</u>	<u>4,124,394</u>	<u>4,676,710</u>	<u>552,316</u>
<b>Total Revenues</b>				
<b>Expenditures</b>				
Current:				
Security of Persons and Property				
Police Department				
Salaries	1,098,398	1,231,013	1,118,002	113,011
Fringe Benefits	452,094	506,677	452,876	53,801
Contractual Services	163,958	183,753	156,466	27,287
Materials and Supplies	142,084	159,238	146,602	12,636
Capital Outlay	17,092	19,156	19,156	0
	<u>1,873,626</u>	<u>2,099,837</u>	<u>1,893,102</u>	<u>206,735</u>
<b>Total Police Department</b>				
Fire Department				
Salaries	241,592	270,760	262,825	7,935
Fringe Benefits	63,174	70,801	59,537	11,264
Contractual Services	36,802	41,245	38,534	2,711
Materials and Supplies	37,618	42,160	21,939	20,221
	<u>379,186</u>	<u>424,966</u>	<u>382,835</u>	<u>42,131</u>
<b>Total Fire Department</b>				
<b>Total Security of Persons and Property</b>				
	<u>2,252,812</u>	<u>2,524,803</u>	<u>2,275,937</u>	<u>248,866</u>
Public Health and Welfare				
Cemetery				
Salaries	19,630	22,000	18,108	3,892
Fringe Benefits	10,495	11,762	9,828	1,934
Contractual Services	2,900	3,250	2,140	1,110
Materials and Supplies	3,346	3,750	1,827	1,923
Capital Outlay	20,076	22,500	22,439	61
	<u>56,447</u>	<u>63,262</u>	<u>54,342</u>	<u>8,920</u>
<b>Total Cemetery</b>				
County Health District				
Contractual Services	31,230	35,000	30,860	4,140
	<u>31,230</u>	<u>35,000</u>	<u>30,860</u>	<u>4,140</u>
<b>Total Public Health and Welfare</b>				
	<u>\$87,677</u>	<u>\$98,262</u>	<u>\$85,202</u>	<u>\$13,060</u>

(continued)

**City of Amherst, Ohio**  
Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget (Non-GAAP Basis) and Actual  
General Fund (continued)  
For the Year Ended December 31, 2001

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Favorable (Unfavorable)
Community Development				
Building Inspector				
Salaries	\$84,677	\$94,900	\$84,115	\$10,785
Fringe Benefits	31,611	35,428	27,955	7,473
Materials and Supplies	4,665	5,228	2,944	2,284
Contractual Services	75,535	84,655	59,398	25,257
Capital Outlay	892	1,000	495	505
Total Building Inspector	<u>197,380</u>	<u>221,211</u>	<u>174,907</u>	<u>46,304</u>
Planning Commission				
Contractual Services	1,160	1,300	658	642
Materials and Supplies	1,374	1,540	630	910
Total Planning Commission	<u>2,534</u>	<u>2,840</u>	<u>1,288</u>	<u>1,552</u>
Board of Zoning Appeals				
Salaries	5,354	6,000	6,000	0
Fringe Benefits	803	900	146	754
Materials and Supplies	476	533	119	414
Contractual Services	2,908	3,259	1,571	1,688
Total Board of Zoning Appeals	<u>9,541</u>	<u>10,692</u>	<u>7,836</u>	<u>2,856</u>
Total Community Development	<u>209,455</u>	<u>234,743</u>	<u>184,031</u>	<u>50,712</u>
General Government				
Mayor				
Salaries	81,197	91,000	83,596	7,404
Fringe Benefits	27,687	31,030	26,625	4,405
Materials and Supplies	9,592	10,750	4,512	6,238
Contractual Services	9,571	10,726	9,791	935
Total Mayor	<u>128,047</u>	<u>143,506</u>	<u>124,524</u>	<u>18,982</u>
Safety Services				
Salaries	8,923	10,000	9,920	80
Fringe Benefits	1,687	1,891	1,778	113
Materials and Supplies	262,414	294,096	144,825	149,271
Contractual Services	3,784	4,241	2,618	1,623
Total Safety Services	<u>276,808</u>	<u>310,228</u>	<u>159,141</u>	<u>151,087</u>
Council				
Salaries	49,967	56,000	53,482	2,518
Fringe Benefits	9,016	10,104	9,205	899
Materials and Supplies	22,328	25,024	19,713	5,311
Contractual Services	11,413	12,791	12,038	753
Total Council	<u>\$92,724</u>	<u>\$103,919</u>	<u>\$94,438</u>	<u>\$9,481</u>

(continued)

**City of Amherst, Ohio**  
Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget (Non-GAAP Basis) and Actual  
General Fund (continued)  
For the Year Ended December 31, 2001

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Auditor				
Salaries	\$81,197	\$91,000	\$87,990	\$3,010
Fringe Benefits	24,772	27,763	26,205	1,558
Materials and Supplies	47,799	53,570	43,014	10,556
Contractual Services	13,248	14,848	8,808	6,040
Capital Outlay	580	650	0	650
Total Auditor	167,596	187,831	166,017	21,814
Treasurer				
Salaries	37,770	42,330	41,646	684
Fringe Benefits	8,893	9,967	7,702	2,265
Materials and Supplies	4,417	4,950	3,904	1,046
Contractual Services	3,480	3,900	3,260	640
Total Treasurer	54,560	61,147	56,512	4,635
Law Director				
Salaries	85,970	96,350	96,350	0
Fringe Benefits	16,316	18,286	17,331	955
Total Law Director	102,286	114,636	113,681	955
City Hall				
Contractual Services	29,556	33,124	25,494	7,630
Materials and Supplies	6,351	7,118	6,022	1,096
Capital Outlay	179,099	200,723	75,111	125,612
Total City Hall	215,006	240,965	106,627	134,338
City Service Commission				
Salaries	2,008	2,250	2,072	178
Fringe Benefits	393	441	372	69
Materials and Supplies	5,510	6,175	2,585	3,590
Contractual Services	446	500	500	0
Total City Service Commission	8,357	9,366	5,529	3,837
Income Tax Department				
Salaries	36,717	41,150	37,019	4,131
Fringe Benefits	14,445	16,189	15,038	1,151
Materials and Supplies	9,726	10,900	9,878	1,022
Contractual Services	10,490	11,756	10,613	1,143
Other	75,843	85,000	62,925	22,075
Total Income Tax Department	\$147,221	\$164,995	\$135,473	\$29,522

(continued)

**City of Amherst, Ohio**  
Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget (Non-GAAP Basis) and Actual  
General Fund (continued)  
For the Year Ended December 31, 2001

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Downtown Director				
Salaries	\$26,768	\$30,000	\$25,039	\$4,961
Fringe Benefits	12,652	14,179	10,240	3,939
Materials and Supplies	37,568	42,104	40,105	1,999
Contractual Services	1,230	1,378	816	562
<b>Total Downtown Director</b>	<b>78,218</b>	<b>87,661</b>	<b>76,200</b>	<b>11,461</b>
Amherst Office Building				
Materials and Supplies	3,123	3,500	278	3,222
Contractual Services	10,997	12,325	5,666	6,659
Capital Outlay	6,692	7,500	7,500	0
<b>Total Amherst Office Building</b>	<b>20,812</b>	<b>23,325</b>	<b>13,444</b>	<b>9,881</b>
Miscellaneous				
Miscellaneous	180,125	203,872	122,358	81,514
Contractual Services	77,360	86,700	58,829	27,871
Capital Outlay	404,989	419,423	320,279	99,144
<b>Total Miscellaneous</b>	<b>662,474</b>	<b>709,995</b>	<b>501,466</b>	<b>208,529</b>
<b>Total General Government</b>	<b>1,954,109</b>	<b>2,157,574</b>	<b>1,553,052</b>	<b>604,522</b>
<b>Total Expenditures</b>	<b>4,504,053</b>	<b>5,015,382</b>	<b>4,098,222</b>	<b>917,160</b>
<i>Excess of Revenues Over (Under) Expenditures</i>	<i>(1,222,046)</i>	<i>(890,988)</i>	<i>578,488</i>	<i>1,469,476</i>
<b>Other Financing Sources (Uses)</b>				
Proceeds of Notes	249,754	315,000	315,000	0
Advances - Out	(358,693)	(400,000)	(400,000)	0
Operating Transfers In	232,374	586,147	323,692	(262,455)
Operating Transfers Out	(889,078)	(1,245,524)	(900,594)	344,930
<b>Total Other Sources (Uses)</b>	<b>(765,643)</b>	<b>(744,377)</b>	<b>(661,902)</b>	<b>82,475</b>
Excess of Revenues and Other Financing Sources Under Expenditures and Other Uses	(1,987,689)	(1,635,365)	(83,414)	1,551,951
Fund Balance Beginning of Year	2,343,270	2,343,270	2,343,270	0
Prior Year Encumbrances Appropriated	316,641	316,641	316,641	0
<b>Fund Balance End of Year</b>	<b>\$672,222</b>	<b>\$1,024,546</b>	<b>\$2,576,497</b>	<b>\$1,551,951</b>

## Special Revenue Funds

Special Revenue Funds are established to account for the proceeds of specific revenue sources (other than major capital projects) that are restricted by law and administrative action to expenditures for specified purposes.

***Street Construction Maintenance and Repair Fund*** - to account for the portion of the State gasoline tax and motor vehicle license fees that is designated for maintenance of streets within the City.

***State Highway Fund*** - to account for that portion of the State gasoline tax and motor vehicle registration fees designated for maintenance of State highways within the City.

***Street Maintenance and Repair Permissive Fund*** - to account for local license fees designated for the maintenance of streets within the City.

***Park and Pool Fund*** - to account for hotel tax monies used to operate the park and pool.

***Office on Aging Fund*** - to account for revenues and expenditures of the Office on Aging.

***Planning Commission Fund*** - to account for the revenue collected from developers for engineering studies of subdivisions and the expenditures the planning commission incurred for those engineering studies.

***Park Fund*** - to account for the impact fees and the interest earned from them to maintain the park.

***Cable Television Fund*** - to account for the revenues received from Media One and the expenditures incurred running the cable station.

***Law Enforcement Fund*** - required by the Ohio Revised Code to account for monies received from the Federal Law Enforcement Agencies designated for law enforcement related purposes.

***Drug Law Enforcement Fund*** - to account for the portion of the fine money awarded by the City as a result of a drug conviction and earmarked for drug law enforcement.

***DUI Enforcement Fund*** - to account for fines for DUI convictions awarded by the court which may be used for enforcement, education, or equipment relating to the DUI enforcement laws.

***DARE Grant Fund*** - to account for Federal grant monies the City receives to provide drug abuse resistance educational services to youth.

***COPS Grant Fund*** - To account for revenues collected and expenditures incurred under a Federal grant provided by the U. S. Department of Justice Community Oriented Policing Services for additional patrol officers.

***Bullet Proof Vest Fund*** - to account for the Federal grant monies to purchase bullet proof vests for officers.

***Local Law Enforcement Fund*** - to account for monies seized from criminals by law enforcement officials in the course of their work and restricted, by State statute, for drug enforcement, education, or equipment pertaining to drug or controlled substance enforcement.

(continued)

## **Special Revenue Funds (continued)**

***Traffic Safety Grant Fund*** - to account for State monies and expenditures attributable for the study of traffic safety.

***Recycling Fund*** - to account for grant monies received from the Lorain County Solid Waste District for recycling projects.

***Chip Grant Fund*** - to account for Federal monies and expenditures attributable to the Community Housing Improvement Project.

***CDBG Downtown*** – To account for Federal grant monies designated for downtown restoration.



**This Page is Intentionally Left Blank.**

**City of Amherst, Ohio**  
*Combining Balance Sheet*  
*All Special Revenue Funds*  
*December 31, 2001*

	Street Construction Maintenance and Repair	State Highway	Street Maintenance and Repair Permissive	Park and Pool
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$668,546	\$29,705	\$294,145	\$192,701
Receivables:				
Accounts	0	0	0	8,650
Intergovernmental	111,422	7,927	31,271	0
Materials and Supplies Inventory	52,425	0	0	0
<i>Total Assets</i>	<u>\$832,393</u>	<u>\$37,632</u>	<u>\$325,416</u>	<u>\$201,351</u>
<b>Liabilities</b>				
Accounts Payable	\$0	\$12,776	\$453	\$843
Contracts Payable	0	0	0	0
Interfund Payable	0	0	0	0
Accrued Wages Payable	7,623	0	0	478
Compensated Absences Payable	555	0	0	0
Intergovernmental Payable	14,791	0	0	1,751
Deferred Revenue	87,514	5,989	27,445	0
<i>Total Liabilities</i>	<u>110,483</u>	<u>18,765</u>	<u>27,898</u>	<u>3,072</u>
<b>Fund Equity</b>				
Fund Balance:				
Reserved for Encumbrances	24,030	1,140	2,463	9,371
Reserved for Inventory	52,425	0	0	0
Unreserved, Undesignated (Deficit)	645,455	17,727	295,055	188,908
<i>Total Fund Equity</i>	<u>721,910</u>	<u>18,867</u>	<u>297,518</u>	<u>198,279</u>
<i>Total Liabilities and Fund Equity</i>	<u>\$832,393</u>	<u>\$37,632</u>	<u>\$325,416</u>	<u>\$201,351</u>

<u>Office on Aging</u>	<u>Planning Commission</u>	<u>Park</u>	<u>Cable Television</u>	<u>Law Enforcement</u>	<u>Drug Law Enforcement</u>	<u>DUI Enforcement</u>
\$29,340	\$890,400	\$72,604	\$194,276	\$28,766	\$4,384	\$2,441
6,895	0	0	71,002	6,250	0	110
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>\$36,235</u>	<u>\$890,400</u>	<u>\$72,604</u>	<u>\$265,278</u>	<u>\$35,016</u>	<u>\$4,384</u>	<u>\$2,551</u>
\$5,365	\$0	\$0	\$9,043	\$0	\$0	\$0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
1,843	0	0	415	0	0	0
0	0	0	0	0	0	0
3,665	0	0	773	0	0	0
0	0	0	0	0	0	0
<u>10,873</u>	<u>0</u>	<u>0</u>	<u>10,231</u>	<u>0</u>	<u>0</u>	<u>0</u>
1,740	2,202	0	3,927	14,447	0	0
0	0	0	0	0	0	0
<u>23,622</u>	<u>888,198</u>	<u>72,604</u>	<u>251,120</u>	<u>20,569</u>	<u>4,384</u>	<u>2,551</u>
<u>25,362</u>	<u>890,400</u>	<u>72,604</u>	<u>255,047</u>	<u>35,016</u>	<u>4,384</u>	<u>2,551</u>
<u>\$36,235</u>	<u>\$890,400</u>	<u>\$72,604</u>	<u>\$265,278</u>	<u>\$35,016</u>	<u>\$4,384</u>	<u>\$2,551</u>

(continued)

**City of Amherst**  
*Combining Balance Sheet*  
*All Special Revenue Funds (continued)*  
*December 31, 2001*

	DARE Grant	COPS Grant	Bullet Proof Vest	Local Law Enforcement	Traffic Safety Grant
<b>Assets</b>					
Equity in Pooled Cash and Cash Equivalents	\$1,503	\$16,416	\$3,706	\$454	\$26
Receivables:					
Accounts	0	0	0	0	0
Intergovernmental	0	0	0	0	0
Material and Supplies Inventory	0	0	0	0	0
<i>Total Assets</i>	<u>\$1,503</u>	<u>\$16,416</u>	<u>\$3,706</u>	<u>\$454</u>	<u>\$26</u>
<b>Liabilities</b>					
Accounts Payable	\$0	\$0	\$0	\$0	\$0
Contracts Payable	0	0	0	0	0
Interfund Payable	0	0	2,000	0	0
Accrued Wages Payable	0	0	0	0	0
Compensated Absences Payable	0	0	0	0	0
Intergovernmental Payable	0	0	0	0	0
Deferred Revenue	0	0	0	0	0
<i>Total Liabilities</i>	<u>0</u>	<u>0</u>	<u>2,000</u>	<u>0</u>	<u>0</u>
<b>Fund Equity</b>					
Fund Balance:					
Reserved for Encumbrances	0	0	0	0	0
Reserved for Inventory	0	0	0	0	0
Unreserved, Undesignated (Deficit)	1,503	16,416	1,706	454	26
<i>Total Fund Equity</i>	<u>1,503</u>	<u>16,416</u>	<u>1,706</u>	<u>454</u>	<u>26</u>
<i>Total Liabilities and Fund Equity</i>	<u>\$1,503</u>	<u>\$16,416</u>	<u>\$3,706</u>	<u>\$454</u>	<u>\$26</u>

<u>Recycling</u>	<u>Chip Grant</u>	<u>CDBG Downtown</u>	<u>Totals</u>
\$26,570	\$81,634	\$427,115	\$2,964,732
0	0	0	92,907
0	21,269	8,951	180,840
<u>0</u>	<u>0</u>	<u>0</u>	<u>52,425</u>
<u>\$26,570</u>	<u>\$102,903</u>	<u>\$436,066</u>	<u>\$3,290,904</u>
\$130	\$12,719	\$11,324	\$52,653
0	0	1,223	1,223
0	0	400,000	402,000
0	0	0	10,359
0	0	0	555
0	0	0	20,980
<u>0</u>	<u>21,269</u>	<u>0</u>	<u>142,217</u>
<u>130</u>	<u>33,988</u>	<u>412,547</u>	<u>629,987</u>
12,370	49,884	24,347	145,921
0	0	0	52,425
<u>14,070</u>	<u>19,031</u>	<u>(828)</u>	<u>2,462,571</u>
<u>26,440</u>	<u>68,915</u>	<u>23,519</u>	<u>2,660,917</u>
<u>\$26,570</u>	<u>\$102,903</u>	<u>\$436,066</u>	<u>\$3,290,904</u>

**City of Amherst, Ohio**  
*Combining Statement of Revenues, Expenditures  
and Changes in Fund Balances  
All Special Revenue Funds  
For the Year Ended December 31, 2001*

	Street Construction Maintenance and Repair	State Highway	Street Maintenance and Repair Permissive	Park and Pool
<b>Revenues</b>				
Property and Other Local Taxes	\$0	\$0	\$0	\$47,004
Intergovernmental	310,511	24,573	59,309	0
Charges for Services	0	0	0	100,998
Fees, Licenses and Permits	0	0	0	0
Interest	0	0	0	0
Other	18,705	0	0	5,864
<i>Total Revenues</i>	<u>329,216</u>	<u>24,573</u>	<u>59,309</u>	<u>153,866</u>
<b>Expenditures</b>				
Current:				
Security of Persons and Property	0	0	0	0
Public Health and Welfare	0	0	0	0
Leisure Time Activities	0	0	0	155,431
Transportation	851,295	29,795	64,993	0
General Government	0	0	0	0
Capital Outlay	0	0	0	0
Debt Service:				
Principal Retirement	29,593	0	0	0
<i>Total Expenditures</i>	<u>880,888</u>	<u>29,795</u>	<u>64,993</u>	<u>155,431</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(551,672)</u>	<u>(5,222)</u>	<u>(5,684)</u>	<u>(1,565)</u>
<b>Other Financing Sources</b>				
Inception of Capital Lease	132,160	0	0	0
Operating Transfers In	608,000	0	0	0
<i>Total Other Financing Sources</i>	<u>740,160</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Excess of Revenues and Other Financing Sources Over (Under) Expenditures</i>	188,488	(5,222)	(5,684)	(1,565)
<i>Fund Balances Beginning of Year</i>	491,197	24,089	303,202	199,844
<i>Increase in Reserve for Inventory</i>	<u>42,225</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balances End of Year</i>	<u><u>\$721,910</u></u>	<u><u>\$18,867</u></u>	<u><u>\$297,518</u></u>	<u><u>\$198,279</u></u>

<u>Office on Aging</u>	<u>Planning Commission</u>	<u>Park</u>	<u>Cable Television</u>	<u>Law Enforcement</u>	<u>Drug Law Enforcement</u>
\$0	\$0	\$0	\$0	\$0	\$0
12,286	0	0	0	64,016	0
70,763	68,828	0	151,976	6,250	0
0	0	0	0	0	0
295	0	522	0	0	0
2,973	0	38,885	370	0	0
<u>86,317</u>	<u>68,828</u>	<u>39,407</u>	<u>152,346</u>	<u>70,266</u>	<u>0</u>
0	0	0	0	39,368	0
147,585	0	0	0	0	0
0	0	78,454	0	0	0
0	0	0	0	0	0
0	129,291	0	90,723	0	0
0	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>147,585</u>	<u>129,291</u>	<u>78,454</u>	<u>90,723</u>	<u>39,368</u>	<u>0</u>
<u>(61,268)</u>	<u>(60,463)</u>	<u>(39,047)</u>	<u>61,623</u>	<u>30,898</u>	<u>0</u>
0	0	0	0	0	0
60,000	0	0	0	0	0
<u>60,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
(1,268)	(60,463)	(39,047)	61,623	30,898	0
26,630	950,863	111,651	193,424	4,118	4,384
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>\$25,362</u>	<u>\$890,400</u>	<u>\$72,604</u>	<u>\$255,047</u>	<u>\$35,016</u>	<u>\$4,384</u>

(continued)

**City of Amherst, Ohio**  
*Combining Statement of Revenues, Expenditures  
and Changes in Fund Balances  
All Special Revenue Funds (continued)  
For the Year Ended December 31, 2001*

	<u>DUI</u> Enforcement	<u>DARE</u> Grant	<u>COPS</u> Grant	<u>Bullet</u> Proof Vest
<b>Revenues</b>				
Property and Other Local Taxes	\$0	\$0	\$0	\$0
Intergovernmental	0	0	61,898	507
Charges for Services	0	0	0	0
Fees, Licenses and Permits	921	0	0	0
Interest	0	0	0	0
Other	0	0	0	0
<i>Total Revenues</i>	<u>921</u>	<u>0</u>	<u>61,898</u>	<u>507</u>
<b>Expenditures</b>				
Current:				
Security of Persons and Property	0	10,780	68,557	507
Public Health and Welfare	0	0	0	0
Leisure Time Activities	0	0	0	0
Transportation	0	0	0	0
General Government	0	0	0	0
Capital Outlay	0	0	0	0
Debt Service:				
Principal Retirement	0	0	0	0
<i>Total Expenditures</i>	<u>0</u>	<u>10,780</u>	<u>68,557</u>	<u>507</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>921</u>	<u>(10,780)</u>	<u>(6,659)</u>	<u>0</u>
<b>Other Financing Sources</b>				
Inception of Capital Lease	0	0	0	0
Operating Transfers In	0	0	0	0
<i>Total Other Financing Sources</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Excess of Revenues and Other Financing Sources Over (Under) Expenditures</i>	921	(10,780)	(6,659)	0
<i>Fund Balances Beginning of Year</i>	1,630	12,283	23,075	1,706
<i>Increase in Reserve for Inventory</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balances End of Year</i>	<u>\$2,551</u>	<u>\$1,503</u>	<u>\$16,416</u>	<u>\$1,706</u>



Local Law Enforcement	Traffic Safety Grant	Recycling	Chip Grant	CDBG Downtown	Totals
\$0	\$0	\$0	\$0	\$0	\$47,004
22,306	14,904	123,000	110,506	25,363	829,179
0	0	0	0	0	398,815
0	0	0	0	0	921
0	0	0	0	0	817
0	0	0	0	0	66,797
<u>22,306</u>	<u>14,904</u>	<u>123,000</u>	<u>110,506</u>	<u>25,363</u>	<u>1,343,533</u>
24,039	14,878	0	0	0	158,129
0	0	0	0	0	147,585
0	0	0	0	0	233,885
0	0	0	0	0	946,083
0	0	144,026	133,120	26,642	523,802
0	0	0	0	15,202	15,202
0	0	0	0	0	29,593
<u>24,039</u>	<u>14,878</u>	<u>144,026</u>	<u>133,120</u>	<u>41,844</u>	<u>2,054,279</u>
<u>(1,733)</u>	<u>26</u>	<u>(21,026)</u>	<u>(22,614)</u>	<u>(16,481)</u>	<u>(710,746)</u>
0	0	0	0	0	132,160
0	0	0	0	40,000	708,000
0	0	0	0	40,000	840,160
(1,733)	26	(21,026)	(22,614)	23,519	129,414
2,187	0	47,466	91,529	0	2,489,278
0	0	0	0	0	42,225
<u>\$454</u>	<u>\$26</u>	<u>\$26,440</u>	<u>\$68,915</u>	<u>\$23,519</u>	<u>\$2,660,917</u>

**City of Amherst, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Street Construction Maintenance and Repair Fund*  
*For the Year Ended December 31, 2001*

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$308,000	\$314,000	\$310,598	(\$3,402)
Other	0	0	18,705	18,705
<i>Total Revenues</i>	<u>308,000</u>	<u>314,000</u>	<u>329,303</u>	<u>15,303</u>
<b>Expenditures</b>				
Current:				
Transportation				
Street Maintenance and Repair				
Personal Services	400,149	417,750	383,964	33,786
Fringe Benefits	151,399	158,059	142,880	15,179
Contractual Services	89,019	92,935	65,653	27,282
Materials and Supplies	237,044	247,471	195,391	52,080
Capital Outlay	41,303	43,120	41,870	1,250
<i>Total Expenditures</i>	<u>918,914</u>	<u>959,335</u>	<u>829,758</u>	<u>129,577</u>
<i>Excess of Revenues Under Expenditures</i>	(610,914)	(645,335)	(500,455)	144,880
<b>Other Financing Sources</b>				
Operating Transfers In	665,380	665,380	608,000	(57,380)
<i>Excess of Revenues and Other Financing Sources Over Expenditures</i>	54,466	20,045	107,545	87,500
<i>Fund Balance Beginning of Year</i>	495,692	495,692	495,692	0
Prior Year Encumbrances Appropriated	30,706	30,706	30,706	0
<i>Fund Balance End of Year</i>	<u><u>\$580,864</u></u>	<u><u>\$546,443</u></u>	<u><u>\$633,943</u></u>	<u><u>\$87,500</u></u>

**City of Amherst, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*State Highway Fund*  
*For the Year Ended December 31, 2001*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget
				Favorable (Unfavorable)
<b>Revenues</b>				
Intergovernmental	\$22,350	\$22,350	\$24,581	\$2,231
<b>Expenditures</b>				
Current:				
Transportation				
Street Maintenance and Repair				
Contractual Services	11,492	11,492	9,008	2,484
Materials and Supplies	21,325	21,325	9,151	12,174
<i>Total Expenditures</i>	<u>32,817</u>	<u>32,817</u>	<u>18,159</u>	<u>14,658</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(10,467)	(10,467)	6,422	16,889
<i>Fund Balance Beginning of Year</i>	18,826	18,826	18,826	0
Prior Year Encumbrances Appropriated	<u>3,317</u>	<u>3,317</u>	<u>3,317</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$11,676</u></u>	<u><u>\$11,676</u></u>	<u><u>\$28,565</u></u>	<u><u>\$16,889</u></u>

**City of Amherst, Ohio**  
*Schedule of Revenues, Expenditures and Changes  
 In Fund Balance - Budget (Non-GAAP Basis) and Actual  
 Street Maintenance and Repair Permissive Fund  
 For the Year Ended December 31, 2001*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	\$60,000	\$60,000	\$59,363	(\$637)
<b>Expenditures</b>				
Current:				
Transportation				
Street Maintenance and Repair Permissive				
Capital Outlay	185,000	185,000	67,831	117,169
<i>Excess of Revenues Under Expenditures</i>	(125,000)	(125,000)	(8,468)	116,532
<i>Fund Balance Beginning of Year</i>	299,697	299,697	299,697	0
<i>Fund Balance End of Year</i>	<u>\$174,697</u>	<u>\$174,697</u>	<u>\$291,229</u>	<u>\$116,532</u>

**City of Amherst, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Park and Pool Fund*  
*For the Year Ended December 31, 2001*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Property and Other Local Taxes	\$50,000	\$50,000	\$48,210	(\$1,790)
Charges for Services	103,500	103,500	100,998	(2,502)
Other	5,000	5,000	5,864	864
<i>Total Revenues</i>	<u>158,500</u>	<u>158,500</u>	<u>155,072</u>	<u>(3,428)</u>
<b>Expenditures</b>				
Current:				
Leisure Time Activities				
Park and Pool				
Personal Services	106,000	106,000	90,702	15,298
Fringe Benefits	20,218	20,219	16,828	3,391
Contractual Services	21,110	21,110	18,300	2,810
Materials and Supplies	51,805	51,805	27,830	23,975
Capital Outlay	19,000	19,000	12,804	6,196
Miscellaneous	315	315	164	151
<i>Total Expenditures</i>	<u>218,448</u>	<u>218,449</u>	<u>166,628</u>	<u>51,821</u>
<i>Excess of Revenues Under Expenditures</i>	(59,948)	(59,949)	(11,556)	48,393
<i>Fund Balance Beginning of Year</i>	184,399	184,399	184,399	0
Prior Year Encumbrances Appropriated	9,765	9,765	9,765	0
<i>Fund Balance End of Year</i>	<u>\$134,216</u>	<u>\$134,215</u>	<u>\$182,608</u>	<u>\$48,393</u>

**City of Amherst, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Office on Aging Fund*  
*For the Year Ended December 31, 2001*

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$12,000	\$12,000	\$12,286	\$286
Charges for Services	72,000	72,000	66,937	(5,063)
Interest	0	0	304	304
Other	3,400	3,400	2,973	(427)
<i>Total Revenues</i>	<u>87,400</u>	<u>87,400</u>	<u>82,500</u>	<u>(4,900)</u>
<b>Expenditures</b>				
Current:				
Public Health and Welfare				
Office on Aging				
Personal Services	80,910	82,100	78,054	4,046
Fringe Benefits	26,414	26,803	22,208	4,595
Contractual Services	47,952	48,657	38,655	10,002
Materials and Supplies	14,666	14,882	12,609	2,273
<i>Total Expenditures</i>	<u>169,942</u>	<u>172,442</u>	<u>151,526</u>	<u>20,916</u>
<i>Excess of Revenues Under Expenditures</i>	(82,542)	(85,042)	(69,026)	16,016
<b>Other Financing Sources</b>				
Operating Transfers In	60,000	60,000	60,000	0
<i>Excess of Revenues and Other Financing Sources Under Expenditures</i>	(22,542)	(25,042)	(9,026)	16,016
<i>Fund Balance Beginning of Year</i>	31,125	31,125	31,125	0
Prior Year Encumbrances Appropriated	719	719	719	0
<i>Fund Balance End of Year</i>	<u>\$9,302</u>	<u>\$6,802</u>	<u>\$22,818</u>	<u>\$16,016</u>

**City of Amherst, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Planning Commission Fund*  
*For the Year Ended December 31, 2001*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Charges for Services	\$100,000	\$100,000	\$68,828	(\$31,172)
<b>Expenditures</b>				
Current:				
General Government				
Planning Commission				
Capital Outlay	<u>348,762</u>	<u>349,922</u>	<u>132,093</u>	<u>217,829</u>
<i>Excess of Revenues Under Expenditures</i>	(248,762)	(249,922)	(63,265)	186,657
<i>Fund Balance Beginning of Year</i>	824,335	824,335	824,335	0
Prior Year Encumbrances Appropriated	<u>127,128</u>	<u>127,128</u>	<u>127,128</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$702,701</u></u>	<u><u>\$701,541</u></u>	<u><u>\$888,198</u></u>	<u><u>\$186,657</u></u>

**City of Amherst, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Park Fund*  
*For the Year Ended December 31, 2001*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Interest	\$0	\$1,000	\$540	(\$460)
Other	<u>0</u>	<u>43,000</u>	<u>38,885</u>	<u>(4,115)</u>
<i>Total Revenues</i>	<u>0</u>	<u>44,000</u>	<u>39,425</u>	<u>(4,575)</u>
<b>Expenditures</b>				
Current:				
Leisure Time Activities				
Park Department				
Contractual Services	2,500	2,500	612	1,888
Capital Outlay	<u>112,500</u>	<u>112,500</u>	<u>77,842</u>	<u>34,658</u>
<i>Total Expenditures</i>	<u>115,000</u>	<u>115,000</u>	<u>78,454</u>	<u>36,546</u>
<i>Excess of Revenues Under Expenditures</i>	(115,000)	(71,000)	(39,029)	31,971
<i>Fund Balance Beginning of Year</i>	36,582	36,582	36,582	0
Prior Year Encumbrances Appropriated	<u>75,000</u>	<u>75,000</u>	<u>75,000</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>(\$3,418)</u>	<u>\$40,582</u>	<u>\$72,553</u>	<u>\$31,971</u>



**City of Amherst, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Cable Television Fund*  
*For the Year Ended December 31, 2001*

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
<b>Revenues</b>				
Charges for Services	\$82,400	\$82,400	\$105,332	\$22,932
Other	0	0	370	370
<i>Total Revenues</i>	<u>82,400</u>	<u>82,400</u>	<u>105,702</u>	<u>23,302</u>
<b>Expenditures</b>				
Current:				
General Government				
Cable Television				
Personal Services	16,436	20,000	18,000	2,000
Fringe Benefits	3,151	3,834	3,386	448
Contractual Services	27,844	33,881	19,488	14,393
Materials and Supplies	58,272	70,907	69,322	1,585
<i>Total Expenditures</i>	<u>105,703</u>	<u>128,622</u>	<u>110,196</u>	<u>18,426</u>
<i>Excess of Revenues Under Expenditures</i>	(23,303)	(46,222)	(4,494)	41,728
<i>Fund Balance Beginning of Year</i>	178,439	178,439	178,439	0
Prior Year Encumbrances Appropriated	<u>7,888</u>	<u>7,888</u>	<u>7,888</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$163,024</u></u>	<u><u>\$140,105</u></u>	<u><u>\$181,833</u></u>	<u><u>\$41,728</u></u>

**City of Amherst, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Law Enforcement Fund*  
*For the Year Ended December 31, 2001*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	\$70,000	\$70,000	\$64,016	(\$5,984)
<b>Expenditures</b>				
Current:				
Security of Persons and Property				
Police Department				
Capital Outlay	33,500	68,444	53,815	14,629
<i>Excess of Revenues Over Expenditures</i>	36,500	1,556	10,201	8,645
<i>Fund Balance Beginning of Year</i>	4,118	4,118	4,118	0
<i>Fund Balance End of Year</i>	<u>\$40,618</u>	<u>\$5,674</u>	<u>\$14,319</u>	<u>\$8,645</u>

**City of Amherst, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Drug Law Enforcement Fund*  
*For the Year Ended December 31, 2001*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Fees, Licenses and Permits	\$2,000	\$2,000	\$0	(\$2,000)
<b>Expenditures</b>				
Current:				
Security of Persons and Property				
Police Department				
Capital Outlay	<u>3,500</u>	<u>3,500</u>	<u>0</u>	<u>3,500</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(1,500)	(1,500)	0	1,500
<i>Fund Balance Beginning of Year</i>	<u>4,384</u>	<u>4,384</u>	<u>4,384</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$2,884</u></u>	<u><u>\$2,884</u></u>	<u><u>\$4,384</u></u>	<u><u>\$1,500</u></u>

**City of Amherst, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*DUI Enforcement Fund*  
*For the Year Ended December 31, 2001*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Fees, Licenses and Permits	\$2,000	\$2,000	\$1,044	(\$956)
<b>Expenditures</b>				
Current:				
Security of Persons and Property				
Police Department				
Capital Outlay	1,100	1,100	0	1,100
<i>Excess of Revenues Over Expenditures</i>	900	900	1,044	144
<i>Fund Balance Beginning of Year</i>	1,397	1,397	1,397	0
<i>Fund Balance End of Year</i>	<u>\$2,297</u>	<u>\$2,297</u>	<u>\$2,441</u>	<u>\$144</u>

**City of Amherst, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*DARE Grant Fund*  
*For the Year Ended December 31, 2001*

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$10,000	\$13,608	\$10,886	(\$2,722)
<b>Expenditures</b>				
Current:				
Security of Persons and Property				
Police Department				
Personal Services	10,730	10,730	10,730	0
Fringe Benefits	156	156	50	106
<i>Total Expenditures</i>	10,886	10,886	10,780	106
<i>Excess of Revenues Over (Under) Expenditures</i>	(886)	2,722	106	(2,616)
<i>Fund Balance Beginning of Year</i>	1,397	1,397	1,397	0
<i>Fund Balance End of Year</i>	\$511	\$4,119	\$1,503	(\$2,616)

**City of Amherst, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*COPS Grant*  
*For the Year Ended December 31, 2001*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	\$122,791	\$122,791	\$68,148	(\$54,643)
<b>Expenditures</b>				
Current:				
Security of Persons & Property				
Police Department				
Personal Services	129,146	118,727	67,784	50,943
Fringe Benefits	1,701	1,564	773	791
<i>Total Expenditures</i>	<u>130,847</u>	<u>120,291</u>	<u>68,557</u>	<u>51,734</u>
<i>Excess of Revenues Over (Under)Expenditures</i>	(8,056)	2,500	(409)	(2,909)
<i>Fund Balance Beginning of Year</i>	<u>16,825</u>	<u>16,825</u>	<u>16,825</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$8,769</u></u>	<u><u>\$19,325</u></u>	<u><u>\$16,416</u></u>	<u><u>(\$2,909)</u></u>

**City of Amherst, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Bullet Proof Vest Fund*  
*For the Year Ended December 31, 2001*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	\$0	\$0	\$507	\$507
<b>Expenditures</b>				
Current:				
Security of Persons and Property				
Police Department				
Fringe Benefits	<u>918</u>	<u>918</u>	<u>507</u>	<u>411</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(918)	(918)	0	918
<i>Fund Balance Beginning of Year</i>	<u>3,706</u>	<u>3,706</u>	<u>3,706</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$2,788</u></u>	<u><u>\$2,788</u></u>	<u><u>\$3,706</u></u>	<u><u>\$918</u></u>

**City of Amherst, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Local Law Enforcement Fund*  
*For the Year Ended December 31, 2001*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	\$0	\$24,684	\$24,493	(\$191)
<b>Expenditures</b>				
Current:				
Security of Persons and Property				
Police Department				
Capital Outlay	<u>2,377</u>	<u>24,684</u>	<u>24,039</u>	<u>645</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(2,377)	0	454	454
<i>Fund Balance Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u><u>(\$2,377)</u></u>	<u><u>\$0</u></u>	<u><u>\$454</u></u>	<u><u>\$454</u></u>



**City of Amherst, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Traffic Safety Grant Fund*  
*For the Year Ended December 31, 2001*

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$11,152	\$14,878	\$14,904	\$26
<b>Expenditures</b>				
Current:				
Security of Persons and Property				
Police Department				
Personal Services	9,878	14,878	14,878	0
<i>Excess of Revenues Over Expenditures</i>	1,274	0	26	26
<i>Fund Balance Beginning of Year</i>	0	0	0	0
<i>Fund Balance End of Year</i>	<u>\$1,274</u>	<u>\$0</u>	<u>\$26</u>	<u>\$26</u>

**City of Amherst, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Recycling Fund*  
*For the Year Ended December 31, 2001*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	\$120,000	\$120,000	\$123,000	\$3,000
<b>Expenditures</b>				
Current:				
General Government				
Recycling				
Capital Outlay	<u>160,000</u>	<u>160,000</u>	<u>156,396</u>	<u>3,604</u>
<i>Excess of Revenues Under Expenditures</i>	(40,000)	(40,000)	(33,396)	6,604
<i>Fund Balance Beginning of Year</i>	27,466	27,466	27,466	0
Prior Year Encumbrances Appropriated	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$7,466</u></u>	<u><u>\$7,466</u></u>	<u><u>\$14,070</u></u>	<u><u>\$6,604</u></u>

**City of Amherst, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Chip Grant Fund*  
*For the Year Ended December 31, 2001*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	\$500,000	\$500,000	\$110,506	(\$389,494)
<b>Expenditures</b>				
Current:				
General Government				
Chip Grant				
Contractual Services	94,600	94,600	94,600	0
Capital Outlay	400,000	400,000	78,756	321,244
<i>Total Expenditures</i>	<u>494,600</u>	<u>494,600</u>	<u>173,356</u>	<u>321,244</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	5,400	5,400	(62,850)	(68,250)
<b>Other Financing Uses</b>				
Operating Transfers Out	(100,000)	(100,000)	0	100,000
<i>Excess of Revenues Under Expenditures and Other Financing Uses</i>	(94,600)	(94,600)	(62,850)	31,750
<i>Fund Balance Beginning of Year</i>	0	0	0	0
Prior Year Encumbrances Appropriated	94,600	94,600	94,600	0
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$31,750</u>	<u>\$31,750</u>

**City of Amherst, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*CDBG Downtown Fund*  
*For the Year Ended December 31, 2001*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	<u>\$0</u>	<u>\$360,000</u>	<u>\$16,412</u>	<u>(\$343,588)</u>
<b>Expenditures</b>				
Current:				
Community Development				
CDBG Grant				
Contractual Services	40,000	40,000	37,300	2,700
Capital Outlay	<u>360,000</u>	<u>360,000</u>	<u>28,584</u>	<u>331,416</u>
<i>Total Expenditures</i>	<u>400,000</u>	<u>400,000</u>	<u>65,884</u>	<u>334,116</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(400,000)</u>	<u>(40,000)</u>	<u>(49,472)</u>	<u>(9,472)</u>
<b>Other Financing Sources</b>				
Advances In	400,000	400,000	400,000	0
Operating Transfers In	<u>0</u>	<u>40,000</u>	<u>40,000</u>	<u>0</u>
<i>Total Other Sources</i>	<u>400,000</u>	<u>440,000</u>	<u>440,000</u>	<u>0</u>
<i>Excess of Revenues and Other Financing Sources Over Expenditures</i>	0	400,000	390,528	(9,472)
<i>Fund Balance Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$0</u></u>	<u><u>\$400,000</u></u>	<u><u>\$390,528</u></u>	<u><u>(\$9,472)</u></u>

**City of Amherst, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balances - Budget (Non-GAAP Basis) and Actual*  
*All Special Revenue Funds*  
*For the Year Ended December 31, 2001*

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
<b>Revenues</b>				
Property and Other Local Taxes	\$50,000	\$50,000	\$48,210	(\$1,790)
Intergovernmental	1,236,293	1,634,311	839,700	(794,611)
Charges for Services	357,900	357,900	342,095	(15,805)
Fees, Licenses and Permits	4,000	4,000	1,044	(2,956)
Interest	0	1,000	844	(156)
Other	8,400	51,400	66,797	15,397
<i>Total Revenues</i>	<u>1,656,593</u>	<u>2,098,611</u>	<u>1,298,690</u>	<u>(799,921)</u>
<b>Expenditures</b>				
Current:				
Security of Persons and Property				
Law Enforcement Fund	33,500	68,444	53,815	14,629
Drug Law Enforcement Fund	3,500	3,500	0	3,500
DUI Enforcement Fund	1,100	1,100	0	1,100
DARE Grant Fund	10,886	10,886	10,780	106
COPS Grant Fund	130,847	120,291	68,557	51,734
Bullet Proof Vest Fund	918	918	507	411
Local Law Enforcement Fund	2,377	24,684	24,039	645
Traffic Safety Grant Fund	9,878	14,878	14,878	0
Total Security of Persons and Property	<u>193,006</u>	<u>244,701</u>	<u>172,576</u>	<u>72,125</u>
Public Health and Welfare				
Office on Aging Fund	169,942	172,442	151,526	20,916
Leisure Time Activities				
Park and Pool Fund	218,448	218,449	166,628	51,821
Park Fund	115,000	115,000	78,454	36,546
Total Leisure Time Activities	<u>333,448</u>	<u>333,449</u>	<u>245,082</u>	<u>88,367</u>
Community Development				
CDBG Grant Fund	400,000	400,000	65,884	334,116
Transportation				
Street Construction Maintenance and Repair Fund	918,914	959,335	829,758	129,577
State Highway Fund	32,817	32,817	18,159	14,658
Street Maintenance and Repair Permissive Fund	185,000	185,000	67,831	117,169
Total Transportation	<u>1,136,731</u>	<u>1,177,152</u>	<u>915,748</u>	<u>261,404</u>
General Government				
Planning Commission Fund	348,762	349,922	132,093	217,829
Cable Television Fund	105,703	128,622	110,196	18,426
Recycling Fund	160,000	160,000	156,396	3,604
Chip Grant Fund	494,600	494,600	173,356	321,244
Total General Government	<u>1,109,065</u>	<u>1,133,144</u>	<u>572,041</u>	<u>561,103</u>
<i>Total Expenditures</i>	<u>3,342,192</u>	<u>3,460,888</u>	<u>2,122,857</u>	<u>(1,338,031)</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(\$1,685,599)</u>	<u>(\$1,362,277)</u>	<u>(\$824,167)</u>	<u>\$538,110</u>

(continued)

**City of Amherst, Ohio**  
*Schedule of Revenues, Expenditures and Changes  
 In Fund Balances - Budget (Non-GAAP Basis) and Actual  
 All Special Revenue Funds (continued)  
 For the Year Ended December 31, 2001*

	<u>Budgeted Amounts</u>			Variance with Final Budget Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Other Financing Sources (Uses)</b>				
Advances In	\$400,000	\$400,000	\$400,000	\$0
Operating Transfers In	725,380	765,380	708,000	(57,380)
Operating Transfers Out	(100,000)	(100,000)	0	100,000
<i>Total Other Financing Sources (Uses)</i>	<u>1,025,380</u>	<u>1,065,380</u>	<u>1,108,000</u>	<u>42,620</u>
<i>Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</i>	(660,219)	(296,897)	283,833	580,730
<i>Fund Balances Beginning of Year</i>	2,128,388	2,128,388	2,128,388	0
Prior Year Encumbrances Appropriated	<u>369,123</u>	<u>369,123</u>	<u>369,123</u>	<u>0</u>
<i>Fund Balances End of Year</i>	<u><u>\$1,837,292</u></u>	<u><u>\$2,200,614</u></u>	<u><u>\$2,781,344</u></u>	<u><u>\$580,730</u></u>

## **Debt Service Fund**

The debt service fund is used to account for the accumulation of resources for, and the payment of, general long-term and special assessment principal, interest, and related costs.

Since there is only one debt service fund and the level of budgetary control is not greater than that presented in the combined financial statements, no additional financial statements are presented here.

## **Capital Projects Funds**

The capital projects funds are established to account for financial resources to be used for the construction or acquisition of major capital facilities (other than those financed by proprietary funds.)

***Street Improvement Income Tax Fund*** - to account for .5 percent income tax revenues collected specifically for the Street Improvement Levy.

***Fire Apparatus Levy Fund*** - to account for the money collected from the Fire Apparatus Levy and intended to be spent for capital improvements in the fire department.

***CDBG Improvements Fund*** - to account for federal grant monies designated for community development within the City and the restoration of City Hall.

***Permanent Improvement Fund*** - to account for the cost of various expenditures for various permanent improvements.

***Issue II Improvement Fund*** - to account for Issue II monies for various projects.

**City of Amherst, Ohio**  
*Combining Balance Sheet*  
*All Capital Projects Funds*  
*December 31, 2001*

	<u>Street Improvement Income Tax</u>	<u>Fire Apparatus Levy</u>	<u>CDBG Improvements</u>
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$3,950,810	\$252,069	\$242,187
Receivables:			
Taxes	527,282	223,102	0
Intergovernmental	<u>0</u>	<u>10,180</u>	<u>175,000</u>
<i>Total Assets</i>	<u><u>\$4,478,092</u></u>	<u><u>\$485,351</u></u>	<u><u>\$417,187</u></u>
<b>Liabilities</b>			
Accounts Payable	\$3,316	\$816	\$2,273
Contracts Payable	146,223	0	0
Deferred Revenue	<u>435,549</u>	<u>233,282</u>	<u>175,000</u>
<i>Total Liabilities</i>	<u><u>585,088</u></u>	<u><u>234,098</u></u>	<u><u>177,273</u></u>
<b>Fund Equity</b>			
Fund Balance:			
Reserved for Encumbrances	322,445	16,969	0
Unreserved, Undesignated	<u>3,570,559</u>	<u>234,284</u>	<u>239,914</u>
<i>Total Fund Equity</i>	<u><u>3,893,004</u></u>	<u><u>251,253</u></u>	<u><u>239,914</u></u>
<i>Total Liabilities and Fund Equity</i>	<u><u>\$4,478,092</u></u>	<u><u>\$485,351</u></u>	<u><u>\$417,187</u></u>



<u>Permanent Improvement</u>	<u>Issue II Improvement</u>	<u>Totals</u>
\$12,623	\$852,596	\$5,310,285
0	0	750,384
0	0	185,180
<u>\$12,623</u>	<u>\$852,596</u>	<u>\$6,245,849</u>
\$0	\$5,376	\$11,781
0	0	146,223
0	0	843,831
<u>0</u>	<u>5,376</u>	<u>1,001,835</u>
0	600,981	940,395
12,623	246,239	4,303,619
<u>12,623</u>	<u>847,220</u>	<u>5,244,014</u>
<u>\$12,623</u>	<u>\$852,596</u>	<u>\$6,245,849</u>

**City of Amherst, Ohio**  
*Combining Statement of Revenues, Expenditures  
And Changes in Fund Balances  
All Capital Projects Funds  
For the Year Ended December 31, 2001*

	Street Improvement Income Tax	Fire Apparatus Levy	CDBG Improvements
<b>Revenues</b>			
Property and Other Local Taxes	\$0	\$174,975	\$0
Municipal Income Taxes	1,806,406	0	0
Intergovernmental	0	20,807	75,000
Contributions and Donations	0	0	150,000
<i>Total Revenues</i>	<u>1,806,406</u>	<u>195,782</u>	<u>225,000</u>
<b>Expenditures</b>			
Capital Outlay	876,523	424,358	2,273
Debt Service:			
Principal Retirement	5,000	0	0
<i>Total Expenditures</i>	<u>881,523</u>	<u>424,358</u>	<u>2,273</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>924,883</u>	<u>(228,576)</u>	<u>222,727</u>
<b>Other Financing Sources (Uses)</b>			
Operating Transfers In	0	0	2,273
Operating Transfers Out	(617,166)	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>(617,166)</u>	<u>0</u>	<u>2,273</u>
<i>Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</i>	307,717	(228,576)	225,000
<i>Fund Balances Beginning of Year</i>	<u>3,585,287</u>	<u>479,829</u>	<u>14,914</u>
<i>Fund Balances End of Year</i>	<u><u>\$3,893,004</u></u>	<u><u>\$251,253</u></u>	<u><u>\$239,914</u></u>

<u>Permanent Improvement</u>	<u>Issue II Improvement</u>	<u>Totals</u>
\$0	\$0	\$174,975
0	0	1,806,406
0	288,495	384,302
0	0	150,000
<u>0</u>	<u>288,495</u>	<u>2,515,683</u>
0	668,153	1,971,307
0	0	5,000
<u>0</u>	<u>668,153</u>	<u>1,976,307</u>
<u>0</u>	<u>(379,658)</u>	<u>539,376</u>
0	442,200	444,473
0	0	(617,166)
<u>0</u>	<u>442,200</u>	<u>(172,693)</u>
0	62,542	366,683
<u>12,623</u>	<u>784,678</u>	<u>4,877,331</u>
<u>\$12,623</u>	<u>\$847,220</u>	<u>\$5,244,014</u>

**City of Amherst, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Street Improvement Income Tax Fund*  
*For the Year Ended December 31, 2001*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Municipal Income Taxes	\$1,545,000	\$1,545,000	\$1,795,388	\$250,388
<b>Expenditures</b>				
Current:				
Transportation				
Roads				
Other				
Contractual Services	372,693	378,316	159,446	218,870
Capital Outlay	1,336,158	1,356,320	1,039,522	316,798
Total Transportaion	1,708,851	1,734,636	1,198,968	535,668
Debt Service				
Principal Retirement	4,926	5,000	5,000	0
<i>Total Expenditures</i>	<u>1,713,777</u>	<u>1,739,636</u>	<u>1,203,968</u>	<u>535,668</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(168,777)	(194,636)	591,420	786,056
<b>Other Financing Uses</b>				
Operating Transfers Out	(652,159)	(662,000)	(617,166)	44,834
<i>Excess of Revenues Under Expenditures and Other Financing Uses</i>	(820,936)	(856,636)	(25,746)	830,890
<i>Fund Balance Beginning of Year</i>	3,416,636	3,416,636	3,416,636	0
Prior Year Encumbrances Appropriated	87,936	87,936	87,936	0
<i>Fund Balance End of Year</i>	<u>\$2,683,636</u>	<u>\$2,647,936</u>	<u>\$3,478,826</u>	<u>\$830,890</u>

**City of Amherst, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Fire Apparatus Levy Fund*  
*For the Year Ended December 31, 2001*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Property and Other Local Taxes	\$245,490	\$245,490	\$174,975	(\$70,515)
Intergovernmental	20,000	20,000	20,807	807
<i>Total Revenues</i>	<u>265,490</u>	<u>265,490</u>	<u>195,782</u>	<u>(69,708)</u>
<b>Expenditures</b>				
Current:				
Security of Persons and Property				
Fire Department				
Contractual Services	2,772	3,500	2,916	584
Materials and Supplies	8,106	10,235	6,490	3,745
Capital Outlay	369,817	466,960	446,451	20,509
<i>Total Expenditures</i>	<u>380,695</u>	<u>480,695</u>	<u>455,857</u>	<u>24,838</u>
<i>Excess of Revenues Under Expenditures</i>	(115,205)	(215,205)	(260,075)	(44,870)
<i>Fund Balance Beginning of Year</i>	477,164	477,164	477,164	0
Prior Year Encumbrances Appropriated	17,195	17,195	17,195	0
<i>Fund Balance End of Year</i>	<u><u>\$379,154</u></u>	<u><u>\$279,154</u></u>	<u><u>\$234,284</u></u>	<u><u>(\$44,870)</u></u>

**City of Amherst, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*CDBG Improvements Fund*  
*For the Year Ended December 31, 2001*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	\$10,000	\$28,000	\$75,000	\$47,000
Contributions and Donations	150,000	150,000	150,000	0
<i>Total Revenues</i>	<u>160,000</u>	<u>178,000</u>	<u>225,000</u>	<u>47,000</u>
<b>Expenditures</b>				
Current:				
General Government				
CDBG Renovation				
Capital Outlay	178,000	178,000	2,273	175,727
<i>Excess of Revenues Over (Under) Expenditures</i>	(18,000)	0	222,727	222,727
<b>Other Financing Sources</b>				
Operating Transfers - In	0	2,273	2,273	0
<i>Excess of Revenues and Other Financing Sources Over (Under) Expenditures</i>	(18,000)	2,273	225,000	222,727
<i>Fund Balance Beginning of Year</i>	<u>14,914</u>	<u>14,914</u>	<u>14,914</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u><u>(\$3,086)</u></u>	<u><u>\$17,187</u></u>	<u><u>\$239,914</u></u>	<u><u>\$222,727</u></u>

**City of Amherst, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Permanent Improvement Fund*  
*For the Year Ended December 31, 2001*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>	\$0	\$0	\$0	\$0
<b>Expenditures</b>				
Current:				
Basic Utility Services				
Improvements				
Capital Outlay	9,304	9,304	0	9,304
<i>Excess of Revenues Over (Under) Expenditures</i>	(9,304)	(9,304)	0	9,304
<i>Fund Balance Beginning of Year</i>	12,623	12,623	12,623	0
<i>Fund Balance End of Year</i>	<u>\$3,319</u>	<u>\$3,319</u>	<u>\$12,623</u>	<u>\$9,304</u>

**City of Amherst, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Issue II Improvement Fund*  
*For the Year Ended December 31, 2001*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Favorable (Unfavorable)
<b>Revenues</b>				
Intergovernmental	\$525,000	\$525,000	\$288,495	(\$236,505)
<b>Expenditures</b>				
Current:				
Basic Utility Services				
Sewer Improvement				
Capital Outlay	15,864	17,226	0	17,226
Cooper Bridge				
Capital Outlay	196,761	213,650	0	213,650
Total Basic Utility Services	212,625	230,876	0	230,876
Transportation				
Roads				
Contractual Services	79,755	86,601	86,601	0
Capital Outlay	578,083	627,701	258,900	368,801
Total Roads	657,838	714,302	345,501	368,801
Bridges				
Capital Outlay	1,081,995	1,174,866	921,831	253,035
Pump Station				
Capital Outlay	14,959	16,243	0	16,243
Total Transportation	1,754,792	1,905,411	1,267,332	638,079
<i>Total Expenditures</i>	1,967,417	2,136,287	1,267,332	868,955
<i>Excess of Revenues Under Expenditures</i>	(1,442,417)	(1,611,287)	(978,837)	632,450
<b>Other Financing Sources</b>				
Operating Transfers In	310,000	885,500	442,200	(443,300)
<i>Excess of Revenues and Other Financing Sources Under Expenditures</i>	(1,132,417)	(725,787)	(536,637)	189,150
<i>Fund Balance Beginning of Year</i>	224,445	224,445	224,445	0
Prior Year Encumbrances Appropriated	562,027	562,027	562,027	0
<i>Fund Balance (Deficit) End of Year</i>	(\$345,945)	\$60,685	\$249,835	\$189,150



**City of Amherst, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balances - Budget (Non-GAAP Basis) and Actual*  
*All Capital Projects Funds*  
*For the Year Ended December 31, 2001*

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
<b>Revenues</b>				
Property and Other Local Taxes	\$245,490	\$245,490	\$174,975	(\$70,515)
Municipal Income Taxes	1,545,000	1,545,000	1,795,388	250,388
Intergovernmental	555,000	573,000	384,302	(188,698)
Contributions and Donations	150,000	150,000	150,000	0
<i>Total Revenues</i>	<u>2,495,490</u>	<u>2,513,490</u>	<u>2,504,665</u>	<u>(8,825)</u>
<b>Expenditures</b>				
Current:				
Security of Persons and Property				
Fire Appartus Levy Fund	380,695	480,695	455,857	24,838
Basic Utility Services				
Permanent Improvement Fund	9,304	9,304	0	9,304
Issue II Improvement Fund	212,625	230,876	0	230,876
Total Basic Utility	<u>221,929</u>	<u>240,180</u>	<u>0</u>	<u>240,180</u>
Transportation				
Street Improvement Income Tax Fund	1,708,851	1,734,636	1,198,968	535,668
Issue II Improvement Fund	1,754,792	1,905,411	1,267,332	638,079
Total Transportation	<u>3,463,643</u>	<u>3,640,047</u>	<u>2,466,300</u>	<u>1,173,747</u>
General Government				
CDBG Improvements	178,000	178,000	2,273	175,727
Debt Service:				
Principal Retirement	4,926	5,000	5,000	0
<i>Total Expenditures</i>	<u>4,249,193</u>	<u>4,543,922</u>	<u>2,929,430</u>	<u>1,614,492</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(1,753,703)</u>	<u>(2,030,432)</u>	<u>(424,765)</u>	<u>1,605,667</u>
<b>Other Financing Sources (Uses)</b>				
Operating Transfers In	310,000	887,773	444,473	(443,300)
Operating Transfers Out	(652,159)	(662,000)	(617,166)	44,834
<i>Total Other Financing Sources (Uses)</i>	<u>(342,159)</u>	<u>225,773</u>	<u>(172,693)</u>	<u>(398,466)</u>
<i>Excess of Revenues and Other Financing Sources Under Expenditures and Other Financing Uses</i>	<u>(2,095,862)</u>	<u>(1,804,659)</u>	<u>(597,458)</u>	<u>1,207,201</u>
<i>Fund Balances Beginning of Year</i>	4,145,782	4,145,782	4,145,782	0
Prior Year Encumbrances Appropriated	<u>667,158</u>	<u>667,158</u>	<u>667,158</u>	<u>0</u>
<i>Fund Balances End of Year</i>	<u>\$2,717,078</u>	<u>\$3,008,281</u>	<u>\$4,215,482</u>	<u>\$1,207,201</u>

## **Enterprise Funds**

The enterprise funds are used to account for the City's sewer, water and electric operations. They are financed and operated in a manner similar to private sector business enterprises where the intent 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 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.

***Water Fund*** - to account for the revenues generated from the charges for distribution of water to the residential and commercial users of the City.

***Sewer Fund*** - to account for the revenues generated from the charges for sanitary sewer services provided to the residential and commercial users of the City.

***Electric Fund*** - to account for the revenues generated from the charges for providing electric, light and power to the residential and commercial users of the City.

**City of Amherst, Ohio**  
*Combining Balance Sheet*  
*All Enterprise Funds*  
*December 31, 2001*

	Water	Sewer	Electric	Totals
<b>Assets</b>				
<i>Current Assets</i>				
Equity in Pooled Cash and Cash Equivalents	\$447,127	\$2,045,880	\$2,453,859	\$4,946,866
Accounts Receivable	192,102	309,210	855,552	1,356,864
Materials and Supplies Inventory	54,814	23,682	231,422	309,918
<i>Total Current Assets</i>	<u>694,043</u>	<u>2,378,772</u>	<u>3,540,833</u>	<u>6,613,648</u>
<i>Restricted Assets</i>				
Customer Deposits	57,662	18,921	97,627	174,210
<i>Noncurrent Assets</i>				
Investment in Joint Venture	0	0	2,050,825	2,050,825
Fixed Assets (Net of Accumulated Depreciation)	3,961,739	6,215,592	3,421,917	13,599,248
<i>Total Noncurrent Assets</i>	<u>3,961,739</u>	<u>6,215,592</u>	<u>5,472,742</u>	<u>15,650,073</u>
<i>Total Assets</i>	<u><u>\$4,713,444</u></u>	<u><u>\$8,613,285</u></u>	<u><u>\$9,111,202</u></u>	<u><u>\$22,437,931</u></u>
<b>Liabilities</b>				
<i>Current Liabilities</i>				
Accounts Payable	\$10,812	\$27,563	\$621,273	\$659,648
Contracts Payable	0	58,051	0	58,051
Accrued Wages Payable	4,521	9,361	10,039	23,921
Intergovernmental Payable	113,553	21,893	21,367	156,813
Accrued Interest Payable	3,746	9,122	16,334	29,202
Notes Payable	0	0	2,130,000	2,130,000
Capital Leases Payable	0	23,449	0	23,449
OPWC Loans Payable	0	6,643	0	6,643
General Obligation Bonds Payable	40,000	130,000	120,000	290,000
<i>Total Current Liabilities</i>	<u>172,632</u>	<u>286,082</u>	<u>2,919,013</u>	<u>3,377,727</u>
<i>Payable from Restricted Assets</i>				
Customer Deposits	57,662	18,921	97,627	174,210
<i>Long-Term Liabilities</i>				
Compensated Absences Payable	10,504	28,881	42,702	82,087
Capital Leases Payable	0	79,118	0	79,118
OPWC Loans Payable	0	102,966	0	102,966
General Obligation Bonds Payable	1,005,000	2,040,000	2,030,000	5,075,000
<i>Total Long-Term Liabilities</i>	<u>1,015,504</u>	<u>2,250,965</u>	<u>2,072,702</u>	<u>5,339,171</u>
<i>Total Liabilities</i>	1,245,798	2,555,968	5,089,342	8,891,108
<b>Fund Equity</b>				
Retained Earnings:				
Unreserved	3,467,646	6,057,317	4,021,860	13,546,823
<i>Total Liabilities and Fund Equity</i>	<u><u>\$4,713,444</u></u>	<u><u>\$8,613,285</u></u>	<u><u>\$9,111,202</u></u>	<u><u>\$22,437,931</u></u>

**City of Amherst, Ohio**  
*Combining Statement of Revenues,  
Expenses, and Changes in Retained Earnings  
All Enterprise Funds  
For the Year Ended December 31, 2001*

	<u>Water</u>	<u>Sewer</u>	<u>Electric</u>	<u>Totals</u>
<b>Operating Revenues</b>				
Charges for Services	\$1,372,296	\$2,122,176	\$5,836,677	\$9,331,149
Other	5,344	9,484	38,444	53,272
<i>Total Operating Revenues</i>	<u>1,377,640</u>	<u>2,131,660</u>	<u>5,875,121</u>	<u>9,384,421</u>
<b>Operating Expenses</b>				
Personal Services	296,592	706,463	840,581	1,843,636
Contractual Services	1,029,169	223,749	6,409,961	7,662,879
Materials and Supplies	37,597	583,105	104,729	725,431
Other	173	400	695	1,268
Depreciation	106,622	176,554	133,067	416,243
<i>Total Operating Expenses</i>	<u>1,470,153</u>	<u>1,690,271</u>	<u>7,489,033</u>	<u>10,649,457</u>
<i>Operating Income (Loss)</i>	<u>(92,513)</u>	<u>441,389</u>	<u>(1,613,912)</u>	<u>(1,265,036)</u>
<b>Non-Operating Revenues (Expenses)</b>				
Equity in Income of Joint Venture	0	0	2,050,825	2,050,825
Interest and Fiscal Charges	(46,310)	(110,632)	(227,297)	(384,239)
<i>Total Non-Operating Revenues (Expenses)</i>	<u>(46,310)</u>	<u>(110,632)</u>	<u>1,823,528</u>	<u>1,666,586</u>
<i>Net Income (Loss)</i>	(138,823)	330,757	209,616	401,550
<i>Retained Earnings Beginning of Year</i>	<u>3,606,469</u>	<u>5,726,560</u>	<u>3,812,244</u>	<u>13,145,273</u>
<i>Total Retained Earnings End of Year</i>	<u><u>\$3,467,646</u></u>	<u><u>\$6,057,317</u></u>	<u><u>\$4,021,860</u></u>	<u><u>\$13,546,823</u></u>

**City of Amherst, Ohio**  
*Combining Statement of Cash Flows*  
*All Enterprise Funds*  
*For the Year Ended December 31, 2001*

	Water	Sewer	Electric	Totals
<b><i>Increase (Decrease) in Cash and Cash Equivalents</i></b>				
<b>Cash Flows from Operating Activities</b>				
Cash Received from Customers	\$1,392,249	\$2,134,930	\$5,929,769	\$9,456,948
Deposits Received	9,021	3,363	15,643	28,027
Deposits Returned	(8,104)	(2,881)	(12,477)	(23,462)
Cash Payments to Employees for Services and Benefits	(321,658)	(751,744)	(796,887)	(1,870,289)
Cash Payments for Goods and Services	(1,079,109)	(777,176)	(6,680,482)	(8,536,767)
Cash Received from Other Operating Revenues	5,344	9,484	38,444	53,272
Cash Payments for Other Operating Expenses	(173)	(400)	(695)	(1,268)
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>(2,430)</u>	<u>615,576</u>	<u>(1,506,685)</u>	<u>(893,539)</u>
<b>Cash Flows from Capital and Related Financing Activities</b>				
Acquisition of Fixed Assets	(135,267)	(54,087)	(124,077)	(313,431)
Principal Payments on General Obligation Bonds	(40,000)	(125,000)	(110,000)	(275,000)
Interest Payments on General Obligation Bonds	(46,433)	(110,738)	(117,678)	(274,849)
Principal Payments on OPWC Loans	0	(6,643)	0	(6,643)
Principal Payments on Notes	0	0	(70,000)	(70,000)
Interest Payments on Notes	0	0	(106,404)	(106,404)
<i>Net Cash Used for Capital and Related Financing Activities</i>	<u>(221,700)</u>	<u>(296,468)</u>	<u>(528,159)</u>	<u>(1,046,327)</u>
<i>Net Increase (Decrease) in Cash and Cash Equivalents</i>	(224,130)	319,108	(2,034,844)	(1,939,866)
<i>Cash and Cash Equivalents Beginning of Year</i>	<u>728,919</u>	<u>1,745,693</u>	<u>4,586,330</u>	<u>7,060,942</u>
<i>Cash and Cash Equivalents End of Year</i>	<u><u>\$504,789</u></u>	<u><u>\$2,064,801</u></u>	<u><u>\$2,551,486</u></u>	<u><u>\$5,121,076</u></u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities</b>				
<i>Operating Income (Loss)</i>	(\$92,513)	\$441,389	(\$1,613,912)	(\$1,265,036)
Adjustments:				
Depreciation	106,622	176,554	133,067	416,243
(Increase) Decrease in Assets:				
Accounts Receivable	19,953	12,754	93,092	125,799
Materials and Supplies Inventory	(22,528)	(952)	3,351	(20,129)
Increase (Decrease) in Liabilities:				
Accounts Payable	(31,526)	(33,824)	(114,124)	(179,474)
Contracts Payable	0	58,051	0	58,051
Accrued Wages Payable	(507)	176	2,959	2,628
Compensated Absences Payable	(23,441)	(31,651)	(12,707)	(67,799)
Intergovernmental Payable	40,593	(7,403)	(1,577)	31,613
Customer Deposits	917	482	3,166	4,565
Total Adjustments	<u>90,083</u>	<u>174,187</u>	<u>107,227</u>	<u>371,497</u>
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u><u>(\$2,430)</u></u>	<u><u>\$615,576</u></u>	<u><u>(\$1,506,685)</u></u>	<u><u>(\$893,539)</u></u>

**City of Amherst, Ohio**  
*Schedule of Revenues, Expenses and Changes*  
*In Fund Equity - Budget (Non-GAAP Basis) and Actual*  
*Water Fund*  
*For the Year Ended December 31, 2001*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Charges for Services	\$1,585,175	\$1,552,460	\$1,392,249	(\$160,211)
Customer Deposits	10,000	10,000	9,021	(979)
Other	0	0	5,344	5,344
<i>Total Revenues</i>	<u>1,595,175</u>	<u>1,562,460</u>	<u>1,406,614</u>	<u>(155,846)</u>
<b>Expenses</b>				
Water Operations:				
Personal Services	365,266	393,137	321,658	71,479
Contractual Services	1,030,772	1,109,422	1,027,252	82,170
Materials and Supplies	186,038	207,551	67,743	139,808
Other	2,913	3,135	173	2,962
Capital Outlay	330,921	348,853	139,457	209,396
Debt Service:				
Principal Retirement	37,164	40,000	40,000	0
Interest and Fiscal Charges	43,141	46,433	46,433	0
Deposits Returned:				
Refunds	9,291	10,000	8,104	1,896
<i>Total Expenses</i>	<u>2,005,506</u>	<u>2,158,531</u>	<u>1,650,820</u>	<u>507,711</u>
<i>Excess of Revenues Under Expenses</i>	(410,331)	(596,071)	(244,206)	351,865
<i>Fund Equity Beginning of Year</i>	614,876	614,876	614,876	0
Prior Year Encumbrances Appropriated	114,043	114,043	114,043	0
<i>Fund Equity End of Year</i>	<u>\$318,588</u>	<u>\$132,848</u>	<u>\$484,713</u>	<u>\$351,865</u>

**City of Amherst, Ohio**  
*Schedule of Revenues, Expenses and Changes*  
*In Fund Equity - Budget (Non-GAAP Basis) and Actual*  
*Sewer Fund*  
*For the Year Ended December 31, 2001*

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
<b>Revenues</b>				
Charges for Services	\$2,008,625	\$1,936,600	\$2,134,930	\$198,330
Customer Deposits	5,000	5,000	3,363	(1,637)
Other	0	0	9,484	9,484
<i>Total Revenues</i>	<u>2,013,625</u>	<u>1,941,600</u>	<u>2,147,777</u>	<u>206,177</u>
<b>Expenses</b>				
Sewer Operations:				
Personal Services	759,610	908,665	752,044	156,621
Contractual Services	368,932	441,326	230,257	211,069
Materials and Supplies	863,467	944,491	609,458	335,033
Other	606	725	400	325
Capital Outlay	666,110	885,228	603,413	281,815
Debt Service:				
Principal Retirement	110,049	131,643	131,643	0
Interest and Fiscal Charges	92,573	110,738	110,738	0
Deposits Returned:				
Refunds	8,360	10,000	2,881	7,119
<i>Total Expenses</i>	<u>2,869,707</u>	<u>3,432,816</u>	<u>2,440,834</u>	<u>991,982</u>
<i>Excess of Revenues Under Expenses</i>	(856,082)	(1,491,216)	(293,057)	1,198,159
<i>Fund Equity Beginning of Year</i>	1,299,163	1,299,163	1,299,163	0
Prior Year Encumbrances Appropriated	<u>446,530</u>	<u>446,530</u>	<u>446,530</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u><u>\$889,611</u></u>	<u><u>\$254,477</u></u>	<u><u>\$1,452,636</u></u>	<u><u>\$1,198,159</u></u>

**City of Amherst, Ohio**  
*Schedule of Revenues, Expenses and Changes*  
*In Fund Equity - Budget (Non-GAAP Basis) and Actual*  
*Electric Fund*  
*For the Year Ended December 31, 2001*

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
<b>Revenues</b>				
Charges for Services	\$5,672,700	\$5,920,840	\$5,929,769	\$8,929
Customer Deposits	15,000	15,000	15,643	643
Other	0	0	38,444	38,444
<i>Total Revenues</i>	<u>5,687,700</u>	<u>5,935,840</u>	<u>5,983,856</u>	<u>48,016</u>
<b>Expenses</b>				
Electric Operations:				
Personal Services	939,028	982,236	796,887	185,349
Contractual Services	6,947,020	7,303,664	6,599,389	704,275
Materials and Supplies	328,620	347,266	125,765	221,501
Other	1,466	1,541	695	846
Capital Outlay	370,680	387,935	200,776	187,159
Debt Service:				
Principal Retirement	175,966	185,000	180,000	5,000
Interest and Fiscal Charges	213,422	224,379	224,082	297
Deposits Returned:				
Refunds	14,268	15,000	12,477	2,523
<i>Total Expenses</i>	<u>8,990,470</u>	<u>9,447,021</u>	<u>8,140,071</u>	<u>1,306,950</u>
<i>Excess of Revenues Under Expenses</i>	(3,302,770)	(3,511,181)	(2,156,215)	1,354,966
<i>Fund Equity Beginning of Year</i>	4,043,456	4,043,456	4,043,456	0
Prior Year Encumbrances Appropriated	<u>542,874</u>	<u>542,874</u>	<u>542,874</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u>\$1,283,560</u>	<u>\$1,075,149</u>	<u>\$2,430,115</u>	<u>\$1,354,966</u>



**City of Amherst, Ohio**  
*Schedule of Revenues, Expenses and Changes*  
*In Fund Equity - Budget (Non-GAAP Basis) and Actual*  
*All Enterprise Funds*  
*For the Year Ended December 31, 2001*

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
<b>Revenues</b>				
Charges for Services	\$9,266,500	\$9,409,900	\$9,456,948	\$47,048
Customer Deposits	30,000	30,000	28,027	(1,973)
Other	0	0	53,272	53,272
<i>Total Revenues</i>	<u>9,296,500</u>	<u>9,439,900</u>	<u>9,538,247</u>	<u>98,347</u>
<b>Expenses</b>				
Current:				
Personal Services				
Water Fund	365,266	393,137	321,658	71,479
Sewer Fund	759,610	908,665	752,044	156,621
Electric Fund	939,028	982,236	796,887	185,349
Total Personal Services	<u>2,063,904</u>	<u>2,284,038</u>	<u>1,870,589</u>	<u>413,449</u>
Contractual Services				
Water Fund	1,030,772	1,109,422	1,027,252	82,170
Sewer Fund	368,932	441,326	230,257	211,069
Electric Fund	6,947,020	7,303,664	6,599,389	704,275
Total Contractual Services	<u>8,346,724</u>	<u>8,854,412</u>	<u>7,856,898</u>	<u>997,514</u>
Materials and Supplies				
Water Fund	186,038	207,551	67,743	139,808
Sewer Fund	863,467	944,491	609,458	335,033
Electric Fund	328,620	347,266	125,765	221,501
Total Materials and Supplies	<u>1,378,125</u>	<u>1,499,308</u>	<u>802,966</u>	<u>696,342</u>
Other				
Water Fund	2,913	3,135	173	2,962
Sewer Fund	606	725	400	325
Electric Fund	1,466	1,541	695	846
Total Other	<u>4,985</u>	<u>5,401</u>	<u>1,268</u>	<u>4,133</u>
Capital Outlay				
Water Fund	330,921	348,853	139,457	209,396
Sewer Fund	666,110	885,228	603,413	281,815
Electric Fund	370,680	387,935	200,776	187,159
Total Capital Outlay	<u>\$1,367,711</u>	<u>\$1,622,016</u>	<u>\$943,646</u>	<u>\$678,370</u>

(continued)

**City of Amherst, Ohio**  
*Schedule of Revenues, Expenses and Changes*  
*In Fund Equity - Budget (Non-GAAP Basis) and Actual*  
*All Enterprise Funds (continued)*  
*For the Year Ended December 31, 2001*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Debt Service:				
Principal Retirement				
Water Fund	\$37,164	\$40,000	\$40,000	\$0
Sewer Fund	110,049	131,643	131,643	0
Electric Fund	175,966	185,000	180,000	5,000
Total Principal Retirement	<u>323,179</u>	<u>356,643</u>	<u>351,643</u>	<u>5,000</u>
Interest and Fiscal Charges				
Water Fund	43,141	46,433	46,433	0
Sewer Fund	92,573	110,738	110,738	0
Electric Fund	213,422	224,379	224,082	297
Total Interest and Fiscal Charges	<u>349,136</u>	<u>381,550</u>	<u>381,253</u>	<u>297</u>
Deposits Returned:				
Refunds				
Water Fund	9,291	10,000	8,104	1,896
Sewer Fund	8,360	10,000	2,881	7,119
Electric Fund	14,268	15,000	12,477	2,523
Total Deposits Returned	<u>31,919</u>	<u>35,000</u>	<u>23,462</u>	<u>11,538</u>
<i>Total Expenses</i>	<u>13,865,683</u>	<u>15,038,368</u>	<u>12,231,725</u>	<u>2,806,643</u>
<i>Excess of Revenues Under Expenses</i>	(4,569,183)	(5,598,468)	(2,693,478)	2,904,990
<i>Fund Equity Beginning of Year</i>	5,957,495	5,957,495	5,957,495	0
Prior Year Encumbrances Appropriated	<u>1,103,447</u>	<u>1,103,447</u>	<u>1,103,447</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u>\$2,491,759</u>	<u>\$1,462,474</u>	<u>\$4,367,464</u>	<u>\$2,904,990</u>

## **Internal Service Fund**

The internal service fund is used to account for the financing of services provided by one department or agency to other departments or agencies of the City on a cost reimbursement basis.

***Health Insurance Fund*** - to account for the operations of the City's self-insured health plan. Since there is only one internal service fund and the level of budgetary control is not greater than that presented in the combined financial statements, no additional financial statements are presented here.

## **Fiduciary Funds**

Fiduciary funds are used to account for the assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds. The following are the City's fiduciary fund types:

### **Nonexpendable Trust Fund**

***Cemetery Trust Fund*** - to provide for a holiday flower for the Martin family grave.

### **Agency Funds**

***Street Openings Fund*** - to account for monies collected and disbursed for a bond and permit fee to assure repair of street opened for repairs or tap-ins.

***Building Standards Assessment Fund*** - to account for the collection and disbursement of the three percent assessment fee required on all commercial building permits. This three percent fee is remitted to the State Board of Building Standards monthly.

***Joint Ambulance District Fund*** - to account for the collection and disbursement of Joint Ambulance District monies. The City functions as fiscal agent for the Joint Ambulance District.

**City of Amherst, Ohio**  
*Combining Balance Sheet*  
*All Trust and Agency Funds*  
*December 31, 2001*

	Nonexpendable Trust	Agency Funds	Totals
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$4,024	\$11,308	\$15,332
Cash and Cash Equivalents in Segregated Accounts	<u>          0</u>	<u>          6,186</u>	<u>          6,186</u>
<i>Total Assets</i>	<u><u>          \$4,024</u></u>	<u><u>          \$17,494</u></u>	<u><u>          \$21,518</u></u>
<b>Liabilities</b>			
Deposits Held and Due to Others	<u>          \$0</u>	<u>          \$17,494</u>	<u>          \$17,494</u>
<b>Fund Equity</b>			
Fund Balance:			
Reserved for Contributions	2,000	0	2,000
Unreserved, Undesignated	<u>          2,024</u>	<u>          0</u>	<u>          2,024</u>
<i>Total Fund Equity</i>	<u>          4,024</u>	<u>          0</u>	<u>          4,024</u>
<i>Total Liabilities and Fund Equity</i>	<u><u>          \$4,024</u></u>	<u><u>          \$17,494</u></u>	<u><u>          \$21,518</u></u>

**City of Amherst, Ohio**  
*Combining Statement of Changes in Assets and Liabilities*  
*All Agency Funds*  
*For the Year Ended December 31, 2001*

	Balance 12/31/00	Additions	Reductions	Balance 12/31/01
<b><i>Street Openings</i></b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$7,250	\$1,525	\$0	\$8,775
<b>Liabilities</b>				
Deposits Held and Due to Others	\$7,250	\$1,525	\$0	\$8,775
 <b><i>Building Standards Assessment</i></b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$525	\$6,928	\$4,920	\$2,533
<b>Liabilities</b>				
Deposits Held and Due to Others	\$525	\$6,928	\$4,920	\$2,533
 <b><i>Joint Ambulance District</i></b>				
<b>Assets</b>				
Cash and Cash Equivalents in Segregated Accounts	\$39,448	\$118,328	\$151,590	\$6,186
<b>Liabilities</b>				
Deposits Held and Due to Others	\$39,448	\$118,328	\$151,590	\$6,186
 <b><i>Total All Agency Funds</i></b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$7,775	\$8,453	\$4,920	\$11,308
Cash and Cash Equivalents in Segregated Accounts	39,448	118,328	151,590	6,186
<i>Total Assets</i>	\$47,223	\$126,781	\$156,510	\$17,494
<b>Liabilities</b>				
Deposits Held and Due to Others	\$47,223	\$126,781	\$156,510	\$17,494

## **General Fixed Asset Account Group**

The general fixed asset account group is used to account for long lived assets not used in the operations of the proprietary funds.

**City of Amherst, Ohio**  
*Schedule of General Fixed Assets*  
*by Function and Activity*  
*December 31, 2001*

<u>Function and Activity</u>	<u>Total</u>	<u>Land</u>	<u>Buildings</u>	<u>Improvements other than Buildings</u>	<u>Machinery and Equipment</u>	<u>Vehicles</u>
Security of Persons and Property	\$3,182,791	\$219,274	\$2,481,308	\$91,900	\$313,168	\$77,141
Public Health Services	111,601	0	91,000	0	0	20,601
Leisure Time Activities	615,227	0	503,598	80,035	21,123	10,471
Transportation	2,046,609	0	1,046,809	29,596	537,457	432,747
General Government	<u>4,075,860</u>	<u>910,165</u>	<u>1,039,431</u>	<u>817,363</u>	<u>389,610</u>	<u>919,291</u>
Total General Fixed Assets	<u><u>\$10,032,088</u></u>	<u><u>\$1,129,439</u></u>	<u><u>\$5,162,146</u></u>	<u><u>\$1,018,894</u></u>	<u><u>\$1,261,358</u></u>	<u><u>\$1,460,251</u></u>

**City of Amherst, Ohio**  
*Schedule of Changes in General Fixed Assets*  
*by Function and Activity*  
*For the Year Ended December 31, 2001*

<u>Function and Activity</u>	<u>Balance 12/31/00</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 12/31/01</u>
Security of Persons and Property	\$3,182,791	\$0	\$0	\$3,182,791
Public Health Services	111,601	0	0	111,601
Leisure Time Activities	552,316	62,911	0	615,227
Transportation	1,114,956	931,653	0	2,046,609
General Government	<u>3,473,480</u>	<u>602,380</u>	<u>0</u>	<u>4,075,860</u>
Total General Fixed Assets	<u><u>\$8,435,144</u></u>	<u><u>\$1,596,944</u></u>	<u><u>\$0</u></u>	<u><u>\$10,032,088</u></u>



**City of Amherst, Ohio**  
*Schedule of General Fixed Assets*  
*by Sources*  
*December 31, 2001*

***General Fixed Assets***

Land	\$1,129,439
Buildings	5,162,146
Improvements other than Buildings	1,018,894
Machinery and Equipment	1,261,358
Vehicles	1,460,251

***Total General Fixed Assets*** \$10,032,088

***Investments in General Fixed Assets from:***

General Fund	4,075,858
Special Revenue	2,773,434
Capital Projects Funds	3,182,796

***Total General Fixed Assets*** \$10,032,088

*(This Page Intentionally Left Blank)*

**City of Amherst, Ohio**  
*General Fund Expenditures by Function*  
*Last Ten Years*

	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>	<u>1997</u>	<u>1996</u>	<u>1995</u>	<u>1994</u>	<u>1993</u>	<u>1992</u>
Security of Persons and Property	\$2,195,928	\$2,006,168	\$1,838,655	\$1,765,187	\$1,611,443	\$1,490,081	\$1,273,664	\$1,180,749	\$1,217,493	\$1,130,372
Public Health and Welfare	84,789	65,189	31,971	60,392	34,097	40,276	7,735	79,924	74,198	74,590
Leisure Time Activities	0	0	0	0	0	0	0	0	0	0
Community Development	171,746	206,578	121,257	109,571	91,357	63,865	63,304	56,127	65,425	64,504
Transportation	0	0	0	0	0	0	53,966	0	2,545	0
Basic Utility Services	0	0	0	0	0	0	0	0	2,923	0
General Government	1,342,666	1,992,610	1,257,391	758,264	880,084	733,537	528,375	827,166	572,377	524,933
Capital Outlay	0	0	4,950	105,137	0	0	0	0	0	61,602
Debt Service	<u>12,231</u>	<u>5,462</u>	<u>0</u>	<u>23,079</u>	<u>7,911</u>	<u>8,884</u>	<u>11,434</u>	<u>2,063</u>	<u>0</u>	<u>0</u>
<b>Total</b>	<b><u><u>\$3,807,360</u></u></b>	<b><u><u>\$4,276,007</u></u></b>	<b><u><u>\$3,254,224</u></u></b>	<b><u><u>\$2,821,630</u></u></b>	<b><u><u>\$2,624,892</u></u></b>	<b><u><u>\$2,336,643</u></u></b>	<b><u><u>\$1,938,478</u></u></b>	<b><u><u>\$2,146,029</u></u></b>	<b><u><u>\$1,934,961</u></u></b>	<b><u><u>\$1,856,001</u></u></b>

Source: City of Amherst records

**City of Amherst, Ohio**  
*General Fund Revenues by Source*  
*Last Ten Years*

	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>	<u>1997</u>	<u>1996</u>	<u>1995</u>	<u>1994</u>	<u>1993</u>	<u>1992</u>
Property and Other Local Taxes	\$687,995	\$590,578	\$538,361	\$341,049	\$1,525,458	\$2,058,642	\$1,468,337	\$323,183	\$360,631	\$314,907
Municipal Income Taxes (1)	1,844,926	1,661,354	0	0	0	0	0	1,172,520	888,589	1,088,152
Intergovernmental	878,695	919,050	616,798	670,456	589,337	504,622	397,283	386,349	308,739	371,832
Charges for Services	134,031	217,575	129,021	64,205	70,900	65,999	66,586	53,143	82,570	55,634
Fees, Licenses and Permits	317,158	153,326	190,701	143,290	112,462	111,773	106,273	84,821	81,002	78,401
Contributions	1,050	15,000	0	0	0	0	0	0	0	0
Special Assessments	0	0	0	0	0	0	0	336	250	0
Interest	693,700	987,114	842,483	473,613	354,898	367,657	301,283	294,191	185,924	144,427
Other	<u>67,989</u>	<u>29,827</u>	<u>34,514</u>	<u>97,002</u>	<u>16,380</u>	<u>5,440</u>	<u>3,764</u>	<u>81</u>	<u>2,679</u>	<u>8,726</u>
<b>Total</b>	<b><u>\$4,625,544</u></b>	<b><u>\$4,573,824</u></b>	<b><u>\$2,351,878</u></b>	<b><u>\$1,789,615</u></b>	<b><u>\$2,669,435</u></b>	<b><u>\$3,114,133</u></b>	<b><u>\$2,343,526</u></b>	<b><u>\$2,314,624</u></b>	<b><u>\$1,910,384</u></b>	<b><u>\$2,062,079</u></b>

(1) Between 1995 and 1999, the City presented the municipal income tax fund as a special revenue fund.

Source: City of Amherst records

**City of Amherst, Ohio**  
*Property Tax Levies and Collections*  
*Last Ten Years*

<u>Year</u>	<u>Total Tax Levy</u>	<u>Current Tax Collections</u>	<u>Delinquent Tax Collections</u>	<u>Total (1) Tax Collections</u>	<u>Percent of Total Tax Collections to Tax Levy</u>	<u>Outstanding Delinquent Taxes</u>	<u>Percentage of Delinquent Taxes to Total Tax Levy</u>
2001	\$1,149,617	\$1,118,764	\$30,690	\$1,149,454	99.99%	\$35,546	3.09%
2000	1,022,049	990,743	24,251	1,014,994	99.31	38,346	3.75
1999	1,014,406	987,449	23,639	1,011,088	99.67	32,596	3.21
1998	1,060,110	1,033,552	30,917	1,064,469	100.41	31,958	3.01
1997	811,095	785,675	12,552	798,227	98.41	29,368	3.62
1996	779,678	764,027	14,087	778,114	99.80	18,576	2.38
1995	746,027	730,196	13,488	743,684	99.69	19,267	2.58
1994	660,763	648,457	8,021	656,478	99.35	15,899	2.41
1993	451,182	443,505	4,492	447,997	99.29	9,089	2.01
1992	439,237	433,350	9,471	442,821	100.82	7,830	1.78

Source: Lorain County Auditor

(1) State reimbursement of rollback and homestead exemptions are included.

**City of Amherst, Ohio**  
*Assessed and Estimated Actual Value of Taxable Property*  
*Last Ten Years*

Year	Real Property		Public Utility Property		Tangible Personal Property		Total		Ratio
	Assessed Value	Estimated Actual Value (1)	Assessed Value	Estimated Actual Value (1)	Assessed Value	Estimated Actual Value (1)	Assessed Value	Estimated Actual Value	
2001	\$231,059,630	\$660,170,371	\$5,692,860	\$6,469,159	\$18,953,000	\$75,812,000	\$255,705,490	\$742,451,531	34.44%
2000	196,606,640	561,733,257	5,701,900	6,479,432	18,188,231	72,752,924	220,496,771	640,965,613	34.40
1999	191,456,420	547,018,343	5,853,200	6,651,364	18,834,889	75,339,556	216,144,509	629,009,262	34.36
1998	181,472,120	518,491,771	5,778,870	6,566,898	16,914,700	67,658,800	204,165,690	592,717,469	34.45
1997	148,646,190	424,703,400	5,811,310	6,603,761	17,451,520	69,806,080	171,909,020	501,113,241	34.31
1996	143,163,470	409,038,486	5,829,430	6,624,352	15,788,151	63,152,604	164,781,051	478,815,442	34.41
1995	135,840,110	388,114,600	6,584,340	7,482,205	19,880,686	79,522,744	162,305,136	475,119,549	34.16
1994	119,020,100	340,057,429	5,907,090	6,712,602	19,266,639	77,066,556	144,193,829	423,836,587	34.02
1993	115,034,250	328,669,286	6,023,460	6,844,841	20,084,031	80,336,124	141,141,741	415,850,251	33.94
1992	115,015,520	328,615,771	6,042,190	6,866,125	20,084,031	80,336,124	141,141,741	415,818,020	33.94

Source: Lorain County, Ohio; County Auditor

- (1) This amount is calculated based on the following percentages:  
Real property is assessed at thirty-five percent of actual value.  
Public utility is assessed at eighty-eight percent of actual value.  
Tangible personal is assessed at twenty-five percent of actual value.

**City of Amherst, Ohio**  
*Property Tax Rates - Direct and Overlapping Governments*  
*(Per \$1,000 of Assessed Valuation)*  
*Last Ten Years*

Year	City	Lorain County	Amherst Exempted School District	Lorain County Joint Vocational School	Total
2001	\$6.13	\$10.79	\$62.42	\$2.45	\$81.79
2000	6.77	10.79	57.98	2.45	77.99
1999	6.77	10.79	57.98	2.45	77.99
1998	6.77	10.79	57.98	2.45	77.99
1997	6.77	12.69	57.98	2.45	79.89
1996	5.77	12.69	53.08	2.45	73.99
1995	5.77	12.69	53.08	2.45	73.99
1994	5.77	11.74	53.33	2.45	73.29
1993	4.20	11.74	48.98	2.45	67.37
1992	4.20	11.74	49.38	2.45	67.77

Source: Lorain County Auditor

**City of Amherst, Ohio**  
*Ratio of Net General Bonded Debt to Assessed  
Value and Net Bonded Debt per Capita  
Last Ten Years*

<u>Year</u>	<u>Population (1)</u>	<u>Assessed Value (2)</u>	<u>Gross (3) Bonded Debt</u>	<u>Debt Service Monies Available</u>	<u>Net Bonded Debt</u>	<u>Ratio of Net Bonded Debt to Assessed Valuation</u>	<u>Net Bonded Debt per Capita</u>
2001	11,797	\$255,705,490	\$2,904,000	\$482,033	\$2,421,967	0.95%	\$205.30
2000	11,797	220,496,771	3,027,000	430,891	2,596,109	1.18	220.07
1999	10,332	216,144,509	3,145,000	449,543	2,695,457	1.25	260.88
1998	10,332	204,165,690	3,421,000	440,005	2,980,995	1.46	288.52
1997	10,332	171,909,020	2,822,000	313,507	2,508,493	1.46	242.79
1996	10,332	164,781,051	2,918,000	195,720	2,722,280	1.65	263.48
1995	10,332	162,305,136	3,009,000	141,972	2,867,028	1.77	277.49
1994	10,332	144,193,829	3,100,000	109,499	2,990,501	2.07	289.44
1993	10,332	141,141,741	3,190,000	115,167	3,074,833	2.18	297.60
1992	10,332	141,141,741	210,000	210,000	0	0.00	0.00

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

(2) Source: Lorain County Auditor

(3) Includes all general obligation bonded debt payable from property taxes.



**City of Amherst, Ohio**  
*Computation of Legal Debt Margin*  
*December 31, 2001*

<i>Total Assessed Valuation</i>	<u><u>\$255,705,490</u></u>
<i>Overall Debt Limitation 10 1/2% of Assessed Valuation</i>	<u>26,849,076</u>
 Amount of Debt Outstanding:	
General Obligation Bonds	2,904,000
OPWC Loans	17,500
General Obligation Notes	315,000
Enterprise Funds' Notes	2,130,000
Enterprise Funds' Bonds	5,365,000
Enterprise Funds' OPWC Loans	<u>109,609</u>
 Total Amount of Debt Outstanding	 10,841,109
 Less: OPWC Loans	
Enterprise Funds' Notes	(17,500)
Enterprise Funds' Bonds	(2,130,000)
Enterprise Funds' OPWC Loans	(5,365,000)
Amount Available in Debt Service Fund	<u>(109,609)</u>
 Net Debt Within 10 1/2% Limitations	 <u>2,736,967</u>
 <i>Overall Debt Margin within 10.5 Limitation</i>	 <u><u>\$24,112,109</u></u>
 <i>Unvoted Debt Limitation (5 1/2% of Assessed Valuation)</i>	 <u><u>\$14,063,802</u></u>
 Amount of Debt Outstanding	
General Obligation Bonds	2,904,000
OPWC Loans	17,500
General Obligation Notes	315,000
Enterprise Funds' Notes	2,130,000
Enterprise Funds' Bonds	5,365,000
Enterprise Funds' OPWC Loans	<u>109,609</u>
 Total Amount of Debt Outstanding	 10,841,109
 Less: OPWC Loans	
Enterprise Funds' Notes	(17,500)
Enterprise Funds' Bonds	(2,130,000)
Enterprise Funds' OPWC Loans	(5,365,000)
Amount Available in Debt Service Fund	<u>(109,609)</u>
 Net Debt Within 5 1/2% Limitations	 <u>2,736,967</u>
 <i>Unvoted Debt Margin within 5.5 Limitation</i>	 <u><u>\$11,326,835</u></u>

**City of Amherst, Ohio**  
*Computation of Direct and Overlapping Debt*  
*December 31, 2001*

<u>Jurisdiction</u>	<u>General Tax Supported Debt</u>	<u>Percentage Applicable to City</u>	<u>Amount Applicable to City</u>
Direct:			
City of Amherst	<u>\$2,904,000</u>	100.00%	<u>\$2,904,000</u>
Overlapping:			
Lorain County	<u>6,540,000</u>	4.70	<u>307,380</u>
Total	<u><u>\$9,444,000</u></u>		<u><u>\$3,211,380</u></u>

Source: Lorain County, Ohio; County Auditor

The percentage of gross indebtedness of the City's overlapping political subdivisions was determined by dividing each overlapping subdivision's assessed valuation within the City by its total assessed valuation.

**City of Amherst, Ohio**  
*Ratio of Annual Debt Service Expenditures  
for General Bonded Debt to Total General Fund Expenditures  
Last Ten Years*

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>General Fund Expenditures</u>	<u>Ratio of Debt Principal to General Fund Expenditures</u>
2001	\$123,000	\$154,295	\$277,295	\$3,807,360	7.28%
2000	118,000	159,548	277,548	4,276,007	6.49
1999	276,000	188,729	464,729	3,254,224	14.28
1998	101,000	145,682	246,682	2,821,630	8.74
1997	96,000	149,630	245,630	2,624,892	9.36
1996	91,000	153,234	244,234	2,336,643	10.45
1995	91,000	156,526	247,526	1,938,478	12.77
1994	90,000	162,764	252,764	2,146,029	11.78
1993	20,000	26,789	46,789	1,934,961	2.42
1992	20,000	16,968	36,968	1,856,001	1.99

Source: City of Amherst, Auditor's Office

**City of Amherst, Ohio**  
*Demographic Statistics*  
*Last Ten Years*

<u>Year</u>	<u>Population (1)</u>	<u>School Enrollment (2)</u>	<u>Unemployment Rate Lorain County (3)</u>
2001	11,797	3,758	5.6%
2000	11,797	3,873	5.4
1999	10,332	3,768	5.0
1998	10,332	3,732	3.6
1997	10,332	3,629	6.1
1996	10,332	3,608	7.8
1995	10,332	3,463	5.1
1994	10,332	3,374	4.4
1993	10,332	3,270	5.9
1992	10,332	3,206	9.7

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

(2) Source: Amherst Exempted Village School Board of Education

(3) Source: Ohio Department of Unemployment, Labor Market  
Information Department

**City of Amherst, Ohio**  
*Construction and Bank Deposits*  
*Last Nine Years*

<u>Year</u>	<u>New Construction Value (1)</u>		<u>Domestic Bank Deposits in the County (2, 3) (in Thousands)</u>	<u>Assessed Value (4)</u>
	<u>Residential</u>	<u>Commercial/ Industrial</u>		
2001	\$13,896,947	\$15,372,806	\$555,591	\$255,705,490
2000	13,028,745	648,696	513,102	220,496,771
1999	19,091,385	1,038,000	463,993	216,144,509
1998	10,253,228	4,099,000	444,974	204,165,690
1997	9,228,019	4,170,000	1,381,977	171,909,020
1996	12,362,892	7,855,000	1,329,795	164,781,051
1995	11,736,877	7,161,000	1,237,991	162,305,136
1994	14,131,800	7,115,000	1,254,166	144,193,829
1993	11,220,000	4,290,000	1,170,581	141,141,741

(1) Source: City of Amherst Building Department Reports

(2) Source: Federal Reserve Bank of Cleveland

(3) The decrease at 1998 resulted when out-of-county banks acquired local bank branches. The deposits were moved out of Lorain County.

(4) Source: Lorain County Auditor

Information prior to 1993 is unavailable

**City of Amherst, Ohio**

*Principal Taxpayers*

*December 31, 2001*

<u>Taxpayer</u>	<u>Real Property Assessed Valuation</u>	<u>Percentage of Total Assessed Valuation</u>
Nordson, Inc.	\$5,369,610	2.10%
Amherst Plaza Limited	2,713,690	1.06
Century Telephone of Ohio, Inc.	2,075,920	0.81
Amherst Properties, Limited	1,985,690	0.78
Columbia Gas of Ohio, Inc.	1,984,030	0.78
Spitzer Auto World Amherst, Inc.	1,685,280	0.66
CO LE Mon, LLC	1,002,670	0.39
Ohio Edison	972,070	0.38
Amherst Manor Care	943,460	0.37
M Six Penvest II Business	921,400	0.36
	<u>\$19,653,820</u>	<u>7.69%</u>
Total Assessed Valuation	<u>\$255,705,490</u>	

(1) Assessed valuation based on the valuation of property for taxes collected in 2001 and a review of the ten largest parcels for the City. Total valuation listed for each taxpayer does not include all parcels owned by that taxpayer in the County.

Source: Lorain County Auditor

**City of Amherst, Ohio**

*Miscellaneous Statistics*

*December 31, 2001*

Date of Incorporation	1962
Form of Government	Mayor/Council
Area	5.26 Square Miles
Miles of Streets	52
Number of Street Lights	1,435
Fire Protection:	
Number of Stations	1
Number of Firefighters and Officers	34
Police Protection:	
Number of Stations	1
Number of Policepersons and Officers	37
Municipal Water Department:	
Active Accounts	5,486
Average Daily Consumption	128,006 Gallons
Miles of Water Mains	42
Sewers:	
Miles of Sanitary Sewers	38
Miles of Storm Sewers	26
Electric Accounts:	
Active Accounts	5,228
Average Daily Consumption	283,333 Kilowatt Hours
Building Permits Issued	865
Recreation and Culture:	
Number of Parks	4
Number of Libraries	1
Number of Library Volumes	61,000
Employees:	
Full-Time	71
Part-Time	67

*(This Page Intentionally Left Blank)*



# **City of Amherst, Ohio**

**DECEMBER 31, 2001**

# **CITY OF AMHERST, OHIO**

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

## **TABLE OF CONTENTS**

---

<u>TITLE</u>	<u>PAGE</u>
Report on Compliance and on Internal Control Required by <i>Government Auditing Standards</i>	1-2
Schedule of Findings	3
Schedule of Prior Audit Findings	4
Response to Findings Associated with Audit Conducted in Accordance with <i>Government Auditing Standards</i>	5

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

Members of the City Council  
City of Amherst, Ohio

We have audited the financial statements of the City of Amherst, as of and for the year ended December 31, 2001, wherein we noted that the City reclassified certain assets to the General, Special Revenue, Debt Service, and Capital Project Fund Types. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the City of Amherst's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance that is required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as item 01-1. We also noted certain immaterial instances of noncompliance, which we have reported to management of the City of Amherst in a separate letter dated May 3, 2002.

Internal Control Over Financial Reporting

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

Members of the City Council  
City of Amherst, Ohio

2

This report is intended solely for the information and use of the City Council, management, and Auditor of State's Office, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink, appearing to read "C. P. ...". The signature is written in a cursive style with a large initial "C" and a long, sweeping underline.

Cleveland, Ohio  
May 3, 2002

**CITY OF AMHERST, OHIO**

**SCHEDULE OF FINDINGS**

**DECEMBER 31, 2001**

---

**1. SUMMARY OF AUDITORS' RESULTS**

Type of Financial Statement Opinion	Unqualified
Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	No
Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?	No
Was there any material reported noncompliance at the financial statement level (GAGAS)?	Yes

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

01-1 Ohio Revised Code Section 5705.39 states that the total appropriation from each fund should not exceed the total estimated revenue.

The original appropriations exceeded the original estimated resources plus available balances for 2001 in the following funds: Park, Local Law Enforcement, CDBG Improvements, and Issue II Improvements.

**3. OTHER FINDINGS**

None.

# **CITY OF AMHERST, OHIO**

## **SCHEDULE OF PRIOR AUDIT FINDINGS**

**DECEMBER 31, 2001**

---

<b>Finding Number</b>	<b>Finding Summary</b>	<b>Fully Corrected?</b>	<b>Explanation</b>
00-1	Ohio Revised Code Section 735.05 states that expenditures, other than the compensation of persons employed therein, that exceed \$15,000 shall be first authorized and directed by ordinance of the city legislative authority.	Yes	The mayor was informed of the problem and the situation was corrected in 2001.
00-2	Ohio Revised Code Section 735.07 states that all contract alterations or modifications must be agreed upon in writing by the legislative authority.	Yes	The appropriate officials were informed of the problem and change orders were done for projects in 2001.

---

**CITY OF AMHERST, OHIO  
206 SOUTH MAIN STREET  
AMHERST, OHIO 44001  
(440) 988-3742**

**Response To Findings Associated With Audit Conducted  
In Accordance With *Government Auditing Standards*  
For The Year Ended December 31, 2001**

Finding Number	Planned Corrective Action	Anticipated Completion Date	Responsible Contact Person
01-1	The City will monitor appropriations to ensure that they do not exceed estimated resources throughout the year.	Immediately	Diane Eswine, City Auditor







STATE OF OHIO  
OFFICE OF THE AUDITOR  

---

JIM PETRO, AUDITOR OF STATE

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

**CITY OF AMHERST**

**LORAIN COUNTY**

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
JULY 25, 2002**