



**CITY OF ELYRIA
LORAIN COUNTY**

SINGLE AUDIT

FOR THE YEAR ENDED DECEMBER 31, 2001



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

CITY OF ELYRIA
LORAIN COUNTY

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**CITY OF ELYRIA
LORAIN COUNTY**

**Schedule of Federal Awards Expenditures and Receipts
for the year ended December 31, 2001**

Federal Grantor/ Pass-Through Grantor/ Program Title	Pass-Through Entity Number	CFDA Number	Receipts	Expenditures
<u>U.S. DEPARTMENT OF HOUSING & URBAN DEVELOPMENT</u>				
<i>Direct Federal Assistance Program:</i>				
Community Development Block Grant	B-00-MC-39-0015	14.218	\$760,588	\$855,844
<i>Passed Through the Ohio Department of Development:</i>				
HOME - Home Improvement Partnership Program	A-C-00-857-4	14.239	0	261,573
Total U. S. Department of Housing & Urban Development			<u>760,588</u>	<u>1,117,417</u>
<u>U.S. FEDERAL EMERGENCY MANAGEMENT AGENCY</u>				
<i>Passed Through United Way of America:</i>				
Emergency Food and Shelter National Board Program	15-6790	83.523	1,500	1,500
Total U.S. Federal Emergency Management Agency			<u>1,500</u>	<u>1,500</u>
<u>U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES</u>				
<i>Passed Through Ohio Department of Health and Human Services:</i>				
Maternal and Child Health Services Block Grant				
Child & Family Health Services	47-2-001-1-A I	93.994	433,167	430,249
Infant Mortality Reduction Initiative Program	47-2-001-1-DM	93.994	106,145	80,617
Primary Dental Care	47-2-001-1-CR	93.994	21,000	21,000
Dental Sealant Program	47-2-001-1-AJ	93.994	14,843	9,990
Total U.S. Department of Health & Human Services			<u>575,155</u>	<u>541,856</u>
<u>U.S. DEPARTMENT OF JUSTICE</u>				
<i>Passed Through the Ohio Department of Justice</i>				
Public Safety Partnership and Community Policing Grants				
Cops More Grant	1999 CMWX2298	16.710	73,559	65,224
Total U.S. Department of Justice			<u>73,559</u>	<u>65,224</u>
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>				
<i>Passed Through the Ohio Governor's Department of Public Safety</i>				
State and Community Highway Safety				
STEP - Selective Traffic Enforcement Program Grant	1578.1	20.600	18,240	18,039
Total U.S. Department of Transportation			<u>18,240</u>	<u>18,039</u>
<u>U.S. ENVIRONMENTAL PROTECTION AGENCY</u>				
<i>Direct Federal Assistance Program:</i>				
Brownfield Pilots Cooperative Agreements				
Brownfield Assessment Pilot	BP-97535701-0	66.811	50,417	99,788
Total U.S. Environmental Protection Agency			<u>50,417</u>	<u>99,788</u>
Total Federal Assistance			<u>\$1,479,459</u>	<u>\$1,843,824</u>

Notes to the Schedule of Federal Awards Expenditures and Receipts are an integral part of this statement.

**CITY OF ELYRIA
LORAIN COUNTY**

**NOTES TO THE SCHEDULE OF FEDERAL AWARDS EXPENDITURES AND RECEIPTS
FOR THE YEAR ENDED DECEMBER 31, 2001**

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule of Federal Awards Expenditures and Receipts (Schedule) summarizes activity of the City's federal award programs. The Schedule has been prepared on the cash basis of accounting. The information in this Schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in this Schedule may differ from amounts presented in, or used in the preparation of, the general purpose financial statements.

NOTE B - SUBRECIPIENTS

The City passes-through certain Federal assistance received from the U.S. Department of Housing and Urban Development to not-for-profit subrecipients. As described in Note A, the City records expenditures of Federal Awards to subrecipients when paid in cash.

Of the Federal expenditures presented in the Schedule, the City provided Federal awards to subrecipients as follows:

<u>Program Title</u>	<u>Federal CFDA Number</u>	<u>Amount Provided to Subrecipients</u>
Community Development Block Grant	14.218	\$48,222
Home Improvement Partnership Program	14.239	\$ 0

The subrecipient agencies have certain compliance responsibilities related to administering these Federal programs. Under Federal Circular A-133, the City is responsible for monitoring subrecipients to help assure that Federal awards are used for authorized purposes in compliance with laws, regulations, and the provisions of contracts or grant agreements, and that performance goals are achieved.

NOTE C - COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) REVOLVING LOAN PROGRAMS

The City has established a revolving loan program to provide low-interest loans to businesses to create jobs for persons from low-moderate income households and to eligible persons and to rehabilitate homes. The Federal Department of Housing and Urban Development (HUD) grants money for these loans to the City. The initial loan of this money is recorded as a disbursement on the accompanying Schedule of Federal Awards Expenditures and Receipts. Loans repaid, including interest, are used to make additional loans. Such subsequent loans are subject to certain compliance requirements imposed by HUD, but are not included as disbursements on the schedule.

These loans are collateralized by mortgages on the property. At December 31, 2001, the gross amount of loans outstanding under this program were \$2,720,656.

**CITY OF ELYRIA
LORAIN COUNTY**

**NOTES TO THE SCHEDULE OF FEDERAL AWARDS EXPENDITURES AND RECEIPTS
FOR THE YEAR ENDED DECEMBER 31, 2001
(Continued)**

NOTE D - HOME IMPROVEMENT PARTNERSHIP (HOME) REVOLVING LOAN PROGRAM

The City has established a revolving loan program to provide no-interest loans to eligible persons in order to expand the supply of decent and affordable housing, particularly housing for low and very low-income citizens. The Federal Department of Housing and Urban Development (HUD) grants money for these loans to the City. Grant monies are passed through the Ohio Department of Development. The initial loan of this money is recorded as a disbursement on the accompanying Schedule of Federal Awards Expenditures and Receipts (Schedule). Loans repaid are used to make additional loans. Such subsequent loans are subject to certain compliance requirements imposed by HUD, but are not included as disbursements on the Schedule.

These loans are collateralized by mortgages on the property. At December 31, 2001, the gross amount of loans outstanding under this program were \$2,066,558.

N/A Not Applicable

CFDA Catalog of Federal Domestic Assistance

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OFFICE OF THE AUDITOR

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**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL REQUIRED BY
GOVERNMENT AUDITING STANDARDS**

Members of City Council
City of Elyria
Lorain County
328 Broad Street
Elyria, Ohio 44035

We have audited the financial statements of the City of Elyria, Lorain County, Ohio, (the City) as of and for the year ended December 31, 2001, and have issued our report thereon dated June 12, 2002, where in we noted the City implemented GASB statements Nos. 33 and 36 which resulted in a restatement to the General Fund and Special Revenue Fund balance. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*. However, we noted certain immaterial instances of noncompliance that we have reported to management of the City in a separate letter dated June 12, 2002.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of the City in a separate letter dated June 12, 2002.

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

A handwritten signature in black ink, appearing to read "Jim Petro". The signature is fluid and cursive, with a large loop at the end.

Jim Petro
Auditor of State

June 12, 2002



STATE OF OHIO
OFFICE OF THE AUDITOR
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**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO ITS MAJOR
FEDERAL PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH OMB CIRCULAR A-133**

Members of City Council
City of Elyria
Lorain County
328 Broad Street
Elyria, Ohio 44035

Compliance

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

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

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

Internal Control Over Compliance

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

**Internal Control Over Compliance
(Continued)**

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses. We noted other matters involving the internal control over federal compliance that do not require inclusion in this report, that we have reported to management at the City in a separate letter dated June 12, 2002.

Schedule of Federal Awards Expenditures and Receipts

We have audited the general-purpose financial statements of the City as of and for the year ended December 31, 2001, and have issued our report thereon dated June 12, 2002, where in we noted the City implemented GASB statements Nos. 33 and 36 which resulted in a restatement to the General Fund and Special Revenue Fund balance. Our audit was performed for the purpose of forming an opinion on the general-purpose financial statements taken as a whole. The accompanying Schedule of Federal Awards Expenditures and Receipts is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the general-purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general-purpose financial statements taken as a whole.

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



Jim Petro
Auditor of State

June 12, 2002

CITY OF ELYRIA
LORAIN COUNTY
DECEMBER 31, 2001

SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	Type of Financial Statement Opinion	Unqualified
(d)(1)(ii)	Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material non-compliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material internal control weakness conditions reported for major federal programs?	No
(d)(1)(iv)	Were there any other reportable internal control weakness conditions reported for major federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unqualified
(d)(1)(vi)	Are there any reportable findings under § .510?	No
(d)(1)(vii)	Major Programs (list):	Maternal and Child Health Services Block Grant, CFDA #93.994
(d)(1)(viii)	Dollar Threshold: Type A\B Programs	Type A: > \$ 300,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee?	Yes

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

None

3. FINDINGS FOR FEDERAL AWARDS

None

CITY OF ELYRIA, OHIO

***COMPREHENSIVE
ANNUAL FINANCIAL REPORT***

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

Prepared By

The Department of Finance

Ted M. Pileski, CPA, Elyria City Auditor

John T. Farrell, Elyria City Chief Deputy Auditor

**CITY OF ELYRIA, OHIO
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TED M. PILESKI, CPA
City Auditor

JOHN T. FARRELL
Chief Deputy Auditor

June 12, 2002

**HONORABLE MAYOR,
MEMBERS OF CITY COUNCIL
AND THE CITIZENS OF ELYRIA, OHIO**

The Comprehensive Annual Financial Report of the City of Elyria (the "City") for the year ended December 31, 2001, is hereby submitted. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included. The Comprehensive Annual Financial Report (CAFR) is presented in three sections: Introductory, Financial, and Statistical. The Introductory section includes this transmittal letter, the City's organization chart and a list of principal officials. The Financial section includes the general purpose financial statements and the combining, individual fund and account group financial statements and schedules, as well as the report of independent accountants on the general purpose financial statements. The Statistical section includes selected financial and demographic information, generally presented on a multi-year basis. This report includes all funds and account groups of the City.

GOVERNMENTAL STRUCTURE

The City of Elyria (the "City") was incorporated on February 23, 1833 under the laws of the State of Ohio. The City operates under a Mayor-Council form of government as provided by its Charter adopted on November 2, 1965.

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, community planning, zoning and development, and water, sewer and sanitation services. In addition, the Elyria Municipal Court is included in the reporting entity. The Elyria City School District, the Elyria Memorial Hospital and the Elyria Public

Introductory Section

Library have not met the established criteria for inclusion in the reporting entity and, accordingly, are excluded from this report.

ECONOMIC CONDITION & OUTLOOK

The City is located on the Black River approximately ten miles south of Lake Erie.

The City developed as an industrial community in the early 1800's. As the seat of Lorain County, the City's economy continued to diversify throughout the early 1900's. Another large industrial expansion took place during the late 1940's and early 1950's. Elyria's economy has continued to diversify throughout the ensuing years and expand as evidenced by the increase in the City's income tax collections. In the last ten years income tax revenue in the General Fund has increased by 45% from \$11,490,036 in 1992 to a record amount of \$16,673,790 in 2001.

One reason why Elyria's economy has continued to prosper through recent years is because of the Midway Mall and surrounding area, which has become the major retail center of Lorain County. A 375,000 square foot expansion to the Midway Mall, which began in 1998, was completed in 2000. Several large retailers such as Giant Eagle, Circuit City, Home Depot, Target and Dick's Sporting Goods have become the cornerstones of this new expansion. These new businesses, among others, have created 300 new full-time equivalent jobs and further solidify the Midway Mall area as the retail center of Lorain County.

In addition to the new development at the Midway Mall area, a major retail/residential project is in the planning/development stages for recently annexed land just north of Chestnut Ridge Road on the City's southeast side. Forest City Enterprises, Inc. is currently preparing plans for the commercial development of a 50 acre site that will result in approximately 800,000 square feet of retail space. Immediately adjacent to the east of this proposed retail development, Forest City Enterprises, Inc. is currently developing a mixed-use residential project. This development will include approximately 50 single-family homes, 250 apartment units and 70 cluster homes. Site work and utility extensions began in 1998 and construction of the single-family homes began in 1999 and continued through 2001. Construction of the apartment units began in 2001 and will continue through 2002.

In addition to retail development, the City began to experience growth in the health care industry. In 2001, EMH Regional Medical Center began construction on a 34,111 square foot birthing center. The estimated cost of this building is \$3,300,000 and is scheduled to open in late 2002. Also in 2001, Community Health Partners began construction on its new 30,629 square foot Ireland Cancer Center. The estimated cost of this facility is \$6,486,185 and it opened in May 2002.

The news about Elyria's economy is not all good, however. Elyria's economy suffered a major blow in 2001 when York International Corporation, a manufacturer of climate control equipment, closed its Elyria plant, moving its operations to Mexico and Wichita, Kansas. The decision to close the Elyria York plant came in December 2000 and the shutdown was completed in August 2001. York International Corporation employed approximately 860 employees at its 800,000 square foot facility and was Elyria's third largest employer. The City will lose approximately \$563,000 a year in income tax revenues due to the plant closing, which represents approximately 2.90% of the City's annual income tax receipts. The York International Corporation plant represents less than 1% of the total assessed valuation on the City. In addition to the lost jobs at the York International Corp. plant, other lay-offs in the manufacturing sector have occurred due to the lagging economy following the tragic events of September 11, 2001.

Parker-Hannifin Corporation, Ridge Tool Corporation and others have all needed to cut back on their work force to combat the effects of the recession that has gripped the United States and local economies. The effects of these lay-offs will impact the City's income tax receipts in 2002 as most occurred late in 2001.

MAJOR INITIATIVES

FOR THE YEAR: The City addressed the following infrastructure problems in 2001.

The repair and reconstruction of portions of East Bridge Street, Ford Road, Infirmary Road, West River Road, Oberlin Road, Leona Street, Warden Avenue, College Park Drive, Murray Ridge Road and Garford Avenue were completed in 2001. The Murray Ridge Road and Garford Avenue projects were funded with a 0% interest State Issue II loan. The remaining projects were funded with 89% State Issue II grants and 11% by the City.

The construction of the new concession/restroom building in Cascade Park was completed in 2001. The total cost of this facility was \$256,326. This project was funded with 39% private donations and 61% from existing Special Parks and Recreation Enterprise Fund monies.

FOR THE FUTURE:

Infrastructure upgrade continues to be a priority of the City. For example:

Replacement of the State Route 57 Bridge over the Black River is scheduled to begin in 2002. This project will be totally funded with federal and state monies.

Deck replacement of the Second Street Bridge over the Black River is scheduled to begin in 2003. This project will be funded with 80% federal monies and a 20% State Issue II grant.

Other road projects scheduled to begin in 2002 are the repair and reconstruction of portions of Midway Boulevard and University Avenue, David Drive and Gulf Road, Poplar Street and intersection improvements at State Route 57 and State Route 113. All of these projects have been approved for 89% State Issue II funding except the David Drive and Gulf Road project which has been approved for a 10 year 0% interest State Issue II loan.

Construction of the new City Hall began in May 2001 and is expected to be completed by April 2003. The City transferred \$500,000 in 1998 and \$1,500,000 in 1999 from the General Fund to the Municipal Building Construction Capital Project Fund and the City issued \$8,200,000 in general obligation long term bonds in 2001 for this project. In addition, the City's Water, Sanitation, and Wastewater Pollution Control Enterprise Funds will contribute \$396,567, \$65,504, and \$396,567 respectively, toward the project.

FINANCIAL INFORMATION

Management of the City is responsible for establishing and maintaining internal accounting controls designed to ensure that the assets of the City are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America. Internal accounting controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments made by management.

As a recipient of federal, state and county financial assistance, the City also is responsible for ensuring that adequate internal controls are in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by management and the City Auditor's staff.

The City is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984 and U.S. Office of Management and Budget Circular A-133, "Audits of State and Local Governments". As a part of the City's single audit, tests are made to determine the adequacy of internal controls, including internal controls related to federal financial assistance programs, as well as to determine if the City has complied with applicable laws and regulations that are material to the general purpose financial statements and federal assistance programs. In addition, the City maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by City Council. Activities of all funds, except the City's Agency Funds, are included in the annual appropriated budget, which is prepared on the basis of cash receipts and disbursements (including encumbrances). Project-length financial plans are also adopted for individual capital projects. The level of budgetary control (that is the level at which expenditures cannot legally exceed the appropriated amount) is established by major account within each City department. The City also maintains an encumbrance accounting system as one technique of establishing budgetary control. Appropriation amounts lapse at year-end.

As demonstrated by the statements and schedules included in the financial section of this report, the City continues to meet its responsibility for sound financial management.

GENERAL GOVERNMENT FUNCTIONS – The General Fund balance increased from \$4,943,719, as restated, at December 31, 2000 to \$6,289,781 at December 31, 2001. The following schedule presents a summary of General Fund revenues for the fiscal year ended December 31, 2001 and a comparison to prior years revenues.

<u>Revenues</u>	<u>Amount</u>	<u>Percent Of Total</u>	<u>Increase (Decrease) From 2000</u>	<u>Percent of Increase (Decrease)</u>
Taxes	\$22,319,733	85.94%	\$794,014	3.69%
Intergovernmental revenues	324,748	1.25	43,351	15.41
Charges for services	1,230,862	4.74	169,422	15.96
Licenses and permits	653,022	2.51	212,862	48.36
Investment income	189,646	.73	(55,740)	(22.72)
Fines and forfeitures	1,188,660	4.58	(247,105)	(17.21)
Miscellaneous revenues	65,570	.25	(16,181)	(19.79)
Totals	<u>\$25,972,241</u>	<u>100.00%</u>	<u>\$900,623</u>	<u>3.59%</u>

The increase in taxes is due primarily to a good local and overall economy, which has resulted in an increase in local and state income taxes received. The increase in intergovernmental revenues is due to a grant received from the U.S. Environmental Protection Agency for a Brownfields Assessment Pilot Project. The increase in charges for services is primarily due to new programs implemented by the Elyria City Health Department and increases in charges for ice rink rental and swimming pool fees. The increase in licenses and permits is due to an increase approved by Elyria City Council for the fee charged for the annual registration of contractors doing business in the City of Elyria and an increase approved by Elyria City Council for the amounts paid for building, electrical, heating and plumbing permits. The decrease in investment income is due to

the lowering of interest rates in 2001 by the Federal Reserve. The decrease in fines and forfeitures is primarily due to more offenders being placed in community service work programs in lieu of payment of fines.

The following schedule presents a summary of General Fund expenditures for the fiscal year ended December 31, 2001 and a comparison to prior year expenditures.

<u>Expenditures</u>	<u>Amount</u>	Percent	<u>Increase (Decrease) From 2000</u>	Percent
		Of <u>Total</u>		of Increase (Decrease)
Current:				
Public safety	\$13,850,837	56.87%	\$118,818	.87%
Health	1,552,824	6.38	54,235	3.62
Culture and recreation	1,937,030	7.95	(95,992)	(4.72)
Community environment	760,826	3.12	64,223	9.22
General government	5,748,105	23.60	323,663	5.97
Capital Outlay	<u>505,429</u>	<u>2.08</u>	<u>(187,361)</u>	<u>(27.04)</u>
Total	<u>\$24,355,051</u>	<u>100.00%</u>	<u>\$277,586</u>	<u>1.15%</u>

The increase in public safety was due to the shifting of the park rangers from the Parks and Recreation Department to the Police Department and increased personnel costs and associated fringe benefits. The increase in health, community environment and general government are all due to increased personnel costs and associated fringe benefits. The decrease in culture and recreation is due to the shifting of the park rangers from the Parks and Recreation Department to the Police Department. The decrease in capital outlay is primarily due to the purchase of land that occurred in 2000 for the proposed boardwalk near the East Falls of the Black River.

ENTERPRISE OPERATIONS – The City’s enterprise operations consist of four separate funds: **Water, Wastewater Pollution Control, Sanitation, and Special Parks and Recreation.** Several of the City’s major initiatives listed previously are directly related to these operations. The City’s **Water Fund** continues to operate while keeping user rates at a minimum. The City is particularly proud of the fact that our system is able to provide plentiful amounts of water even in the worst conditions, such as the droughts experienced in the summers of recent years. Also, the project to replace all existing water meters and upgrade the water pumping facilities is complete. This should keep the City’s water operations at a level citizens will appreciate long into the future.

The City recently completed a major upgrade of its wastewater treatment plant and construction of the Westside Interceptor sewer and the District II Relief sewer. With these improvements, the City’s wastewater operations should be at a level which is at least as equal to other cities of comparable size.

The City’s **Sanitation Department** continues to provide its citizens with excellent trash collection services. Improved efficiency within the Sanitation Department enabled City Council to lower sanitation rates by \$1.00 per month for residential customers late in 1994 and these lower rates have remained in place throughout 2001. A City-wide recycling program was implemented in 1994 to keep up with the changing times.

The City’s fourth enterprise fund, **Special Parks and Recreation**, is fairly minor in nature and is used to account for the operations of concession stands and athletic programs in the City’s parks and recreation facilities.

INTERNAL SERVICE OPERATIONS – The City has two internal service funds relating to risk management. Those funds are the **Employees’ Health Insurance Fund** and **Workers’ Compensation Fund.**

The **Employees’ Health Insurance Fund** is used to account for the operations of the City’s self-insured health plan for all full-time employees and their dependents. Other City funds are charged a premium amount per employee covered by the Employees’ Health Insurance Fund. The Employees’ Health Insurance Fund pays claims and administration costs. The City has specific stop-loss insurance coverage to insure against catastrophic claims.

The **Workers’ Compensation Fund** is used to account for the City’s participation in the State of Ohio workers’ compensation fully insured plan. Under the plan, the City reimburses the State of Ohio for claims paid, administration fees, and premiums for insurance coverage on catastrophic claims. Other City funds are charged a premium amount based on the wages paid to covered employees.

FIDUCIARY OPERATIONS – The City has several trust and agency funds under its jurisdiction. These 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, or other funds. These funds include three expendable trust funds, one non-expendable trust fund, and fifteen agency funds.

DEBT ADMINISTRATION – The City’s most recent bond rating of A2 was obtained from Moody’s Investors Service in 2001. This favorable bond rating has saved the City thousands of dollars in debt service costs and also shows Moody’s confidence in the City’s operations and financial position.

The City had a number of debt issues outstanding at December 31, 2001. These issues include \$24,352,566 in general obligation bonds, \$2,800,000 in general obligation notes, \$2,992,433 in special assessment bonds, \$18,871,551 in Ohio Water Development Authority loans, and \$587,707 in Ohio Public Works Commission interest free loans. Under the uniform Bond Act of the Ohio Revised Code, the City has a legal limitation on unvoted general obligation debt based on 5-1/2% of the assessed valuation of real and personal property. At December 31, 2001 the City’s net debt (as defined in the Ohio Revised Code) of \$24,619,180 was well below the legal limit of \$50,270,615.

CASH MANAGEMENT – Monies temporarily idle during the year and invested are governed by the City Charter and the Ohio Revised Code. The City invested these funds in a common group of bank accounts and short-term investments such as certificates of deposit, money market accounts, federal agency securities, and Star Ohio. The City Auditor’s Office has implemented an excellent cash management program. While the City only uses safe, conservative investments, at the same time it takes full advantage of available investment opportunities. Interest earned on investments is allocated to the funds participating in the pool in accordance with the City Charter and Codified Ordinances. Following is a schedule of interest earned (on a cash basis) for the past ten years:

<u>Years</u>	<u>Amount</u>
1992	\$637,670
1993	352,956
1994	736,480
1995	1,293,466
1996	1,270,705
1997	1,778,733
1998	1,508,901
1999	1,229,010
2000	1,690,000
2001	1,620,592

The overall rate of return on the City's investments for 2001 was approximately 4.83%. The City complied with the various provisions of the Ohio Revised Code and the City Charter and Codified Ordinances pertaining to types of investments held and institutions in which deposits were made. The City also complied with provisions of the Ohio Revised Code concerning security requirements. The Ohio Revised Code does not require security for its public deposits to be maintained in the City's name. Instead, the investment institutions may pledge a pool of government securities the face value of which is at least 105% of the total value of public monies on deposit. The City monitors compliance with the various statutes mentioned above and will continue to do so in future years.

RISK MANAGEMENT – The City purchases insurance policies in varying amounts to insure City property against loss or misuse and provide coverage for general liability, vehicle liability, property damage, employee and public officials liability, and for errors and omissions. The City also pays unemployment claims to the State of Ohio as incurred.

The City's risk management policies for health insurance and workers' compensation have been discussed previously in the Internal Services Operations section.

PENSION AND POSTEMPLOYMENT BENEFITS PLANS – Full time, permanent employees of the City belong to one of two state operated pension plans (both are cost-sharing, defined benefit, multiple-employer plans). Elected officials and non-uniformed employees are members of the Public Employees Retirement System of Ohio ("PERS"). Police and fire personnel are members of the Ohio Police and Fire Pension Fund ("OP&F"). The plans provide pension benefits as well as postretirement health care coverage to qualifying employees. Contributions to the plans by both the City and participating employees are mandated by state statute. Because both plans operate pursuant to the Ohio Revised Code, the Ohio General Assembly could decide to amend the format of the plans and could revise contribution and benefit levels.

During the year ended December 31, 2001 the City contributed approximately \$4.1 million to the two plans.

Information regarding the operations and funded status of both plans is available from the following sources:

Public Employees Retirement System of Ohio
 277 East Town Street
 Columbus, Ohio 43215-4642
 (614) 466-2085 (800) 222-7377

<http://www.opers.org>

Ohio Police and Fire Pension Fund
 140 East Town Street
 Columbus, Ohio 43215-5164
 (614) 228-2975 <http://www.op-f.org>

OTHER INFORMATION

INDEPENDENT AUDIT – State statutes require an annual audit. This year the City's audit was performed by State Auditor Jim Petro. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Federal Single Audit Act of 1984 and the related OMB Circular A-133. The report of independent accountants on the general purpose financial statements is included in the financial section of this report and is unqualified.

AWARDS

The Government Finance Officers Association of the United States and Canada (the "GFOA") awarded a **CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING** to the City of Elyria for its comprehensive annual financial report for the fiscal year ended December 31, 2000. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for the preparation of state and local government financial reports.

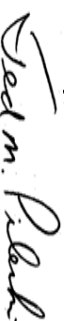
In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. The CAFR must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. The City of Elyria has received a Certificate of Achievement for the last **FIFTEEN CONSECUTIVE YEARS** (fiscal years ended 1986-2000). We believe our current report continues to conform to the Certificate of Achievement Program requirements, and we are submitting it to the GFOA.

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 Office. I would like to express my appreciation to all staff members who have contributed or assisted in its preparation.

In closing, I would also like to thank the Mayor and members of Elyria 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.

Sincerely,



Ted M. Pilecki, CPA
 Elyria City Auditor

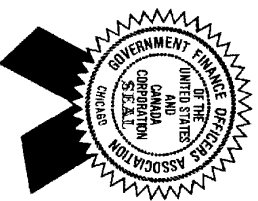
Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Elyria,
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.



Ann S. Shaw
President

Jeffrey A. Evans
Executive Director

The Government Finance Officers Association of the United States and Canada (the "GFOA") awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Elyria for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended December 31, 2000. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

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**CITY OF ELYRIA, OHIO
ELECTED OFFICIALS**

**CITY OF ELYRIA, OHIO
2001 APPOINTED OFFICIALS**

FOUR YEAR TERMS

SIX YEAR TERMS

Mayor: William M. Grace
12-06-99 ... 11-30-03

Judge: John R. Musson
01-01-98 ... 12-31-03

Auditor: Ted M. Pleski
07-01-93 ... 11-30-03

Judge: George H. Ferguson
01-02-86 ... 12-31-03

Law
Director: Terry S. Shilling
01-02-86 ... 11-30-03

Court Clerk: Donald J. Rothgery
01-01-00 ... 12-31-05

TWO YEAR TERMS

Council
At Large: John A. Baird
12-06-99 ... 12-01-03

Council
1st Ward: Charlene K. Gersak
12-06-99 ... 12-01-03

Hernan M. Larkins
12-04-95 ... 12-01-03

2nd Ward: Forrest L. Bullock
12-05-93 ... 12-01-03

Michael J. Lotko III
12-04-95 ... 12-01-03

3rd Ward: Garry L. Gibbs
12-05-93 ... 12-01-03

Larry W. Tanner
12-06-99 ... 12-01-03

4th Ward: Paul E. Blevins
12-06-99 ... 12-01-03

5th Ward: Thomas O. Shores
12-05-83 ... 12-01-03

6th Ward: Gail Abbey
12-01-97 ... 12-01-03

7th Ward: E. Kenneth Burkhard
12-07-87 ... 12-01-03

Office of the Auditor:
Chief Deputy Auditor: John T. Farrell

Office of the Mayor:
Safety Service Director: Eric J. Rothgery
Administrative Assistant: Terre Lee Moyer
Assistant Safety-Service Director: Robert A. Given
Assistant Safety-Service Director: James Hutchison
Assistant Safety-Service Director: Chris Eichenlaub
Administrative Assistant: Rebecca M. Stewart
EEO-MBE Coordinator: LaTaunya Howard
Administrative Legal Council to the Mayor: J. Terry Robinson

Office of the Law Director:
Assistant Law Director: Stephen J. Gurechik
Chief Prosecutor: Michael E. Szekely
Prosecutor: Jay B. Grund
Prosecutor: Margaret O'Byron
Assistant Prosecutor: Quentin J. Nolan
Assistant Prosecutor: Linda M. Powers
Assistant Prosecutor: Michelle D. Nedwick
Assistant Prosecutor: Cynthia Adams
Assistant Prosecutor: Honey Rothschild

Office of City Council:
Council Clerk: Arthur Webber
Assistant Council Clerk: Nell M. Fike

Department Heads:
Building Department: Gerald L. Klein
Communications Superintendent: Charles Garay
Community Development Director: Carol A. Nawrocki
City Planning Director: Jon R. Kiner
Engineer: John Hart
Fire Chief: John F. Zielinski
Health Commissioner: Kathryn C. Boylan
Income Tax Administrator: Ted M. Pleski
Medical Director: Dr. Douglas M. McDonald
Parks and Recreation Director: Frank J. Gustoff
Police Chief: Michael Medders
Street Superintendent: Gary M. Dickerson
Utilities Superintendent: Thomas A. Brand
Wastewater Plant Superintendent: Gregory F. Worcester
Water Distribution Superintendent: Dale F. Kuzak
Water Pumping Plant Superintendent: Kenneth A. Moore

**CITY OF ELYRIA, OHIO
2001 FINANCE ADMINISTRATION**

CITY AUDITOR Ted M. Pileski, CPA

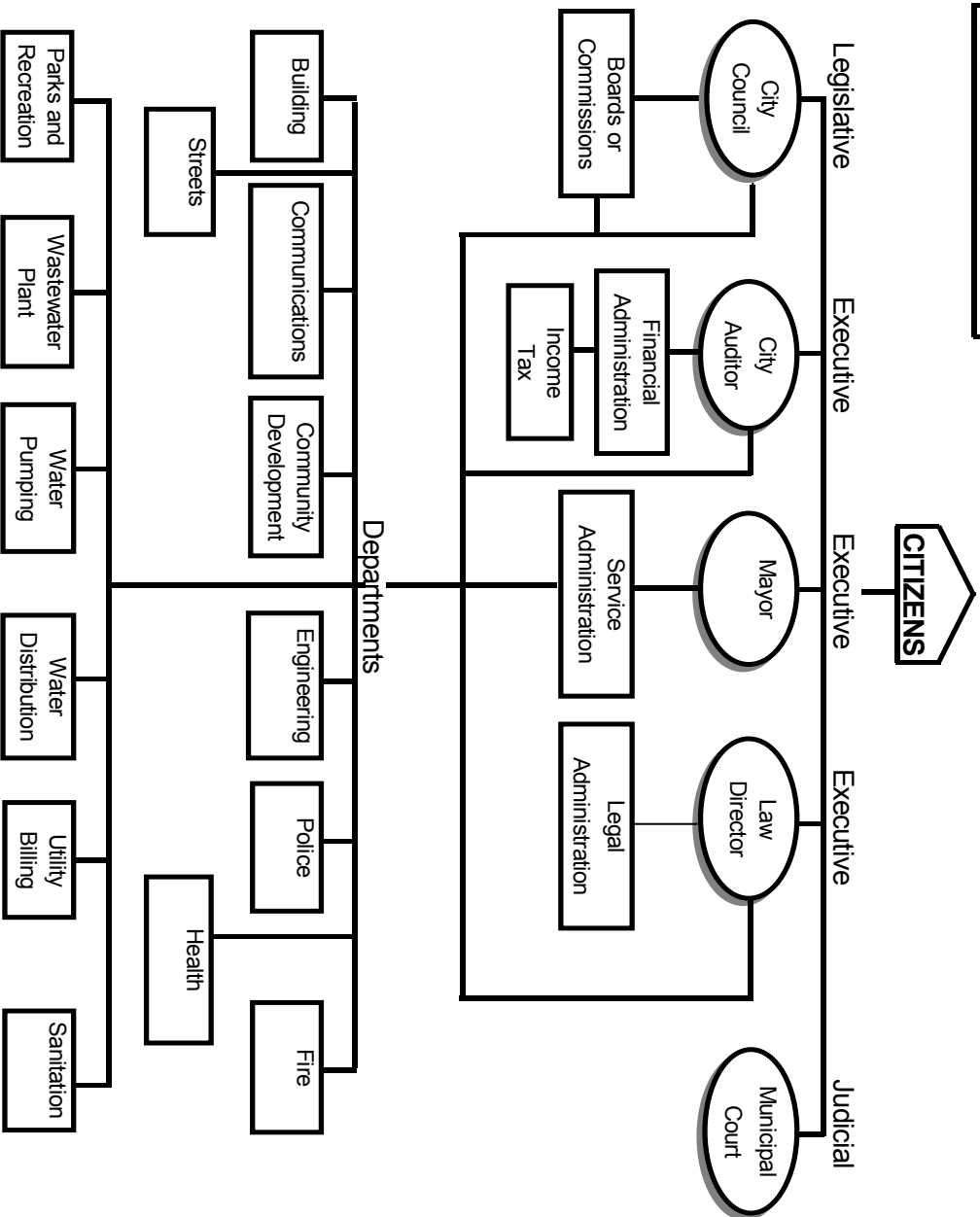
CHIEF DEPUTY AUDITOR John T. Farrell

DEPUTY AUDITORS Mary C. Carr
 Joyce M. Clark
 Nancy J. DeSouza
 Carol A. Drachenberg
 Sandra K. Kelley
 Michael A. Knechtges
 Kay A. Meecha
 Terri L. Woodruff

BOND COUNSEL Squire, Sanders & Dempsey
 Cleveland, Ohio

AUDITORS State Auditor Jim Petro
 State of Ohio

**City of Elyria, Ohio
ORGANIZATION CHART**



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STATE OF OHIO
OFFICE OF THE AUDITOR
JIM PETRO, AUDITOR OF STATE

Lausche Bldg.
615 W Superior Ave.
Floor 12
Cleveland, Ohio 44113-1801
Telephone 216-787-3665
800-626-2297
Facsimile 216-787-3361
www.auditor.state.oh.us

REPORT OF INDEPENDENT ACCOUNTANTS

Members of City Council
City of Elyria
328 Broad Street
Elyria, Ohio 44035

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

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

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

As described in Note 2 (G) to the accompanying general-purpose financial statements the City implemented GASB statements Nos. 33 and 36 which resulted in a restatement to the General Fund and Special Revenue Fund balance.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 12, 2002 on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

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

We did not audit the data included in the introductory and statistical sections of this report and therefore express no opinion thereon.

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

Jim Petro
Auditor of State

June 12, 2002

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CITY OF ELYRIA, OHIO

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

DECEMBER 31, 2001

CITY OF ELYRIA, OHIO
COMBINED BALANCE SHEET
ALL FUND TYPES AND ACCOUNT GROUPS
DECEMBER 31, 2001

	GOVERNMENTAL FUND TYPES				PROPRIETARY FUND TYPES		FIDUCIARY FUND TYPES	ACCOUNT GROUPS		TOTALS
	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service		Trust and Agency	General Fixed Assets	
ASSETS AND OTHER DEBITS										
Equity in pooled cash and cash equivalents	\$ 2,905,031	\$ 1,682,965	\$ 281,560	\$ 7,647,146	\$ 7,942,099	\$ 1,123,305	\$ 1,099,486	\$	\$	\$ 22,681,592
Cash and cash equivalents- segregated accounts	1,330,200	1,477,794	2,261,000		2,641,274	1,986,266	333,709			10,260,554
Other short-term investments	8,178,945	1,273,474	1,244,387		1,217,755	20,181	564,020			10,696,806
Receivables:										1,217,755
Taxes					46,145					104,294
Accounts	10,445	6,500	13,792	5,403	459,134		1,828			3,992,905
Rehabilitation loans		3,533,771			802,000					802,000
Settlements					85,463					3,738,893
Special assessments	74,103	29,594	3,653,430							103,697
Due from other funds	319,498	1,192,995	165,050	91,044						1,768,587
Due from other governments					232,087					232,087
Inventory of supplies					114,193					114,193
Prepaid expenses										
Fixed Assets:										
Land										5,659,131
Buildings					607,488					46,252,450
Improvements					29,337,501					27,563,889
Utility distribution and collection systems					25,812,597					61,121,155
Machinery and equipment					47,644,209	4,582				20,640,763
Construction in progress					8,546,683					3,293,484
Less: Accumulated depreciation					670,439					(53,625,980)
Other Debits:										
Amount available in Debt Service Funds									2,533,386	2,533,386
Amount to be provided for retirement of general long-term obligations										
TOTAL ASSETS AND OTHER DEBITS	<u>\$ 12,818,222</u>	<u>\$ 9,197,093</u>	<u>\$ 7,619,219</u>	<u>\$ 7,743,593</u>	<u>\$ 72,533,087</u>	<u>\$ 3,129,752</u>	<u>\$ 1,999,043</u>	<u>\$ 51,907,373</u>	<u>\$ 30,630,758</u>	<u>\$ 197,578,140</u>

See Accompanying Notes to Combined Financial Statements.

CITY OF ELYRIA, OHIO
COMBINED BALANCE SHEET
ALL FUND TYPES AND ACCOUNT GROUPS (continued)
DECEMBER 31, 2001

	GOVERNMENTAL FUND TYPES				PROPRIETARY FUND TYPES			FIDUCIARY FUND TYPES	ACCOUNT GROUPS		TOTALS (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service	Trust and Agency		General Fixed Assets	General Long-Term Obligations	
LIABILITIES											
Accounts payable	\$ 154,492	\$ 84,798		\$ 298	\$ 79,387	\$ 1,614	\$ 271,963	\$	\$	\$ 592,552	
Contracts payable	98,322	42,000		790,397	308,592	645,515	1,805			1,239,311	
Accrued wages and benefits	1,379,252	301,939			1,514,141	48	230			3,842,552	
Compensated absences payable	284,375	85,264			107,209	48	103,697		4,622,217	5,099,343	
Due to other funds							34,961			103,697	
Due to other governments										34,961	
Accrued/matured interest payable			30,459		787,889					818,348	
Deferred revenue	4,612,000	1,554,759	5,055,374		114,574		928,254			11,336,707	
Other liabilities				600,000	2,200,000				22,490,000	2,800,000	
General obligation notes payable					1,862,566				526,108	24,352,566	
General obligation bonds payable					18,933,150				2,992,433	19,799,108	
Construction loans payable		339,850								2,992,433	
Special assessment debt											
TOTAL LIABILITIES	6,528,441	2,408,610	5,085,833	1,390,695	25,907,508	647,177	1,340,910		30,630,758	73,939,932	
EQUITY AND OTHER CREDITS											
Investment in general fixed assets								51,907,373		51,907,373	
Contributed capital:											
From federal grants					10,409,094	466,244				10,409,094	
From other City funds					376,629					842,873	
Other					2,067,831					2,067,831	
Retained earnings- unreserved					33,772,025	2,016,331	11,626			35,788,356	
Fund balance	371,774	493,146	2,533,386	5,384,641						6,261,187	
Reserved for encumbrances										2,533,386	
Reserved for debt service		3,533,771								3,533,771	
Reserved for rehabilitation loans							367,513			367,513	
Reserved for endowment							278,994			9,926,824	
Unreserved-undesignated	5,918,007	2,761,566		968,257							
TOTAL EQUITY AND OTHER CREDITS	6,289,781	6,798,483	2,533,386	6,352,898	46,625,579	2,482,575	658,133	51,907,373		123,638,208	
TOTAL LIABILITIES, EQUITY AND OTHER CREDITS	\$ 12,818,222	\$ 9,197,093	\$ 7,619,219	\$ 7,743,593	\$ 72,533,087	\$ 3,129,752	\$ 1,999,043	\$ 51,907,373	\$ 30,630,758	\$ 197,578,140	

See Accompanying Notes to Combined Financial Statements.

CITY OF ELYRIA, OHIO
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2001

	GOVERNMENTAL FUND TYPES				FIDUCIARY FUND TYPE Expendable Trust	TOTALS (Memorandum only)
	General	Special Revenue	Debt Service	Capital Projects		
REVENUES						
Taxes	\$ 22,319,733	\$ 5,447,217	\$ 1,582,583	\$ 1,107,213	\$ 64,357	\$ 29,349,533
Intergovernmental revenues	324,748	1,616,887	165,015		64,357	3,213,863
Charges for permits	1,230,862	234,610				1,529,829
Licenses and permits	653,022	75,264				728,286
Investment income	189,646	139,762	147,658	296,327	14,428	787,821
Special assessments			655,363			655,363
Fines and forfeitures	1,188,660	489,705				1,678,365
Contributions				2,610	64,844	67,454
Miscellaneous revenues	65,570	106,332				171,902
TOTAL REVENUES	25,972,241	8,109,777	2,550,619	1,406,150	143,629	38,182,416
EXPENDITURES						
Current:						
Public safety	13,850,837	3,944,834			90,106	17,795,671
Health	1,552,824	891,583			60,465	2,534,513
Culture and recreation	1,937,030					1,997,495
Community environment	760,826	640,528				1,401,354
Highways and streets		1,469,239				1,469,239
General government	5,748,105	303,976	57,154	4,784,035	38,578	6,109,235
Capital outlay	505,429	665,416				5,993,458
Debt service:						
Principal retirement		225,000	906,764	7,700,000		8,831,764
Interest and fiscal charges		96,223	1,056,076			1,152,299
TOTAL EXPENDITURES	24,355,051	8,236,799	2,019,994	12,484,035	189,149	47,285,028
Excess (deficiency) of revenues over expenditures	1,617,190	(127,022)	530,625	(11,077,885)	(45,520)	(9,102,612)
OTHER FINANCING SOURCES (USES)						
Proceeds of notes / bonds			9,345	15,752,534		15,761,879
Proceeds from loans				109,085		109,085
Operating transfers in	(304,561)	305,644		113,185	23,879	442,708
Operating transfers out	33,433	(10,644)		(103,624)		(418,829)
Proceeds from sale of fixed assets		7,207				40,640
TOTAL OTHER FINANCING SOURCES (USES)	(271,128)	302,207	9,345	15,871,180	23,879	15,935,483
Excess (deficiency) of revenues and other sources over expenditures and other uses	1,346,062	175,185	539,970	4,793,295	(21,641)	6,832,871
FUND BALANCE AT BEGINNING OF YEAR, AS RESTATED	4,943,719	6,613,298	1,993,416	1,559,603	312,261	15,422,297
FUND BALANCE AT END OF YEAR	\$ 6,289,781	\$ 6,788,483	\$ 2,533,386	\$ 6,352,898	\$ 290,620	\$ 22,255,168

See Accompanying Notes to Combined Financial Statements.

CITY OF ELYRIA, OHIO
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES.
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2001

	GENERAL FUND			SPECIAL REVENUE FUNDS		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES						
Taxes	\$ 21,999,239	\$ 22,190,714	\$ 191,475	\$ 5,377,661	\$ 5,405,784	\$ 28,123
Intergovernmental revenues	198,956	177,202	(21,754)	1,816,264	1,471,412	(344,852)
Charges for services	1,567,000	1,599,560	32,560	228,000	234,710	6,710
Licenses and permits	624,550	650,925	26,375	75,358	75,264	(94)
Interest earnings	193,791	194,455	664	148,296	151,076	2,780
Special assessments	15,000	11,311	(3,689)		4,735	4,735
Fines and forfeitures	796,674	796,674		500,970	489,944	(11,026)
Miscellaneous revenues	499,420	511,915	12,495	253,083	334,524	81,441
TOTAL REVENUES	25,894,630	26,132,756	238,126	8,399,632	8,167,449	(232,183)
EXPENDITURES						
Public safety	14,670,547	14,433,647	236,900	5,346,122	5,123,024	223,098
Health	1,606,039	1,582,194	23,845	938,554	916,389	22,165
Culture and recreation	2,043,992	2,011,002	32,990			
Community environment	803,476	784,259	19,217	1,371,210	1,329,323	41,887
Highways and streets				2,084,750	1,908,201	176,549
General government	7,839,027	7,491,973	347,054	30,213	19,916	10,297
Debt service						
TOTAL EXPENDITURES	26,963,081	26,303,075	660,006	9,770,849	9,296,853	473,996
Excess (deficiency) of revenues over expenditures	(1,068,451)	(170,319)	898,132	(1,371,217)	(1,129,404)	241,813
OTHER FINANCING SOURCES (USES)						
Operating transfers in	3,000	13,194	10,194	305,644	305,644	
Operating transfers out	(304,561)	(304,561)	60,138	(10,644)	(10,644)	7,394
Other financing sources	925,000	985,138			7,394	
TOTAL OTHER FINANCING SOURCES (USES)	623,439	693,771	70,332	295,000	302,394	7,394
Excess (deficiency) of revenues and other sources over expenditures and other uses	(445,012)	523,452	968,464	(1,076,217)	(827,010)	249,207
Adjustments for prior year encumbrances	943,748	943,748		692,928	692,928	
FUND BALANCE AT BEGINNING OF YEAR	1,775,213	1,775,213		2,615,908	2,615,908	
FUND BALANCE AT END OF YEAR	\$ 2,273,949	\$ 3,242,413	\$ 968,464	\$ 2,232,619	\$ 2,481,826	\$ 249,207

See Accompanying Notes to Combined Financial Statements.
(Continued on subsequent page)

CITY OF ELYRIA, OHIO
COMBINED STATEMENT OF REVENUES, EXPENDITURES AN CHANGES IN FUND BALANCES.
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS),
ALL GOVERNMENTAL FUND TYPES (Continued)
FOR THE YEAR ENDED DECEMBER 31, 2001

	DEBT SERVICE FUNDS			CAPITAL PROJECTS FUNDS		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES						
Taxes	\$ 1,571,700	\$ 1,582,062	\$ 10,362			
Intergovernmental revenues	165,015	165,016	1	\$ 1,133,650	\$ 1,027,053	\$ (106,597)
Charges for services						
Licenses and permits						
Interest earnings	141,112	169,148	28,036	310,414	312,475	2,061
Special assessments	657,453	655,363	(2,090)			
Fines and forfeitures						
Miscellaneous revenues				100,810	100,811	1
TOTAL REVENUES	2,535,280	2,571,589	36,309	1,544,874	1,440,339	(104,535)
EXPENDITURES						
Public safety						
Health						
Culture and recreation				97,665	97,506	159
Community environment				16,573,347	16,227,868	345,479
Highways and streets				2,004,097	1,576,365	427,732
General government						
Debt service	2,021,150	2,020,354	796			
TOTAL EXPENDITURES	2,021,150	2,020,354	796	18,675,109	17,901,739	773,370
Excess (deficiency) of revenues over expenditures	514,130	551,235	37,105	(17,130,235)	(16,461,400)	668,835
OTHER FINANCING SOURCES (USES)						
Proceeds of bonds				8,044,974	8,044,974	
Proceeds of notes	9,345	9,345		8,307,560	8,307,560	
Operating transfers in				113,135	113,185	50
Operating transfers out				(103,627)	(103,624)	3
Other financing sources		360	360			
TOTAL OTHER FINANCING SOURCES	9,345	9,705	360	16,362,042	16,362,095	53
Excess (deficiency) of revenues and other sources over expenditures and other uses	523,475	560,940	37,465	(768,193)	(99,305)	668,888
Adjustments for prior year encumbrances				885,109	885,109	
FUND BALANCE AT BEGINNING OF YEAR	1,956,635	1,956,635		864,253	864,253	
FUND BALANCE AT END OF YEAR	\$ 2,480,110	\$ 2,517,575	\$ 37,465	\$ 981,169	\$ 1,650,057	\$ 668,888

See Accompanying Notes to Combined Financial Statements.

CITY OF ELYRIA, OHIO
 COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES
 IN FUND EQUITY/FUND BALANCE
 ALL PROPRIETARY FUND TYPES AND SIMILAR FIDUCIARY FUND TYPE
 FOR THE YEAR ENDED DECEMBER 31, 2001

	PROPRIETARY FUND TYPES			FIDUCIARY FUND TYPE	TOTALS
	Enterprise	Internal Service	Nonependable Trust	(Memorandum Only)	
OPERATING REVENUES					
Charges for service	\$ 16,365,323	\$ 3,832,875	\$	\$ 20,198,198	
Tap fees	267,419		20,887	267,419	
Investment income			7,237	600,662	
Other	231,791	361,634			
TOTAL OPERATING REVENUES	16,864,533	4,194,509	28,124	21,087,166	
OPERATING EXPENSES					
Personal services	6,377,944	14,925		6,392,869	
Fringe benefits	1,907,008	4,232,845		6,139,853	
Materials and supplies	1,489,409			1,489,409	
Heat, light and power	918,882			918,882	
Contractual services	1,863,837	38,729		1,902,566	
Depreciation	3,336,622			3,336,622	
Other	222,413			222,413	
TOTAL OPERATING EXPENSES	16,116,115	4,286,499		20,402,614	
OPERATING INCOME (LOSS)	748,418	(91,990)	28,124	684,552	
NONOPERATING REVENUES (EXPENSES)					
Investment income	551,779	171,874		723,653	
Interest expense	(1,493,264)			(1,493,264)	
Other	88,864	171,874		88,864	
TOTAL NONOPERATING REVENUES (EXPENSES)	(852,621)	171,874		(680,747)	
INCOME (LOSS) BEFORE OPERATING TRANSFERS AND CAPITAL GRANT ACTIVITY	(104,203)	79,884	28,124	3,805	
CAPITAL GRANT REVENUE	50,229			50,229	
OPERATING TRANSFERS OUT			(23,879)	(23,879)	
NET INCOME (LOSS)	(53,974)	79,884	4,245	30,155	
DEPRECIATION ON FIXED ASSETS ACQUIRED WITH CONTRIBUTED CAPITAL RESTRICTED FOR CAPITAL ACQUISITIONS OR CONSTRUCTION	986,168			986,168	
RETAINED EARNINGS/FUND BALANCE AT BEGINNING OF YEAR	32,839,831	1,936,447	363,268	35,139,546	
RETAINED EARNINGS/FUND BALANCE AT END OF YEAR	33,772,026	2,016,331	367,513	36,155,869	
CONTRIBUTED CAPITAL AT BEGINNING OF YEAR	13,839,722	466,244		14,305,966	
DEPRECIATION ON FIXED ASSETS ACQUIRED WITH CONTRIBUTED CAPITAL RESTRICTED FOR CAPITAL ACQUISITIONS OR CONSTRUCTION	(986,168)			(986,168)	
CONTRIBUTED CAPITAL AT END OF YEAR	12,853,554	466,244		13,319,798	
FUND EQUITY/FUND BALANCE AT END OF YEAR	\$ 46,625,579	\$ 2,482,575	\$ 367,513	\$ 49,475,667	

See Accompanying Notes to Combined Financial Statements.

CITY OF EL YRIA, OHIO
COMBINED STATEMENT OF CASH FLOWS
ALL PROPRIETARY FUND TYPES AND SIMILAR FIDUCIARY FUND TYPE
FOR THE YEAR ENDED DECEMBER 31, 2001

	PROPRIETARY FUND TYPES		FIDUCIARY FUND TYPE	TOTALS
	Enterprise	Internal Service	Nonexpendable Trust	(Memorandum Only)
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from customers	\$ 16,480,188	\$ 3,832,875	\$	\$ 20,313,063
Cash payments to suppliers for goods and services	(6,815,707)	(4,469,348)		(11,285,055)
Cash payments to employees for services	(5,863,703)	(14,894)		(5,878,597)
Settlement proceeds	230,703			230,703
Other operating revenues	231,791	361,634	7,237	600,662
Other operating expenses	(222,413)			(222,413)
NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES	4,040,859	(289,733)	7,237	3,758,363
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Operating transfers out			(23,879)	(23,879)
NET CASH USED FOR NONCAPITAL FINANCING ACTIVITIES			(23,879)	(23,879)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Proceeds from sale of notes	2,200,000			2,200,000
Capital grants received	139,093			139,093
Acquisition and construction of capital assets	(2,261,776)			(2,261,776)
Principal and interest paid on notes, bonds and loans payable	(5,333,479)			(5,333,479)
NET CASH USED FOR CAPITAL AND RELATED FINANCING ACTIVITIES	(5,256,162)			(5,256,162)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest on investments	585,580	186,953	23,879	796,412
Short-term investments converted to cash	3,363,210	2,458,957	360,195	6,182,362
Purchase of short-term investments	(2,641,274)	(1,986,266)		(4,627,540)
NET CASH PROVIDED BY INVESTING ACTIVITIES	1,307,516	659,644	384,074	2,351,234
NET INCREASE IN CASH AND CASH EQUIVALENTS	92,213	369,911	367,432	829,556
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	7,849,886	753,394	367,432	8,603,280
CASH AND CASH EQUIVALENTS AT END OF YEAR	7,942,099	1,123,305	367,432	9,432,836
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES:				
Operating income (loss)	\$ 748,418	\$ (91,990)	\$ 28,124	\$ 684,552
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation	3,336,622		(23,879)	3,336,622
Interest on investments				(23,879)
Change in assets and liabilities:				
Accounts receivable	(147,232)			(144,240)
Rehabilitation loans receivable	(48,932)		2,992	(48,932)
Settlements receivable	230,703			230,703
Inventory of supplies	(6,760)			(6,760)
Prepaid expenses	(22,127)			(22,127)
Accounts payable	(104,824)			(110,341)
Contracts payable relating to operating activities	34,708	(5,517)		(110,341)
Accrued wages and benefits	48,449			34,708
Compensated absences payable	(22,844)	(192,235)		(143,786)
Deferred revenue	(5,322)	9		(22,839)
Total adjustments	3,292,441	(197,743)	(20,887)	3,073,811
NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES	4,040,859	(289,733)	7,237	3,758,363
SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES				
Unrealized appreciation in fair value of investments	\$ 15,630	\$ 1,943	\$	\$ 17,573
TOTAL NONCASH TRANSACTIONS	15,630	1,943		17,573

See Accompanying Notes to Combined Financial Statements.

* The amount of cash and cash equivalents shown on the accompanying December 31, 2001 Combined Balance Sheet for the Fiduciary Fund Types includes cash and cash equivalents of Nonexpendable Trust Funds \$ 367,432, Expendable Trust Funds \$ 291,226, and Agency Funds \$ 440,828.

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

NOTE 1 – DESCRIPTION OF CITY OPERATIONS AND BASIS OF PRESENTATION

(A) THE CITY

The City of Elyria (the “City”) was incorporated on February 23, 1833 under the laws of the State of Ohio. The City operates under a Mayor-Council form of government as provided by its Charter adopted on November 2, 1965.

(B) THE REPORTING ENTITY

The City has adopted the provisions of Statement No. 14 of the Governmental Accounting Standards Board (“GASB Statement No. 14”) regarding the definition of its financial reporting entity. For financial reporting purposes, the City’s reporting entity includes all funds, account groups, agencies, boards and commissions for which the City is financially accountable. The notion of financial accountability includes not only the organizations that constitute the City’s legal entity; it also can include legally separate organizations in certain instances. Legally separate organizations are included in the reporting entity if the City’s officials appoint a voting majority of an organization’s governing body and, as a result, the City is able either to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on the City. On this basis, the reporting entity of the City includes the following services: public safety (police and fire), health (health department), culture and recreation (parks and recreation), community environment (planning, zoning and community development), basic utility services (water, sanitation, and wastewater pollution control), highways and streets (street and highway maintenance), and general government (administrative services including the municipal court).

Included as part of the City’s primary government in the determination of the City’s reporting entity is the Elyria Municipal Court (the “Court”). Although the Court’s territorial jurisdiction extends beyond the boundaries of the City and the Judges of the Court are separately elected, the Court’s operations are not legally separate from the City. In addition, the City is responsible for budgeting and appropriating funds for the operation of the Court, establishing the compensation of certain Court employees, and is ultimately responsible for any operating deficits sustained by the Court. The City’s share of the fines collected by the Court, along with its share of the Court’s administration and operating costs are recorded in the City’s General Fund. Monies held by the Court in a fiduciary capacity are included in an agency fund in the accompanying financial statements.

The following entities which conduct their activities near or within the City’s boundaries for the benefit of the City and/or its residents are excluded from the accompanying financial statements because they are legally separate from the City and the City is not financially accountable for their operations.

Elyria City School District
Elyria Memorial Hospital
Elyria Public Library

Financial Section – Notes

No component units are included in the definition of the City’s reporting entity.

(C) BASIS OF PRESENTATION

The accounting system is organized on the basis of funds. 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.

Amounts in the “Totals-Memorandum Only” columns in the financial statements represent a summation of the combined financial statement line items of the fund types and account groups and are presented only for analytical purposes. The summation includes fund types and account groups that use different bases of accounting, restricted and unrestricted amounts, interfund transactions that have not been eliminated, and the caption “amount to be provided” which is not an asset in the usual sense. Consequently, amounts shown in the “Totals-Memorandum Only” column are not comparable to a consolidation.

Governmental Fund Types

Governmental funds are those through which most governmental functions typically are financed. The acquisition and use of the City’s expendable financial resources and the related current liabilities (except for those accounted for in proprietary or fiduciary funds) are accounted for through governmental funds. The measurement focus is upon determination of financial position and changes in financial position. The following are the City’s governmental fund types:

General Fund – This fund 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 Charter of the City of Elyria and the general laws of Ohio.

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

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

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

Proprietary Fund Types

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to achieve sound financial

administration. The measurement focus is based upon determination of net income, financial position and changes in financial position.

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

Internal Service Funds – These funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the governmental unit, or to other governmental units, on a cost reimbursement basis.

Fiduciary Fund Types

Trust and Agency Funds – These funds are used to account for assets held by a governmental unit in a trustee capacity and/or as an agent for individuals, private organizations, other governmental units, and/or other funds. These include (a) expendable trust funds, (b) nonexpendable trust funds, and (c) agency funds. Expendable trust funds are accounted for in essentially the same manner as governmental funds. Nonexpendable trust funds are accounted for in essentially the same manner as proprietary funds since capital maintenance is essential. Agency funds are purely custodial (assets equal liabilities) and do not involve the measurement of results of operations.

Account Groups

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

General Fixed Assets Account Group – This account group is used to account for all of the City's fixed assets other than those accounted for in the proprietary funds.

General Long-Term Obligations Account Group – This account group is used to account for all of the City's long-term obligations other than those accounted for in the proprietary funds.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements of the City are prepared in conformity with generally accepted accounting principles as prescribed in statements and interpretations issued by the Governmental Accounting Standards Board (the "GASB").

(A) BASIS OF ACCOUNTING

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Governmental funds use the modified accrual basis of accounting. Fiduciary funds use the accrual basis of accounting. Differences in the accrual

and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue and in the presentation of expenses versus expenditures.

Revenues – Exchange and Non-exchange Transactions – 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 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 sixty 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 taxes are levied (see Note 6). Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when the 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 year end: income taxes, State-levied locally shared taxes, interest, tuition, grants, fees and rentals.

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

Delinquent property taxes and property taxes for which there is an enforceable legal claim as of December 31, 2001, but which were levied to finance year 2002 operations, have been recorded as deferred revenue.

On governmental fund financial statements, receivables that will not be collected within the available period have also been reported as deferred revenue.

Expenses/Expenditures – 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.

In accordance with Statement No. 20 of the Governmental Accounting Standards Board "Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting", the City has elected not to apply the provisions of the Statements and Interpretations of the Financial Accounting Standards Board issued after

November 30, 1989. The City will continue applying all applicable pronouncements issued by the Governmental Accounting Standards Board.

(B) BUDGETARY ACCOUNTING AND CONTROL

The City adopts an annual operating budget for all funds except Agency funds. During June of each year, the Mayor submits to Council a proposed operating budget for the upcoming fiscal year. This budget is kept on file for 30 days and must be passed by the City Council by July 15 for certification of the City's estimated financial resources for the upcoming year to the County Budget Commission as required by Ohio law. This budget is based on estimates of future cash revenues; cash expenditures and encumbrances for the next fiscal year for all non-agency funds and serves as the basis for the County Budget Commission's certification of the City's estimated financial resources for the upcoming year.

By January 1 of the succeeding year, Council must adopt a temporary appropriations ordinance. The temporary appropriations ordinance remains in effect until March 31 or until the permanent appropriations ordinance is adopted by City Council, whichever occurs first. A permanent appropriations ordinance must be adopted no later than April 1 under State law and appropriations therein must not exceed the estimated financial resources certified by the County Budget Commission.

Budget control is exercised at the major account level (personal services, fringe benefits, operation and maintenance, capital outlay, debt service, transfers out and reimbursements) within each City department. All appropriations lapse at year-end. Reported budgeted amounts are as originally adopted and amended by appropriation ordinances passed by Council. The budget for each fund is represented by appropriations and, according to City Charter, can only be modified by Council ordinance. Original appropriation amounts and amendments are listed below for the governmental fund types:

	<u>Original</u>	<u>Amendments</u>	<u>Final</u>
General	\$ 27,481,170	\$ (213,528)	\$ 27,267,642
Special Revenue	10,293,138	(511,645)	9,781,493
Debt Service	1,834,913	186,237	2,021,150
Capital Projects	10,589,609	8,189,127	18,778,736

The Combined Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual (Non-GAAP Budgetary Basis) – All Governmental Fund Types is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The budgetary basis as provided by law is based upon accounting for certain transactions on the basis of cash receipts and disbursements. The major differences between the budget basis and the GAAP (generally accepted accounting principles) basis are:

- (1) Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP);
- (2) Expenditures are recorded when paid in cash or encumbered (budget) as opposed to when the liability is incurred (GAAP);

Financial Section – Notes

(3) Encumbrances are recorded as expenditures (budget) as opposed to a reservation of fund balance (GAAP). In addition, encumbrances outstanding at year-end are included in the appropriation ordinance in the subsequent year and certain amounts shown as capital outlay and debt service expenditures on a GAAP basis are shown as public safety, health, culture and recreation, community environment, highways and streets and general government expenditures on a budgetary basis. A reconciliation of the results of operations for the year from the GAAP basis to the budgetary basis is shown below:

**Excess (Deficiency) of Revenues
And Other Sources Over
Expenditures And Other Uses**

	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Debt Service Funds</u>	<u>Capital Projects Funds</u>	<u>Total</u>
GAAP basis	\$ 1,346,062	\$ 175,185	\$ 539,970	\$ 4,793,295	\$ 6,854,512
Increase (decrease) due to: Change in receivables and other assets not recognized on budgetary basis – January 1 to December 31	5,511,744	1,746,521	(645,330)	74,897	6,687,832
Change in liabilities not recognized on budgetary basis – January 1 to December 31	(5,821,982)	(2,151,130)	666,300	1,104,661	(6,202,151)
Encumbrances recognized as expenditures on budgetary basis	(512,372)	(597,586)	_____	(6,072,158)	(7,182,116)
Budget basis	<u>\$ 523,452</u>	<u>\$ (827,010)</u>	<u>\$ 560,940</u>	<u>\$ (99,305)</u>	<u>\$ 1,58,072</u>

(C) EQUITY IN POOLED AND SEGREGATED CASH, CASH EQUIVALENTS AND OTHER SHORT-TERM INVESTMENTS

Cash balances of the City's funds, except for the Court, are pooled and invested in cash equivalents and other short-term investments in order to provide improved cash management. Cash equivalents consist of deposits in the State Treasury Asset Reserve of Ohio (Star Ohio), certificates of deposit and money market accounts with an original maturity of 90 days or less. Other short-term investments consist of certificates of deposit and Federal Home Loan Bank notes with a maturity of more than 90 days but less than 1,096 days.

Interest earned on investments is allocated to the funds participating in the pool in accordance with the City Charter and Codified Ordinances.

The City's investments with maturities greater than one year are stated at fair value (based on quoted market prices) in the accompanying combined balance sheet-all fund types and account groups and the change in the fair value of the investments is recorded as investment income along with the interest earned on the investments.

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

(D) INVENTORY OF SUPPLIES

Inventory is valued at cost (specific identification method). The proprietary fund type inventories are capitalized and expensed when used (consumption method). In governmental and expendable trust funds, inventory amounts are not significant and are recognized as an expenditure when purchased (purchase method).

(E) FIXED ASSETS AND DEPRECIATION

Property, plant and equipment are stated on the basis of historical cost or, if donated, at fair market value at the date received. Public domain (infrastructure) general fixed assets consisting of roads, bridges, curbs, streets, sidewalks, and lighting systems are not capitalized. Depreciation is not provided for the General Fixed Assets Account Group. Accumulated depreciation for the proprietary funds is determined by depreciating the cost of such assets over their estimated useful lives on a straight-line basis. The estimated useful lives are as follows:

Buildings	20-40 years
Improvements	10-40 years
Utility Distribution and Collection Systems	80 years
Machinery and Equipment	3-20 years

(F) CAPITALIZATION OF INTEREST

The City's policy is to capitalize interest, if material, on construction projects until they are substantially complete. No amounts were capitalized during 2001.

(G) CHANGE IN ACCOUNTING PRINCIPLE AND RESTATEMENT OF PRIOR YEAR FUND EQUITY

Effective January 1, 2001, the City implemented GASB Statement No. 33, Accounting and Financial Reporting for Non-exchange Transactions, and Statement No. 36, Recipient Reporting for Certain Shared Non-exchange Revenues (an amendment of GASB Statement No. 33). In general, GASB Statement Nos. 33 and 36 established accounting and financial reporting standards which address when to report the results of non-exchange transactions involving financial or capital resources. In a non-exchange transaction, an entity gives (or receives) value without directly receiving or giving equal value in return. These statements require retroactive application and, accordingly, the City's fund balances as of December 31, 2000 have been restated as follows:

Fund balances, as previously reported	\$ 3,066,350	\$ 6,225,523
Increases in assets resulting from implementation:		
Receivables	4,895,284	675,262
Due from other governments		677,426
Increases in liabilities resulting from implementation:		
Deferred revenues	(3,017,915)	(964,913)
Fund balances, as restated	<u>\$ 4,943,719</u>	<u>\$ 6,613,298</u>

Cash received or receivables recognized with respect to income taxes, property taxes, certain grants and other non-exchange transactions that do not meet the revenue recognition criteria under GASB Statement No's. 33 and 36 are recorded as deferred revenues.

GASB Statement Nos. 33 and 36 also require that the City report capital grants and other capital contributions as revenues rather than contributed capital. Accordingly, during the year ended December 31, 2001, the City reported \$50,229 of capital grant revenues in its enterprise funds rather than crediting the amounts directly to contributed capital.

(H) INTERFUND TRANSACTIONS

During the course of normal operations, the City has numerous transactions between funds, most of which are in the form of transfers of resources to provide services, construct assets, and service debt. Transfers for current operations are recorded as operating transfers. The classification of amounts recorded as operating transfers, advances, or equity contributions is determined by City management.

The General Fund provides certain administrative services to the enterprise funds. The General Fund is reimbursed for these services by the enterprise funds on a monthly basis. The reimbursement is recorded as a reduction in general government expenditures in the General Fund and as additional operating expenses in the enterprise funds.

(I) 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 City will compensate employees for the benefit through time off or some other means. Sick leave benefits are accrued using the vesting method. The liability is based on the sick leave accumulated at December 31 by those employees who are currently eligible to receive termination payments and by those employees for whom it is probable they will become eligible to receive termination benefits in the future.

For governmental fund types, the liability not expected to be liquidated with expendable, available financial resources is recorded in the General Long Term Obligations Account Group. In proprietary funds, the entire amount of accrued compensated absences is reported as a fund liability.

(J) CLAIMS

As described in Note 3, the City is self-insured for employee health and workers' compensation benefits. The City recognizes a liability for such claims 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.

(K) ENCUMBRANCES

Encumbrances represent purchase commitments for goods and services that have not yet been received or provided. Encumbrance accounting is a form of budgetary control to ensure that appropriations are not exceeded. Encumbrances outstanding at year-end are reported as reservations of fund balances in the governmental fund types as the City will honor such commitments during the subsequent year.

(L) CONTRIBUTED CAPITAL

Contributed capital primarily consists of capital grants from other governmental units, which are not subject to repayment as long as all grant conditions are met. Other amounts consist of residual equity transfers and contributions from other outside sources. An amount equivalent to depreciation charges for assets acquired with the portion of the contributions that was externally restricted for capital acquisitions or construction is transferred annually to retained earnings from contributed capital.

(M) RESERVATIONS OF FUND EQUITY

Reservations of fund equity 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 expenditure including amounts that are legally segregated for a specific future use. As a result, encumbrances, rehabilitation loans and endowments are recorded as reservations of fund balances. The reserved fund balance in the debt service fund is restricted to retirement of general obligation debt and special assessment debt.

NOTE 3 - RISK MANAGEMENT

The City utilizes two funds relating to its risk management program. Both funds have been classified as internal service funds.

(A) The Employees' Health Insurance Fund is used to account for the operations of the City's self-insured health plan. All City funds are charged a premium amount per employee covered by the Employees' Health Insurance Fund. The premium amounts are set by union contract

Financial Section - Notes

and City ordinance. Claims and administrative fees are then paid out of the Employee Health Insurance Fund. The City pays premiums for specific stop-loss insurance coverage to insure against catastrophic claims over \$75,000 per individual.

(B) The Workers' Compensation Fund is used to account for the funding of the City's workers' compensation plan. During the period January 1, 1989 through December 31, 1997, the City was enrolled in a retrospective rating plan offered by the State of Ohio. Under the plan, the City is charged by the State of Ohio for claims paid, administrative fees, and a premium for individual claim limits and aggregate claim limits. All City funds are charged a premium amount per employee covered by the Workers' Compensation Fund. The premium amounts are set based on claims experience. Claims and administrative fees are paid to the State of Ohio. The City has a maximum yearly claim limit amount for all claims, which varies each policy year. Since January 1, 1998 the City has participated in the fully insured plan offered by the Bureau of Workers' Compensation of the State of Ohio.

(C) The City purchases insurance policies in varying amounts for general liability, vehicle liability, property damage, employee and public officials liability, professional liability for health department employees and the health board for errors and omissions, and liability for firemen's errors and omissions. The City also pays unemployment claims to the State of Ohio as incurred. There were no significant changes in the City's insurance coverage during 2001.

(D) The changes in the liabilities for self-insured risks for the years ended December 31, 2001 and 2000 are as follows:

	Health Benefits	Workers' Compensation Benefits
Balance Jan. 1, 2000	\$ 200,278	\$ 610,843
Inurred claims, net of changes in estimates Payments	3,329,109 <u>(3,195,557)</u>	548,561 <u>(648,314)</u>
Balance Dec. 31, 2000	333,830	511,090
Inurred claims, net of changes in estimates Payments	3,756,235 <u>(3,811,748)</u>	476,610 <u>(618,840)</u>
Balance Dec. 31, 2001	<u>\$ 278,317</u>	<u>\$ 368,860</u>

The liabilities above represent the City's best estimates based upon available information and include an amount for claims that have been incurred but not reported. Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of pay-outs, and other economic factors.

Settled claims have not exceeded the City's insurance coverage in any of the past three years.

NOTE 4 – CONTINGENCIES

(A) ENVIRONMENTAL MATTERS

(1) The State of Ohio EPA issued the City a new NPDES (National Pollution Discharge Elimination System) permit effective June 30, 2000. The City is currently appealing certain terms of the permit. The United States EPA sued the City of Elyria in 1984 concerning the operation of its wastewater pollution control plant and sanitary sewer system. In settlement of this lawsuit, the City entered into a consent decree, which requires many improvements to be made to the wastewater pollution control plant and the sanitary sewer system. All requirements of the consent decree have been met except one. The City was to eliminate all known separate sanitary sewer overflows by December 31, 1993. The City was not able to accomplish this requirement by the scheduled date; however, a program is in effect that is reducing storm water inflow into the sanitary sewer system by repairing/replacing building laterals and annual maintenance contracts are in effect for repair and rehabilitation of storm and sanitary sewers. As an incentive, the City is offering homeowners non-interest bearing loans to cover the cost of lateral repairs. In addition, a comprehensive plan at a cost of \$350,000 is being prepared by the City's environmental consultant.

(2) On June 22, 2001, the City applied to the Army Corp of Engineers for a Clean Water Act 404 permit for surface drainage to continue with the City's Industrial Parkway Project.

(3) To comply with the amendments to the Safe Water Drinking Act passed by Congress in 1991, the City is preparing plans to install an additional filter backwash system with rate of flow valves. This system, which is estimated to cost \$500,000, is scheduled to be designed in 2002 with construction beginning in late 2002 or early 2003.

(B) CONTINGENCIES UNDER GRANT PROGRAMS

The City participates in several federal grants which have been audited in accordance with the Single Audit Act (the "Act"). Provisions of the Act allow federal agencies to conduct any additional audit work necessary to carry out their responsibilities under federal law or regulations. Such federal audits could lead to a request for reimbursement to the grantor agency for any costs questioned as not being appropriate expenditures under the terms of the grants. At December 31, 2001, there were no questioned costs that had not been resolved with federal agencies. In the opinion of City officials, no material grant expenditures will be disallowed as a result of federal audits.

(C) JUDGMENTS AND CLAIMS

The City is a party to various legal proceedings. The City's management is of the opinion that the ultimate outcome of such litigation will not result in a material adverse effect on the City's financial position.

The City brought legal action against several companies that provided engineering services, materials and construction work on the Westside Interceptor Sanitary sewer and one user of the sewer in 1997. The basis for the lawsuit was the deterioration of the sewer after only a few

years of use. The City repaired the sewer in 1998 and 1999 and expensed the repairs against operating revenues. All of the companies that provided services and materials for the Westside Interceptor sewer settled with the City before going to trial resulting in settlements of \$3,815,503. The settlement proceeds to be received in future years are recorded as settlements receivable in the Wastewater Pollution Control enterprise fund.

NOTE 5 – POOLED AND SEGREGATED CASH, CASH EQUIVALENTS AND OTHER INVESTMENTS

Monies of the Court are deposited and maintained in individual, segregated bank accounts and invested in cash equivalents which are also specifically segregated. Monies of all other funds of the City are maintained or invested in a common group of bank accounts, in cash equivalents and other short-term investments. The common bank accounts and investments are displayed on the accompanying combined balance sheet as "Equity in pooled cash and cash equivalents" and "Other short-term investments" and the segregated amounts are separately disclosed.

The investment and deposit of City monies is governed by the provisions of the Charter and Codified Ordinances of the City and the Ohio Revised Code. Accordingly, only banks located in Ohio and domestic savings and loan associations are eligible to hold public deposits. The City may invest its monies in certificates of deposit, savings accounts, money market accounts, the state treasurer's investment pool ("Star Ohio"), and obligations of the United States government or certain agencies thereof. The City may also enter into repurchase agreements with any eligible depository or any eligible dealer who is a member of the National Association of Securities Dealers for a period not exceeding thirty days.

Public depositories must give security for all public funds on deposit. These institutions may either specifically collateralize individual accounts in lieu of amounts insured by the Federal Deposit Insurance Corporation or may pledge a pool of government securities the face value of which is at least 105% of the total value of public monies on deposit at the institution. Repurchase agreements must be secured by the specific government securities upon which the repurchase agreements are based. These securities must be obligations of, or guaranteed by, the United States and mature or be redeemable within five years of the date of the related repurchase agreement. The market value of the securities subject to a repurchase agreement must exceed the value of the principal by 2% and be marked to market daily. State law does not require security for public deposits and investments to be maintained in the City's name.

The City is prohibited from investing in any financial instrument, contract, or obligation whose value or return is based upon or linked to another asset or index, or both, separate from the financial instrument, contract, or obligation itself (commonly known as a "derivative"). The City is also prohibited from investing in reverse purchase agreements.

During 2001, the City complied with the provisions of these statutes pertaining to the types of investments held and institutions in which deposits were made as well as the provisions of the statutes concerning security deposits. The City will continue to monitor compliance with applicable statutes in the future pertaining to its deposits and investments. At December 31, 2001, all of the City's deposits and investments (excluding Star Ohio) were held by local banks or savings and loan institutions.

(A) DEPOSITS

At year-end, the carrying amount of the City's pooled and segregated deposits was \$18,056,372 and the bank balance was \$20,628,915. Of the bank balance, \$300,000 was covered by federal depository insurance and \$20,328,915 was uninsured and uncollateralized as defined by the Governmental Accounting Standards Board. The uncollateralized deposits were, however, covered by a pledged collateral pool not held in the City's name, as permitted under Ohio law.

(B) INVESTMENTS

Investments are generally categorized to give an indication of the level of credit risk assumed by the entity at year-end. Category 1 includes investments that are insured or registered or for which the securities are held by the City or its agent in the City's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the counterparties' trust departments or agents in the City's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparties, or by their trust department or agents but not in the City's name. Star Ohio is an uncatagorized investment since it represents the State Treasurer's investment pool and is not evidenced by securities that exist in physical or book entry form. At December 31, 2001, the City's investments consisted of Federal securities and amounts deposited in Star Ohio.

Description	Risk Category	Risk Category	Fair Value / Carrying Amount
U.S. Agency Obligations	2	3	\$ 3,200,535
Repurchase Agreements			2,350,000
State Treasury Asset Reserve Fund (STAR Ohio)			9,668,948
Total Investments			<u>\$ 15,219,483</u>

(C) COMBINED BALANCE SHEET CLASSIFICATION

A summary of deposits and investments as of December 31, 2001 follows:

Deposits	\$ 18,056,372
Investments	<u>15,219,483</u>
	<u>\$ 33,275,855</u>

The above amounts are classified in the combined balance sheet as follows:

Equity in pooled cash and cash equivalents	\$ 22,681,592
Cash and cash equivalents- segregated accounts	333,709
Other short-term investments	<u>10,260,554</u>
TOTAL	<u>\$ 33,275,855</u>

Financial Section - Notes

NOTE 6 – TAXES

(A) PROPERTY TAXES

Property taxes include amounts levied against all real, public utility, and tangible personal property located in the City. Taxes collected from real property (other than public utility) in one calendar year are levied on January 1 in the preceding calendar year on assessed values as of January 1 of that preceding year; the lien date. Assessed values are established by the County Auditor at 35% of appraised market value. All property is required to be revalued every 6 years and three years after each revaluation all property values are reviewed and revised, as necessary as part of a triannual update based on the reported sales of properties. The last revaluation was completed in 2000 and the next triannual update will occur in 2003. Real property taxes are payable annually or semi-annually. If paid annually, payment is due January 20; if paid semi-annually, the first payment is due January 20, with the remainder payable June 20. In certain instances, State statute permits earlier or later payment dates to be established.

Taxpayers (other than public utilities) become liable for tangible personal property taxes on January 1 of the current calendar year based on tax rates determined in the preceding year and assessed values determined at the close of the most recent fiscal year of the taxpayer that ended on or before March 31 of that calendar year. Tangible personal property used in business (except for public utilities) is currently assessed for ad valorem taxation purposes at 25% of its true value. Amounts paid by multi-county taxpayers are due September 20. 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 by September 20. Under Ohio law, personal property taxes do not attach as a lien on the personal property.

Public utility real and tangible personal property taxes collected in one calendar year are levied on January 1 in the preceding calendar year on assessed values determined as of January 1 of that preceding year, the lien date.

Public utility tangible personal property currently is assessed at 100% of its true value and public utility real property is assessed at 35% of its true (market) value. Public utility property taxes are payable on the same dates as real property taxes described above. The County Treasurer collects property taxes on behalf of all taxing districts in the County, including the City of Elyria. The County Auditor periodically remits to the City its portion of the taxes collected with final settlement in June and December for taxes payable in the first and second halves of the year, respectively.

The assessed value upon which the 2000 levy (collected in 2001) was based was approximately \$914.0 million. Ohio law limits unvoted property taxation, combined for all overlapping taxing authorities, to 10 mills. The City's current share of unvoted property tax is 4.2 mills of assessed value. The total property tax revenue recognized by the City during 2001 was \$3,495,939.

(B) INCOME TAXES

The City levies an income tax of 1.75% on substantially all income earned within the City. In addition, residents of the City are required to pay City income tax on income they earn outside

the City; however, a 100% credit up to 1.75% is allowed for income taxes paid to other municipalities. Of the total income tax levy, 1.25% is a permanent tax levy, .25% of which is a special levy to be used only for law enforcement purposes. The remaining .5% of the total levy is a temporary levy enacted by a vote of the citizens which has been extended through June 2004. The proceeds from the special .25% levy are included in the Police Levy Special Revenue Fund. The remaining proceeds are included in the General Fund. Employers within the City are required to withhold income taxes on employee compensation and remit withholdings to the City at least quarterly. Corporations and other individual taxpayers are required to pay their estimated tax quarterly and file a declaration annually. The total income tax revenue recognized by the City during 2001 was \$19,762,213.

NOTE 7 – GENERAL FIXED ASSETS

A summary of changes in general fixed assets is as follows:

Component	Balance at Jan. 1, 2001	Additions	Deductions	Balance at Dec. 31, 2001
Land	\$ 4,939,568	\$ 115,502	\$ 3,427	\$ 5,051,643
Buildings	16,800,982	113,967		16,914,949
Improvements	1,677,611	73,681		1,751,292
Collection systems	13,476,946			13,476,946
Machinery & equipment	11,451,000	748,013	109,515	12,089,498
Construction in progress	99,500	2,623,045	99,500	2,623,045
TOTALS	<u>\$ 48,445,607</u>	<u>\$ 3,674,208</u>	<u>\$ 212,442</u>	<u>\$ 51,907,373</u>

NOTE 8 – INTERFUND RECEIVABLES AND PAYABLES

The following balances at December 31, 2001 represent interfund receivables and payables:

Fund	Interfund Receivables	Interfund Payables
GENERAL FUND	\$ 74,103	

SPECIAL REVENUE FUNDS:

Indigent Drivers Alcohol Treatment	1,079	
Mandatory Drug Fine	95	
Muni Court Tech	12,077	
Muni Court Security	4,790	
Muni Court Construction/Improvement	7,084	
Alcohol Enforcement and Education	210	
Special Parking Fines	635	
Legal Research & Court Computerization	3,624	

TRUST AND AGENCY FUND:

Municipal Court		\$ 103,697
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TOTALS	<u>\$ 103,697</u>	<u>\$ 103,697</u>
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NOTE 9 – DEFINED BENEFIT PENSION PLANS

(A) EMPLOYEES AND PLANS

Full-time, permanent employees of the City and certain part-time employees belong to one of two state operated, cost-sharing, multiple-employer pension plans. Non-uniformed employees are members of the Public Employees Retirement System of Ohio (PERS). Full-time police and fire personnel are members of the Ohio Police and Fire Pension Fund (OP&F). The Ohio Revised Code requires participation by the above mentioned employees. Elected officials participate in PERS on a voluntary basis. The payrolls for employees covered by PERS and OP&F for the year ended December 31, 2001 were \$15,377,804 and \$9,389,756, respectively. The City's total payroll for 2001 was \$24,767,560.

(B) PUBLIC EMPLOYEES RETIREMENT SYSTEM OF OHIO

Plan Description – All employees of the City, other than police and fire personnel, are required to be members of the Public Employees Retirement System of Ohio (PERS), a cost-sharing, multiple-employer pension plan. PERS provides retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by State statute per Chapter 145 of the Ohio Revised Code. PERS issues a stand-alone financial report that includes financial statements and required supplementary information. The financial report may be obtained by making a written request to the Public Employees Retirement System of Ohio, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 466-2085 or 1 (800) 222-7377.

Funding Policy – The Ohio Revised Code provides statutory authority for employee and employer contributions. Employees are required to contribute 8.5% of their covered payroll to PERS. The 2001 employer contribution rate for local government employer units was 13.55% of covered payroll including 4.30% that is used to fund postretirement health care benefits. The City's total contributions to PERS for pension benefits (excluding the amount relating to postretirement benefits) for the years ended December 31, 2001, 2000, and 1999 were \$1,422,446, \$964,485, and \$1,394,771 respectively, which equaled the required contribution for each year. A temporary reduction in the employer contribution rate was in effect during a portion of the year ended December 31, 2000.

(C) OHIO POLICE AND FIRE PENSION FUND (OP&F)

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 are codified in Chapter 742 of the Ohio Revised Code. The OP&F issues a publicly available financial report that includes financial information and required supplementary information for the plan. The report may be obtained by writing to OP&F, 140 East Town Street, Columbus, Ohio 43215-5164.

Members of the OP&F become partially vested after 15 years of service and fully vested after 25 years of service. Members are eligible for normal retirement benefits at age 48 with 25 years of service credit or at age 62 with 15 years of service credit. The normal retirement benefit is equal to 2.5 percent of annual earnings for each of the first 20 years of service, 2.0 percent for each of the next five years of service, and 1.5 percent for each year of service thereafter; however, this normal retirement benefit is not to exceed 72 percent of the members'

average annual salary for the three years during which total earnings were the greatest. Early retirement with reduced benefits is available to members with 15 years of service credit who have attained age 48 or 25 years from the date the member became a qualified employee. This reduced benefit is equal to 1.5% of the average annual salary multiplied by the number of complete years of service. Plan members are required to contribute 10.0% of their annual covered salary, while employees are required to contribute 19.5% and 24.0%, respectively, for police officers and firefighters. The City's total contributions to OP&F for pension benefits (excluding the amount relating to postretirement benefits) for the years ended December 31, 2001, 2000, and 1999 were \$1,319,431, \$1,330,095 and \$1,360,154 respectively, which equaled the required contribution for each year.

(D) CONTRIBUTIONS TO THE PLANS

Contributions to the plans (actuarially determined and required by State statute) for the year ended December 31, 2001 are summarized as follows:

	<u>Statutorily Determined</u>		<u>Actuarially Determined</u>
	Contribution	Contributions (\$)	Contribution
	Rate (%)		Rate (%)
Plan/Contributor			
OP&F:			
Fire Personnel	24.00%	\$ 1,027,520	N/A
By City	<u>10.00</u>	<u>428,133</u>	N/A
By Employees	<u>34.00</u>	<u>1,455,653</u>	31.52%
		\$ 1,349,476	
Police Personnel	19.50	996,143	N/A
By City	<u>10.00</u>	<u>510,842</u>	N/A
By Employees	<u>29.50</u>	<u>1,506,985</u>	34.59
		1,767,004	
Less:			
Health Care Portion	(7.50)	(704,232)	(7.50)
Accrued Liability (Police and Fire Personnel)	N/A		N/A
Total OP&F Contributions		<u>2,258,406</u>	<u>2,412,248</u>
Less:			
Health Care Portion	(4.30)	(661,246)	(4.30)
Total PERS Contributions		<u>2,729,559</u>	<u>2,729,559</u>

Financial Section - Notes

TOTAL PENSION PLAN CONTRIBUTIONS

\$ 4,987,965

\$ 5,141,807

NOTE 10 – OTHER POSTEMPLOYMENT BENEFITS

PERS:

In addition to the pension benefits described in Note 9, 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 credits. Health care coverage for disability recipients and primary survivor recipients is also available. The health care coverage provided by the retirement system is considered an other postemployment benefit (OPEB) as described in GASB Statement No. 12.

A portion of each employer's contribution to PERS is set aside for the funding of postretirement health care. The Ohio Revised Code provides statutory authority for employer contributions. The total employer contribution rate for PERS is 13.55% of covered payroll, of which 4.30% is the portion that is used to fund health care benefits under PERS.

Other postemployment benefits are financed through employer contributions and investment earnings thereon. The contributions allocated to retiree health care, along with investment income on allocated assets and periodic adjustments in health care provisions are expected to be sufficient to sustain the program indefinitely.

The principal assumptions used for the 2000 actuarial computations (latest available) were as follows:

Funding Method. An entry age normal actuarial cost method of valuation is used in determining the present value of OPEB. The difference between assumed an actual experience (actuarial gains and losses) becomes part of the unfunded actuarial accrued liability.

Assets Valuation Method. For actuarial valuation purposes, a smoothed market approach is used. Under this approach assets are adjusted annually to reflect 25 percent of unrealized market appreciation or depreciation on investment assets.

Investment Return. The investment assumption rate for 2000 was 7.75 percent.

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

Health Care. Health care costs were assumed to increase 4.75 percent annually.

The number of benefit recipients eligible for OPEB at December 31, 2001 was 411,076. The City's actual contributions for 2001, which were used to fund postemployment benefits, were \$661,246. PERS net assets available for payment of other postemployment benefits at

December 31, 2000 were \$11.74 billion. The funds total health care expenses for the year ended December 31, 2000 (the latest information available) were \$559,606,294.

OP&F:

OP&F also provides health care coverage to any person who receives or is eligible to receive a monthly retirement benefit 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 defined part-time basis. The Ohio Revised Code provides the statutory authority requiring the fund's board of trustees to provide health care coverage to all eligible individuals. 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 that health care costs paid from the Ohio Police and Fire Pension Fund shall be included in the employer's contribution rate. The total police employer contribution rate is 19.5% of covered payroll and the total contribution rate for fire personnel is 24% of covered payroll of which 7.50% is applied to the postemployment health care program. Health care funding and accounting is on a pay-as-you-go basis.

The portion of the City's actual contribution to OP&F for 2001 that was used to fund postemployment benefits was \$383,132 for police and \$321,100 for fire personnel. The fund's total health care expenses for the year ended December 31, 2000 (the latest information available) were \$106,160,054. The total number of participants in OP&F who were eligible to receive health care benefits at December 31, 2000 (the latest information available) was 12,853 police and 10,037 fire personnel.

NOTE 11 – DEFERRED COMPENSATION PROGRAMS

The City's employees and elected officials participate in three deferred compensation plans created in accordance with Internal Revenue Code Section 457. Participation is on a voluntary payroll deduction basis. The plans permit deferral of compensation until future years. The deposits under the plans are forwarded to trustees. Under the terms of the plans, the deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

All amounts of compensation deferred under the plans, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are solely the property and rights of the plans' participants and their beneficiaries. The plan agreements state that the City has no fiduciary responsibility under the plans with the exception of fraud or wrongful taking.

The amount on deposit in the plans is not reflected in the accompanying combined balance sheet-all fund types and account groups as of December 31, 2001 because it is held in trust for the exclusive benefit of Plan participants and their beneficiaries.

NOTE 12 – BONDS, NOTES, AND OTHER LONG-TERM OBLIGATIONS

A listing of changes in the bonds, notes and other long-term obligations of the City for the year ended December 31, 2001 are as follows.

	<u>Balance Jan. 1, 2001</u>	<u>Additions (Reductions)</u>	<u>Balance Dec. 31, 2001</u>
SPECIAL REVENUE FUND OBLIGATIONS			
U.S. Department of Housing and Urban Development 108 Loan	\$ 419,850	\$ (80,000)	\$ 339,850
TOTAL SPECIAL REVENUE FUND OBLIGATIONS	<u>\$ 419,850</u>	<u>\$ (80,000)</u>	<u>\$ 339,850</u>
CAPITAL PROJECTS FUND OBLIGATION			
3.0% 2001 Industrial Parkway Improvement Notes Due July 2002		\$ 600,000	\$ 600,000
TOTAL CAPITAL PROJECTS FUND OBLIGATIONS		<u>\$ 600,000</u>	<u>\$ 600,000</u>
ENTERPRISE FUND OBLIGATIONS			
8.48% 1986 OWDA Loan			
Wastewater Plant Improve Due 2017	\$ 13,287,930	\$ (715,518)	\$ 12,572,412
7.11% 1987 OWDA Loan			
Westside Interceptor Sewer Due 2009	7,031,385	(732,246)	6,299,139
6.10%-11.00% 1990 East Broad Street Storm Sewer Bonds Due 2006	424,065	(58,315)	365,750
4.875% 2000 Southeast Sanitary Sewer Notes Due December 2001	2,200,000	(2,200,000)	
3.00% 2001 Southeast Sanitary Sewer Notes Due November 2002		1,200,000	1,200,000
3.00% 2001 Water Pumping Improvement Notes Due July 2002		1,000,000	1,000,000
4.2275% 1999 Water System Improvement Bonds Due 2019	1,390,000	(50,000)	1,340,000
7.375% 1994 Murray Ridge Watermain Bonds Due 2009	170,574	(13,758)	156,816
0.00% 1994 State Issue II Loan Samuel Street Watermain Due 2004	<u>87,403</u>	<u>(25,804)</u>	<u>61,599</u>
TOTAL ENTERPRISE FUND OBLIGATIONS	<u>\$ 24,591,357</u>	<u>\$ (1,595,641)</u>	<u>\$ 22,995,716</u>
GENERAL LONG-TERM OBLIGATIONS ACCOUNT GROUP			
Special Assessment Debt:			
10.75% 1981-2 Brace/Morgan Improvement Bonds Due 2001	\$ 35,000	\$ (35,000)	\$

	Special Assessment Debt (Cont.):	
	Balance <u>Jan. 1, 2001</u>	Balance <u>Dec. 31, 2001</u>
6.20-7.00% 1989 Street Improvement Bonds Due 2004	1,010,000	785,000
6.10-11.00% 1990 East Broad Street Storm Sewer Bonds Due 2006	140,935	119,250
6.35% 1992 Ford Road Improvement Bonds Due 2013	655,000	620,000
7.375% Sewer Overflow		
Elimination Bonds Due 2009	67,319	61,891
7.375% Murray Ridge Watermain Bonds Due 2009	72,107	66,292
5.875% Griswold Road Improvement Bonds Due 2015	415,000	400,000
5.295% 1996 Westway Garden Improvement Bonds Due 2008	1,050,000	940,000
0.00% 1997 State Issue II Loan Weller Road Due 2007	<u>185,734</u>	<u>154,778</u>
Total Special Assessment Debt	<u>3,631,095</u>	<u>3,147,211</u>
	(483,884)	
General Obligation Bonds And Construction Loans:		
6.135% Fire Station Construction Bonds Due 2012	215,000	110,000
0.00% 1995 State Issue II Loan Griswold Road Due 2006	122,636	98,109
5.247% 1997 Various Purpose Improvement Bonds Due 2022	10,120,000	9,835,000
3.15%-4.25% 1999 Recreational Facilities Bonds Due 2009	1,660,000	1,500,000
3.15%-4.45% 1999 Fire Station Construction Bonds Due 2012	1,655,000	1,635,000
3.15%-5.00% 1999 Police and Fire Pension Liability Bonds Due 2023	1,245,000	1,210,000
4.75% 2001 City Hall Construction Bonds Due 2026		8,200,000
0.00% 1999 State Issue II Loan Schaden Road Due 2009	57,850	50,619
0.00% 1999 State Issue II Loan Middle Avenue Due 2009	54,247	47,466
0.00% 2000 State Issue II Loan E. Broad St./State Rt. 57 Intersection Due 2010	41,243	36,902
	(4,341)	

	Balance <u>Jan. 1, 2001</u>	Additions <u>(Reductions)</u>	Balance <u>Dec. 31, 2001</u>
0.00% 2001 State Issue II Loan Murray Ridge Rd./Garford Ave. Due 2012			
			138,234
Total General Obligation Bonds And Construction Loans	<u>15,170,976</u>	<u>7,690,354</u>	<u>22,861,330</u>

Other General Long-Term Obligations:

Accrued Wages and Benefits Compensated Absences	<u>4,559,778</u>	<u>62,439</u>	<u>4,622,217</u>
Total Other General Long-Term Obligations	<u>4,559,778</u>	<u>62,439</u>	<u>4,622,217</u>

TOTAL GENERAL LONG-TERM OBLIGATIONS ACCOUNT GROUP \$ 23,361,849 \$ 7,268,909 \$ 30,630,758

All notes have been issued in anticipation of long-term bond financing. Ohio law permits the issuance and renewal of bond anticipation notes such that the notes may remain outstanding for twenty years consecutively before such notes must be retired either from available funds of the City or from the proceeds of bonds issued to redeem the anticipation notes. If such notes and renewals of such notes remain outstanding for a period in excess of five years, any such period in excess of five years must be deducted from the permitted maximum maturity of bonds anticipated. Furthermore, a certain portion of the principal amount of such notes must be retired in the amounts and at the times that would have been required for payment of principal maturities on the bonds anticipated as if the bonds had been issued at the expiration of the initial five-year period.

A summary of the City's future debt service requirements for its bond and note obligations as of December 31, 2001 follows:

ENTERPRISE FUND OBLIGATIONS

	OWDA Loans		Other Bonds and Notes	
Due In	Principal	Interest	Principal	Interest
2002	\$ 1,269,996	\$ 1,514,009	\$ 2,355,628	\$ 152,004
2003	1,368,573	1,415,432	165,628	77,082
2004	1,474,862	1,309,143	170,628	67,542
2005	1,589,469	1,194,536	186,800	59,145
2006	1,713,052	1,070,953	158,331	55,677
Thereafter	<u>11,455,599</u>	<u>3,857,297</u>	<u>1,087,150</u>	<u>383,174</u>
TOTALS	<u>\$18,871,551</u>	<u>\$10,361,370</u>	<u>\$ 4,124,165</u>	<u>\$ 794,624</u>

GENERAL LONG-TERM OBLIGATIONS ACCOUNT GROUP

Due In	Special Assessment		General Obligation Bonds and Construction Loans	
	Principal	Interest	Principal	Interest
2002	\$ 476,132	\$ 192,032	\$ 861,455	\$ 1,108,974
2003	501,132	164,950	926,455	1,019,080
2004	526,132	136,827	951,455	987,550
2005	269,961	105,278	996,455	953,765
2006	287,626	85,820	1,001,928	917,048
Thereafter	<u>1,086,228</u>	<u>227,366</u>	<u>18,123,582</u>	<u>8,907,025</u>
TOTALS	\$ 3,147,211	\$ 912,273	\$ 22,861,330	\$ 13,893,442

All bonds and notes are backed by the full faith and credit of the City. While special assessments have been levied to pay the debt service of the special assessment bonds, the bonds are also backed by the full faith and credit of the City. No reserve or sinking fund has been established to cover defaults by property owners. Although the bonds and notes of the enterprise funds are general obligations of the City, the City's policy is to have the debt serviced by the revenues of the respective enterprise funds. The Ohio Water Development Authority construction loans are secured by the revenues of the City's wastewater treatment operations. The loans require, among other things, that the City charge sufficient rates and fees for wastewater treatment services to enable the revenues to service the loan principal and interest payments and provide resources for the payment of the necessary operating and maintenance expenses of the facility. The City was not required to pledge the general resources or general credit of the City to secure the repayment of the loans.

Under the Uniform Bond Act of the Ohio Revised Code, at December 31, 2001, the City had the capacity to issue approximately \$25,651,435 of additional, un-voted general obligation debt.

NOTE 13 – COMMITMENTS

The City has entered into contracts for the resurfacing and reconstruction of a portion of Lowell Street, portions of Infirmary Road and West River Road, Oberlin Road and Leona Street, Warden Avenue and College Park Drive, and Murray Ridge Road and Garford Avenue. Work began on all of these projects in 2001. The estimated costs of the Lowell Street, Infirmary Road / West River Road, Oberlin Road / Leona Street and Warden Avenue / College Park Drive projects are \$102,871, \$199,290, \$177,796 and \$199,712 respectively. These projects are all being funded with 89% State Issue II grant funds and 11% City funds. The estimated cost of the Murray Ridge Road / Garford Avenue project is \$138,234 and is being funded with a 0% State Issue II loan.

The City has also entered into contracts for the construction a new City Hall building. Construction of this new facility began in 2001. The estimated cost of the project is \$11,058,938 is being funded with \$8,200,000 of general obligation bonds, \$396,567 of

existing Water Enterprise Fund monies, \$65,804 of existing Sanitation Enterprise Fund monies, \$396,567 of existing Wastewater Pollution Control Enterprise Fund monies and \$2,000,000 of existing General Fund monies.

The City has also entered into a contract for the construction of a sludge handling facility at the Water Pumping Plant. Work on this project began in 2001. The estimated cost of this project is \$1,042,000 and is being funded with \$42,000 of existing Water Enterprise Fund monies and \$1,000,000 in short-term bond anticipation notes that will be repaid with Water Enterprise Fund monies.

The City has also entered into a contract for engineering services for plan design for new water tanks and other improvements to the City's water system. The estimated cost for these services is \$585,000 and is being funded with existing Water Enterprise Fund monies.

NOTE 14 – DEFICITS

At December 31, 2001, the following funds had a deficit fund balance:

	Deficit Fund Balance
Capital Projects Fund:	
Industrial Parkway	\$ 105,590
Enterprise Fund:	
Sanitation	963,389
Internal Service Fund:	
Employees' Health Insurance	243,996

The deficit in the capital projects fund balance will be eliminated through the receipt of monies from the City's General Bond Retirement Fund which will be used to retire the outstanding general obligation notes in the City's Industrial Parkway Fund. The deficit in the enterprise fund retained earnings will be eliminated through increased operating revenues resulting from a series of increases in residential and commercial rates charged to customers of the sanitation as enacted by City Council on February 19, 2002 and effective May 1, 2002, January 1, 2003 and January 1, 2004. The internal service fund retained earnings deficit will be eliminated through a new contract with a new health care provider that will be able to provide larger discounts for health care coverage than the City's prior health care provider and through the receipt of increased revenues from other City funds.

NOTE 15 – SEGMENT INFORMATION FOR ENTERPRISE FUNDS

The City maintains enterprise funds, which provide water, sewer (wastewater pollution control), recreational, and sanitation services. Segment information for the enterprise funds is summarized as follows:

FOR THE YEAR ENDED	Water	Special Parks and Recreation	Sanitation	Wastewater Pollution Control	Totals
December 31, 2001:					
Operating Revenues	\$ 4,753,572	\$ 324,141	\$ 2,286,765	\$ 9,500,055	\$ 16,864,533

FOR THE YEAR ENDED December 31, 2001:	Water	Special Parks and Recreation	Sanitation	Wastewater Pollution Control	Totals
Operating Expenses:		Continued...			
Depreciation	812,318	10,526	98,017	2,415,761	3,336,622
Other	3,893,215	261,952	2,643,151	5,981,175	12,779,493
Total Operating Expenses	4,705,533	272,478	2,741,168	8,396,936	16,116,115
Operating Income (Loss)	48,039	51,663	(454,403)	1,103,119	748,418
Nonoperating Revenues (Expenses)	926	8,186	127,049	(988,782)	(852,621)
Capital Grant Revenue			50,229		50,229
Net (Loss) Income	\$ 48,965	\$ 59,849	\$ (277,125)	\$ 114,337	\$ (53,974)
Acquisition and Construction Of Capital Assets	\$ 480,362	\$ 156,742	\$ 84,719	\$ 1,539,953	\$ 2,261,776
<u>AS OF DECEMBER 31, 2001:</u>					
Net Working Capital	\$ 847,684	\$ 107,458	\$ 214,049	\$ 5,846,445	\$ 7,015,636
Total Assets	\$ 15,144,049	\$ 364,749	\$ 912,696	\$ 56,111,593	\$ 72,533,087
Current Liabilities	\$ 2,080,826	\$ 16,625	\$ 354,569	\$ 4,072,494	\$ 6,524,514
Long-Term Liabilities:					
General obligation bonds and notes payable	1,430,307			302,435	1,732,742
Construction loans payable	48,697			17,601,555	17,650,252
Total Liabilities	3,559,830	16,625	354,569	21,976,484	25,907,508
Total Contributed Capital and Retained Earnings	11,584,219	348,124	558,127	34,135,109	46,625,579
Total Liabilities, Contributed Capital & Retained Earnings	\$ 15,144,049	\$ 364,749	\$ 912,696	\$ 56,111,593	\$ 72,533,087

NOTE 16 – REHABILITATION LOANS

In the Block Grant and Comprehensive Housing Improvement Program Grant Special Revenue Funds, rehabilitation loans represent non-interest bearing loans made under the City's federal community development block grant to qualifying citizens for the rehabilitation of residential property within the City. In the Wastewater Pollution Control Enterprise Fund, rehabilitation loans represent non-interest bearing loans made under the City's sewer lateral program for the rehabilitation of sanitary sewer laterals within the City. The loans are secured by mortgages against the individual residences and are not due until the earlier of the following:

- 1.) The sale of the home.
- 2.) The death of the owner of the home.

NOTE 17 – NEW ACCOUNTING STANDARDS

The Governmental Accounting Standards Board has issued Statement No. 34 "Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments". This statement revises accounting and reporting standards for general purpose external financial reporting by governmental units. Statement No. 34 is effective for the year ending December 31, 2003. The City has not completed an analysis of the impact of Statement No. 34 on its reported financial condition and results of operations.

During May 2002 the GASB issued Statement No. 39, *Determining Whether Certain Organizations are Component Units*, which clarifies existing accounting guidance and provides greater consistency in accounting for organizations that are closely related to a primary government. The standard, which is effective for fiscal years beginning after June 15, 2003, provides criteria for determining whether certain organizations should be reported as component units based on the nature and significance of their relationship with a state or local government. The City has not completed an analysis of the impact of this statement on its reported financial condition and results of operations.

NOTE 18 – JOINTLY GOVERNED ORGANIZATIONS

Northeast Ohio Public Energy Council

The City is a member of The Northeast Ohio Public Energy Council (NOPEC). NOPEC is a regional council of governments formed under Chapter 167 of the Ohio Revised Code. NOPEC was formed to serve as a vehicle for communities wishing to proceed jointly with an aggregation program for the purchase of electricity. NOPEC is currently comprised of 92 communities who have been authorized by ballot to purchase electricity on behalf of their citizens. The intent of NOPEC is to provide electricity at the lowest possible rates while at the same time insuring stability in prices by entering into long-term contracts with suppliers to provide electricity to the citizens of its member communities.

NOPEC is governed by a General Assembly made up of one representative from each member community. The representatives from each county then elect one person to serve on the eight-member NOPEC Board of Directors. The Board oversees and manages the operation of the aggregation program. The degree of control exercised by any participating government is limited to its representation in the General Assembly and on the Board. None of the member communities have any obligations other than for electricity purchased, entitlement or residual interest in NOPEC. The City of Elyria did not contribute to NOPEC during 2001. Financial information can be obtained by contacting Dan DiLiberto, Treasurer, 35150 Lakeshore Boulevard, Eastlake, Ohio 44095.

NOTE 19 – SUBSEQUENT EVENTS

The City changed its third party administrator for the City's self-insured health insurance plan February 1, 2002.

CITY OF ELYRIA, OHIO

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

DECEMBER 31, 2001

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GENERAL FUND

The *General Fund* is established to account for all financial resources except those required to be accounted for in another fund.

CITY OF ELYRIA, OHIO
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
 BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 GENERAL FUND-LEGAL APPROPRIATION LEVEL
 FOR THE YEAR ENDED DECEMBER 31, 2001**

	GENERAL FUND		
	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Taxes	\$ 21,999,239	\$ 22,190,714	\$ 191,475
Intergovernmental revenues	198,966	1,777,202	(21,754)
Charges for services	1,567,000	1,599,560	32,560
Licenses and permits	624,550	650,925	26,375
Interest earnings	193,791	194,455	664
Special assessments	15,000	11,311	(3,689)
Fines and forfeitures	796,674	796,674	
Miscellaneous revenues	499,420	511,915	12,495
TOTAL REVENUES	25,894,630	26,132,756	238,126
EXPENDITURES			
PUBLIC SAFETY			
Police			
Personal services	4,738,598	4,596,792	139,806
Fringe benefits	1,151,602	1,134,252	17,350
Operation and maintenance	373,670	354,674	18,996
Total Police	6,263,870	6,087,718	176,152
Fire			
Personal services	4,794,866	4,782,932	11,934
Fringe benefits	1,415,092	1,396,407	18,685
Operation and maintenance	286,151	286,150	1
Capital outlay	389,647	389,646	1
Total Fire	6,885,756	6,855,135	30,621
Communications			
Personal services	76,273	73,800	2,473
Fringe benefits	22,252	21,741	511
Operation and maintenance	21,570	20,394	1,176
Total Communications	120,095	115,935	4,160
Safety Service			
Personal services	230,172	227,458	2,714
Fringe benefits	68,912	67,519	1,393
Operation and maintenance	15,200	14,969	231
Total Safety Service	314,284	309,946	4,338
Prisoner Support			
Personal services	614,903	605,450	9,453
Fringe benefits	200,827	192,055	8,772
Operation and maintenance	270,812	267,408	3,404
Total Prisoner Support	1,086,542	1,064,913	21,629
TOTAL PUBLIC SAFETY	14,670,547	14,433,647	236,900

CITY OF ELYRIA, OHIO
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
 BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 GENERAL FUND-LEGAL APPROPRIATION LEVEL (continued)
 FOR THE YEAR ENDED DECEMBER 31, 2001**

	GENERAL FUND		
	Budget	Actual	Variance Favorable (Unfavorable)
HEALTH			
Health Center			
Personal services	748,725	742,213	6,512
Fringe benefits	219,184	216,402	2,782
Operation and maintenance	230,145	229,158	987
Capital outlay	4,895	4,895	
Total Health Center	1,202,949	1,192,668	10,281
Health - Solid Waste			
Personal services	21,370	20,384	986
Fringe benefits	6,430	6,206	224
Operation and maintenance	13,547	13,547	
Capital outlay	4,000	3,750	250
Total Health - Solid Waste	45,347	37,261	8,086
Cemetery			
Personal services	282,161	279,584	2,577
Fringe benefits	73,482	71,921	1,531
Operation and maintenance	2,130	760	1,370
Total Cemetery	357,743	352,265	5,478
TOTAL HEALTH	1,606,039	1,582,194	23,845
CULTURE AND RECREATION			
Parks and Recreation			
Personal services	1,010,413	999,173	11,240
Fringe benefits	305,351	303,013	2,338
Operation and maintenance	392,750	382,567	10,183
Capital outlay	49,703	49,703	
Total Parks and Recreation	1,758,217	1,734,456	23,761
Swimming Pools			
Personal services	68,600	68,594	6
Fringe benefits	11,060	10,975	85
Operation and maintenance	78,325	75,999	2,326
Total Swimming Pools	157,985	155,568	2,417
Ice Rink			
Personal services	26,000	22,977	3,023
Fringe benefits	3,990	3,528	462
Operation and maintenance	97,800	94,473	3,327
Total Ice Rink	127,790	120,978	6,812
TOTAL CULTURE AND RECREATION	2,043,992	2,011,002	32,990

CITY OF ELYRIA, OHIO
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)-
GENERAL FUND-LEGAL APPROPRIATION LEVEL-(continued)
FOR THE YEAR ENDED DECEMBER 31, 2001**

	GENERAL FUND		
	Budget	Actual	Variance Favorable (Unfavorable)
COMMUNITY ENVIRONMENT			
Community Planning and Zoning			
Personal services	61,082	59,713	1,369
Fringe benefits	13,665	13,366	299
Operation and maintenance	2,975	326	2,649
Total Community Planning and Zoning	77,722	73,405	4,317
Community Development			
Personal services	27,085	26,544	541
Fringe benefits	7,995	7,610	385
Operation and maintenance	17,935	16,441	1,494
Total Community Development	53,015	50,595	2,420
Housing Code Enforcement			
Personal services	463,557	458,238	5,319
Fringe benefits	135,677	131,264	4,413
Operation and maintenance	50,975	49,197	1,778
Capital outlay	22,530	21,560	970
Total Housing Code Enforcement	672,739	660,259	12,480
TOTAL COMMUNITY ENVIRONMENT	803,476	784,259	19,217
GENERAL GOVERNMENT			
Mayor			
Personal services	116,094	115,665	429
Fringe benefits	28,864	28,754	110
Operation and maintenance	15,700	12,746	2,954
Total Mayor	160,658	157,165	3,493
Administrative Support			
Personal services	88,765	86,618	2,147
Fringe benefits	29,593	28,648	945
Operation and maintenance	40,000	32,163	7,837
Capital outlay	30,000	30,000	
Total Administrative Support	188,358	177,429	10,929
Elyria Historical Commission			
Operation and maintenance	6,317	1,322	4,995
Total Elyria Historical Commission	6,317	1,322	4,995

(Continued on subsequent page)

CITY OF ELYRIA, OHIO
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)-
GENERAL FUND-LEGAL APPROPRIATION LEVEL-(continued)
FOR THE YEAR ENDED DECEMBER 31, 2001**

	GENERAL FUND		
	Budget	Actual	Variance Favorable (Unfavorable)
Finance Administration			
Personal services	483,370	477,382	5,988
Fringe benefits	133,230	132,391	839
Operation and maintenance	29,250	27,647	1,603
Total Finance Administration	645,850	637,420	8,430
Legal Administration			
Personal services	558,439	552,818	5,621
Fringe benefits	157,815	156,593	1,222
Operation and maintenance	45,615	40,715	4,900
Capital outlay	5,937	4,223	1,714
Total Legal Administration	767,806	754,349	13,457
Legislative Activity			
Personal services	223,800	223,544	256
Fringe benefits	78,962	78,707	255
Operation and maintenance	26,800	21,731	5,069
Capital outlay	10,000	10,000	
Total Legislative Activity	339,562	333,982	5,580
Presiding Judge			
Personal services	322,892	318,190	4,702
Fringe benefits	94,918	92,775	2,143
Operation and maintenance	38,000	35,634	2,366
Total Presiding Judge	455,810	446,599	9,211
Judge			
Personal services	365,246	363,987	1,259
Fringe benefits	102,966	102,377	589
Operation and maintenance	40,150	37,192	2,958
Total Judge	508,362	503,556	4,806
Clerk of Courts			
Personal services	869,901	865,902	3,999
Fringe benefits	278,029	276,438	1,591
Operation and maintenance	118,998	109,767	9,231
Total Clerk of Courts	1,266,928	1,252,107	14,821

CITY OF ELYRIA, OHIO
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
 BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**
 GENERAL FUND-LEGAL APPROPRIATION LEVEL-(continued)
 FOR THE YEAR ENDED DECEMBER 31, 2001

	GENERAL FUND		
	Budget	Actual	Variance Favorable (Unfavorable)
Civil Service Commission			
Personal services	23,690	23,478	212
Fringe benefits	3,610	3,609	1
Operation and maintenance	27,000	22,702	4,298
Total Civil Service Commission	54,300	49,789	4,511
Buildings and Lands			
Personal services	93,099	92,048	1,051
Fringe benefits	31,989	31,737	252
Operation and maintenance	212,700	183,175	29,525
Capital outlay	14,995	14,995	
Total Buildings and Lands	352,783	321,955	30,828
Engineering			
Personal services	208,300	204,430	3,870
Fringe benefits	59,286	58,655	631
Operation and maintenance	24,900	20,070	4,830
Total Engineering	292,486	283,155	9,331
Central Maintenance Garage			
Personal services	323,792	317,823	5,969
Fringe benefits	98,089	95,222	2,867
Operation and maintenance	494,750	492,851	1,899
Capital outlay	7,698	7,698	
Total Central Maintenance Garage	924,329	913,594	10,735
Miscellaneous General Government			
Operation and maintenance	1,825,500	1,609,574	215,926
Capital outlay	49,978	49,977	1
Total Miscellaneous General Government	1,875,478	1,659,551	215,927
TOTAL GENERAL GOVERNMENT	7,839,027	7,491,973	347,054

CITY OF ELYRIA, OHIO
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
 BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**
 GENERAL FUND-LEGAL APPROPRIATION LEVEL-(concluded)
 FOR THE YEAR ENDED DECEMBER 31, 2001

	GENERAL FUND		
	Budget	Actual	Variance Favorable (Unfavorable)
TOTAL EXPENDITURES	26,963,081	26,303,075	660,006
Excess (deficiency) of revenues over expenditures	(1,068,451)	(170,319)	898,132
OTHER FINANCING SOURCES (USES)			
Operating transfers in	3,000	13,194	10,194
Operating transfers out	(304,561)	(304,561)	
Other financing sources	925,000	985,138	60,138
TOTAL OTHER FINANCING SOURCES (USES)	623,439	693,771	70,332
Excess (deficiency) of revenues and other sources over expenditures and other uses	(445,012)	523,452	968,464
Adjustment for prior year encumbrances	943,748	943,748	
FUND BALANCE AT BEGINNING OF YEAR	1,775,213	1,775,213	
FUND BALANCE AT END OF YEAR	\$ 2,273,949	\$ 3,242,413	\$ 968,464

SPECIAL REVENUE FUNDS

Special Revenue Funds are established to account for the proceeds of specific revenue sources (other than amounts relating to expendable trust or restricted for major capital projects or debt service) that are restricted to expenditure for specified purposes.

* * * * *

Street Construction, Maintenance and Repair

Required by State law to account for the portion of gasoline taxes and motor vehicle license fees that is designated for maintenance of streets within the City.

State Highway

Required by State law to account for the portion of gasoline taxes and motor vehicle license fees that is designated for maintenance of State highways within the City.

Municipal Motor Vehicle Tax

Required by State law to account for local license fees designated for the maintenance of streets within the City.

Health Grant

Required by State law to account for grant monies designated for use by the Health Department of the City.

Dental Health Grant

Required to account for grant monies designated for use by the Health Department of the City for dental health care.

Swimming Pool Inspection

Required by State law to account for the revenues and expenditures of administering inspections of public swimming pools.

Food Service Operations

Required by State law to account for the portion of license fees that is designated for inspection of food establishments within the City.

Block Grant

To account for monies received from the Federal government designated for community development within the City.

Comprehensive Housing Improvement Program ("C.H.I.P.") Grant

To account for monies received from the Federal government designated for home rehabilitation within the City.

Indigent Drivers Alcohol Treatment

Required by State law to account for the collection of fines imposed on certain alcohol offenses and disbursed to rehabilitation centers.

SPECIAL REVENUE FUNDS (continued)

Law Enforcement

Required by State law to account for the collection of proceeds from the sale of contraband.

Mandatory Drug Fine

Required by State law to account for the collection of fines imposed on certain drug offenses and disbursed to local governmental units.

Fire Pension

To accumulate property taxes levied for the payment of amounts due for fire fighters to the state administered disability and pension fund.

Police Pension

To accumulate property taxes levied for the payment of amounts due for police to the state administered disability and pension fund.

Muni Court Technology

To account for revenue received from fees on court cases that are restricted for the computerization of the Clerk of Municipal Courts office.

Muni Court Security

To account for revenue received from fees on court cases that are restricted for court security.

Muni Court Construction and Improvement

To account for revenue received from fees on court cases that are restricted for Court construction and / or improvement.

Alcohol Enforcement and Education

Required by State law to account for the collection of fines imposed with respect to certain alcohol offenses.

Police Levy

To account for revenue received as a result of a .25% permanent income tax approved by the citizens of the City of Elyria that is restricted for law enforcement purposes.

Elyria 20/20

To account for grants and donations received from local foundations and area companies that are restricted for the development of a long-term strategic plan for the City.

Special Parking Fine

Permitted by State law to account for the collection of fines imposed for disabled parking violations that are restricted for use in support of persons with disabilities.

Legal Research and Court Computerization

To account for revenue received from fees on court cases that are restricted for legal research for, and computerization of, the offices of the Municipal Judges and Municipal Court.

**CITY OF EL YRIA, OHIO
COMBINING BALANCE SHEET
ALL SPECIAL REVENUE FUNDS
DECEMBER 31, 2001**

	Street Construction, Maintenance and Repair	State Highway	Municipal Motor Vehicle Tax	Health Grant	Dental Health Grant	Swimming Pool Inspection	Food Service Operations
ASSETS							
Equity in pooled cash and cash equivalents	\$ 142,975	\$ 143,794	\$ 75,212	\$ 258,334	\$ 11,708	\$ 8,746	\$ 19,823
Other Short-term investments	119,200	2,500	20,400				23,000
Receivables:							
Taxes	508	38	140			2	115
Accrued interest							
Rehabilitation loans							
Due from other funds							
Due from other governments	750,427	60,845	59,841	168,998	26,407		
TOTAL ASSETS	<u>\$ 1,013,110</u>	<u>\$ 207,177</u>	<u>\$ 155,593</u>	<u>\$ 427,332</u>	<u>\$ 38,115</u>	<u>\$ 8,748</u>	<u>\$ 42,938</u>
LIABILITIES							
Accounts payable	\$ 13,084	\$ 11,532	\$ 23,429	\$ 17,035	\$ 464	\$	\$ 6,750
Contracts payable							
Accrued wages and benefits	47,603			18,026	349		2,366
Compensated absences payable	35,564			3,925			260
Deferred revenue	537,366	43,570		141,880	5,250		
Construction loan payable							
TOTAL LIABILITIES	<u>633,617</u>	<u>55,102</u>	<u>23,429</u>	<u>180,866</u>	<u>6,063</u>		<u>9,376</u>
FUND BALANCE							
Reserved for encumbrances	30,487	12,294	21,691	7,692	6,264		379
Reserved for rehabilitation loans	349,006	139,781	110,473	238,774	25,788	8,748	33,183
Unreserved-undesignated	379,493	152,075	132,164	246,466	32,052	8,748	33,562
TOTAL FUND BALANCE	<u>379,493</u>	<u>152,075</u>	<u>132,164</u>	<u>246,466</u>	<u>32,052</u>	<u>8,748</u>	<u>33,562</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 1,013,110</u>	<u>\$ 207,177</u>	<u>\$ 155,593</u>	<u>\$ 427,332</u>	<u>\$ 38,115</u>	<u>\$ 8,748</u>	<u>\$ 42,938</u>

(Continued on subsequent page)

CITY OF ELYRIA, OHIO
 COMBINING BALANCE SHEET
 ALL SPECIAL REVENUE FUNDS (continued)
 DECEMBER 31, 2001

	Block Grant	C.H.I.P. Grant	Indigent Drivers Alcohol Treatment	Law Enforcement	Mandatory Drug Fine	Fire Pension	Police Pension	Muni Court Technology
ASSETS								
Equity in pooled cash and cash equivalents	\$ 20,654	\$	\$ 14	\$ 98,709	\$ 46,771	\$ 101,961	\$ 102,209	\$ 112,164
Other Short-term investments			344,500	54,100				
Receivables:								
Taxes								
Accrued interest			734	280	13	196,480	196,480	
Rehabilitation loans	1,827,240	1,706,531	1,079		95	111	79	12,077
Due from other funds		74,137			220			
Due from other governments						26,060	26,060	
TOTAL ASSETS	<u>\$ 1,847,894</u>	<u>\$ 1,780,668</u>	<u>\$ 346,327</u>	<u>\$ 153,089</u>	<u>\$ 47,099</u>	<u>\$ 324,612</u>	<u>\$ 324,828</u>	<u>\$ 124,241</u>
LIABILITIES								
Accounts payable	\$ 9,762	\$ 4,228	\$ 680	\$	\$ 1,400	\$	\$	\$
Contracts payable								
Accrued wages and benefits	15,178	1,509						4,576
Compensated absences payable	6,530	628				221,357	221,357	1,210
Deferred revenue								
Construction loan payable	339,850							
TOTAL LIABILITIES	<u>371,320</u>	<u>6,365</u>	<u>680</u>		<u>1,400</u>	<u>221,357</u>	<u>221,357</u>	<u>5,786</u>
FUND BALANCE								
Reserved for encumbrances	112,379	75,224	216	6,150	5,249			54,465
Reserved for rehabilitation loans	1,827,240	1,706,531	345,431	146,939	40,450	103,255	103,471	63,990
Unreserved-undesignated	(463,045)	(7,452)	345,647	153,089	45,699	103,255	103,471	118,455
TOTAL FUND BALANCE	<u>1,476,574</u>	<u>1,774,303</u>	<u>345,647</u>	<u>153,089</u>	<u>45,699</u>	<u>103,255</u>	<u>103,471</u>	<u>118,455</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 1,847,894</u>	<u>\$ 1,780,668</u>	<u>\$ 346,327</u>	<u>\$ 153,089</u>	<u>\$ 47,099</u>	<u>\$ 324,612</u>	<u>\$ 324,828</u>	<u>\$ 124,241</u>

CITY OF ELYRIA, OHIO
COMBINING BALANCE SHEET
ALL SPECIAL REVENUE FUNDS (continued)
DECEMBER 31, 2001

	Muni Court Security	Muni Court Construction and Improvement	Alcohol Enforcement and Education	Police Levy	Special Parking Fine	Legal Research and Court Computerization	Totals
ASSETS							
Equity in pooled cash and cash equivalents	\$ 3,361	\$ 16,730	\$ 9,599	\$ 455,892	\$ 3,984	\$ 50,325	\$ 1,682,965
Other Short-term investments	88,300	202,300		589,694	33,800		1,477,794
Receivables:							
Taxes				880,514			1,273,474
Accrued interest	330	638	27	3,394	91		6,500
Rehabilitation loans							3,533,771
Due from other funds	4,790	7,084	210		635	3,624	29,594
Due from other governments							1,192,995
TOTAL ASSETS	<u>\$ 96,781</u>	<u>\$ 226,752</u>	<u>\$ 9,836</u>	<u>\$ 1,929,494</u>	<u>\$ 38,510</u>	<u>\$ 53,949</u>	<u>\$ 9,197,093</u>
LIABILITIES							
Accounts payable	\$	\$	\$	\$ 30,256	\$	\$ 1,139	\$ 84,798
Contracts payable				7,039			42,000
Accrued wages and benefits	2,061			210,271			301,939
Compensated absences payable	223			36,924			85,264
Deferred revenue				383,979			1,554,759
Construction loan payable							339,850
TOTAL LIABILITIES	<u>2,284</u>			<u>668,469</u>		<u>1,139</u>	<u>2,408,610</u>
FUND BALANCE							
Reserved for encumbrances	4,976	698		154,982			493,146
Reserved for rehabilitation loans	89,521	226,054	9,836	1,106,043	38,510	52,810	3,533,771
Unreserved-undesignated	94,497	226,752	9,836	1,261,025	38,510	52,810	2,761,566
TOTAL FUND BALANCE	<u>94,497</u>	<u>226,752</u>	<u>9,836</u>	<u>1,261,025</u>	<u>38,510</u>	<u>52,810</u>	<u>6,788,483</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 96,781</u>	<u>\$ 226,752</u>	<u>\$ 9,836</u>	<u>\$ 1,929,494</u>	<u>\$ 38,510</u>	<u>\$ 53,949</u>	<u>\$ 9,197,093</u>

CITY OF ELYRIA, 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	Municipal Motor Vehicle Tax	Health Grant	Dental Health Grant	Swimming Pool Inspection	Food Service Operations
REVENUES							
Taxes	\$ 1,440,583	\$ 116,804	\$ 302,580	\$ 576,430	\$ 57,000	\$ 3,855	\$ 71,409
Intergovernmental revenues				232,773	1,837	461	1,938
Charges for services							
Licenses and permits							
Investment income	9,802	5,829	8,421				
Fines and forfeitures							
Miscellaneous revenues							
TOTAL REVENUES	<u>1,450,385</u>	<u>122,633</u>	<u>311,001</u>	<u>809,203</u>	<u>58,837</u>	<u>4,316</u>	<u>73,347</u>
EXPENDITURES							
Current:							
Public Safety	366,208						
Health				780,560	37,621		66,054
Community environment						7,348	
Highways and streets	1,341,370	127,289	580				
General government			283,097		4,145		
Capital outlay	10,606						
Debt service:							
Principal retirement							
Interest and fiscal charges							
TOTAL EXPENDITURES	<u>1,718,184</u>	<u>127,289</u>	<u>283,677</u>	<u>780,560</u>	<u>41,766</u>	<u>7,348</u>	<u>66,054</u>
Excess (deficiency) of revenues over expenditures	<u>(267,799)</u>	<u>(4,656)</u>	<u>27,324</u>	<u>28,643</u>	<u>17,071</u>	<u>(3,032)</u>	<u>7,293</u>
OTHER FINANCING SOURCES (USES)							
Operating transfers in	281,000						14,000
Operating transfers out							
Proceeds from sale of fixed assets							
TOTAL OTHER FINANCING SOURCES (USES)	<u>281,000</u>						<u>14,000</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>13,201</u>	<u>(4,656)</u>	<u>27,324</u>	<u>28,643</u>	<u>17,071</u>	<u>(3,032)</u>	<u>21,293</u>
FUND BALANCE AT BEGINNING OF YEAR, AS RESTATED	<u>366,292</u>	<u>156,731</u>	<u>104,840</u>	<u>217,823</u>	<u>14,981</u>	<u>11,780</u>	<u>12,269</u>
FUND BALANCE AT END OF YEAR	<u>\$ 379,493</u>	<u>\$ 152,075</u>	<u>\$ 132,164</u>	<u>\$ 246,466</u>	<u>\$ 32,052</u>	<u>\$ 8,748</u>	<u>\$ 33,562</u>

CITY OF ELYRIA, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
ALL SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2001

	Block Grant	C.H.I.P. Grant	Indigent Drivers Alcohol Treatment	Law Enforcement	Mandatory Drug Fine	Fire Pension	Police Pension	Muni Court Technology
REVENUES								
Taxes								
Intergovernmental revenues	\$ 760,588	\$ 97,200				\$ 249,881	\$ 249,881	\$ 26,055
Charges for services						26,055	26,055	
Licenses and permits	4		15,785	5,107	1,904	12,139	10,758	178,348
Investment income			45,856	101,135	7,802			
Fines and forfeitures					365			
Miscellaneous revenues	4,757			106,242	10,071	288,075	286,694	178,348
TOTAL REVENUES	765,349	97,200	61,641	106,242	10,071	288,075	286,694	178,348
EXPENDITURES								
Current:								
Public Safety							279,257	
Health				11,119	8,418	259,302		
Community environment	570,545	69,983						
Highways and streets								203,327
General government			29,704					104,858
Capital outlay	86,343			2,021				
Debt service:								
Principal retirement								
Interest and fiscal charges	29,814					11,970	23,030	
TOTAL EXPENDITURES	686,702	69,983	29,704	13,140	8,418	290,528	339,336	308,185
Excess (deficiency) of revenues over expenditures	78,647	27,217	31,937	93,102	1,653	(2,453)	(52,642)	(129,837)
OTHER FINANCING SOURCES (USES)								
Operating transfers in								
Operating transfers out	7,207							(10,644)
Proceeds from sale of fixed assets								
TOTAL OTHER FINANCING SOURCES (USES)	7,207							(10,644)
Excess (deficiency) of revenues and other sources over expenditures and other uses	85,854	27,217	31,937	93,102	1,653	(2,453)	(52,642)	(140,481)
FUND BALANCE AT BEGINNING OF YEAR, AS RESTATED	1,390,720	1,747,086	313,710	59,987	44,046	105,708	156,113	258,936
FUND BALANCE AT END OF YEAR	\$ 1,476,574	\$ 1,774,303	\$ 345,647	\$ 153,089	\$ 45,699	\$ 103,255	\$ 103,471	\$ 118,455

(Continued on subsequent page)

CITY OF ELYRIA, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
ALL SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2001

	Muni Court Security	Muni Court Construction and Improvement	Alcohol Enforcement and Education	Police Levy	Elyria 20/20	Special Parking Fine	Legal Research and Court Computerization	Totals
REVENUES								
Taxes								\$ 5,447,217
Intergovernmental revenues								1,616,887
Charges for services				\$ 3,087,488				234,610
Licenses and permits				73,559				75,264
Investment income	3,251	6,917	335	55,805	122	1,184		139,762
Fines and forfeitures	70,859	105,717	2,372			24,966		489,705
Miscellaneous revenues				75				106,332
TOTAL REVENUES	<u>74,110</u>	<u>112,634</u>	<u>2,707</u>	<u>3,216,927</u>	<u>122</u>	<u>26,150</u>	<u>53,785</u>	<u>8,109,777</u>
EXPENDITURES								
Current:								
Public Safety				3,020,530				3,944,834
Health								891,583
Community environment								640,528
Highways and streets								1,469,239
General government	40,163	3,033		167,361	12,591	212	14,946	303,976
Capital outlay		1,985				5,000		665,416
Debt service:								
Principal retirement				190,000				225,000
Interest and fiscal charges				10,104				96,223
TOTAL EXPENDITURES	<u>40,163</u>	<u>5,018</u>		<u>3,387,995</u>	<u>12,591</u>	<u>5,212</u>	<u>14,946</u>	<u>8,236,799</u>
Excess (deficiency) of revenues over expenditures	33,947	107,616	2,707	(171,068)	(12,469)	20,938	38,839	(127,022)
OTHER FINANCING SOURCES (USES)								
Operating transfers in							10,644	305,644
Operating transfers out								(10,644)
Proceeds from sale of fixed assets								7,207
TOTAL OTHER FINANCING SOURCES (USES)							<u>10,644</u>	<u>302,207</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	33,947	107,616	2,707	(171,068)	(12,469)	20,938	49,483	175,185
FUND BALANCE AT BEGINNING OF YEAR, AS RESTATED	<u>60,550</u>	<u>119,136</u>	<u>7,129</u>	<u>1,432,093</u>	<u>12,469</u>	<u>17,572</u>	<u>3,327</u>	<u>6,613,298</u>
FUND BALANCE AT END OF YEAR	<u>\$ 94,497</u>	<u>\$ 226,752</u>	<u>\$ 9,836</u>	<u>\$ 1,261,025</u>	<u>\$</u>	<u>\$ 38,510</u>	<u>\$ 52,810</u>	<u>\$ 6,788,483</u>

CITY OF ELYRIA, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
 BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 STREET CONSTRUCTION, MAINTENANCE AND REPAIR FUND-LEGAL APPROPRIATION LEVEL
 FOR THE YEAR ENDED DECEMBER 31, 2001

STREET CONSTRUCTION, MAINTENANCE AND REPAIR FUND

	Budget	Actual	Variance (Unfavorable)
REVENUES			
Taxes	\$ 1,420,000	\$ 1,439,974	\$ 19,974
Charges for services		25	25
Interest earnings	10,615	10,686	71
Miscellaneous revenues	14,151	14,152	1
TOTAL REVENUES	1,444,766	1,464,837	20,071
EXPENDITURES			
PUBLIC SAFETY			
Traffic Lights			
Personal services	220,032	217,949	2,083
Fringe benefits	68,152	66,172	1,980
Operation and maintenance	87,495	86,887	608
Capital outlay	14,406	14,406	
Total Traffic Lights	390,085	385,414	4,671
TOTAL PUBLIC SAFETY	390,085	385,414	4,671
HIGHWAYS AND STREETS			
Street			
Personal services	824,199	797,427	26,772
Fringe benefits	237,351	233,725	3,626
Operation and maintenance	397,000	353,087	43,913
Total Street	1,458,550	1,384,239	74,311
TOTAL HIGHWAYS AND STREETS	1,458,550	1,384,239	74,311
TOTAL EXPENDITURES	1,848,635	1,769,653	78,982
Excess (deficiency) of revenues over expenditures	(403,869)	(304,816)	99,053
OTHER FINANCING SOURCES			
Operating transfers in	281,000	281,000	26
Other financing sources		26	26
TOTAL OTHER FINANCING SOURCES	281,000	281,026	26
Excess (deficiency) of revenues and other sources over expenditures and other uses	(122,869)	(23,790)	99,079
Adjustment for prior year encumbrances	64,645	64,645	
FUND BALANCE AT BEGINNING OF YEAR	173,554	173,554	
FUND BALANCE AT END OF YEAR	\$ 115,330	\$ 214,409	\$ 99,079

CITY OF ELYRIA, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
 BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 STATE HIGHWAY FUND-LEGAL APPROPRIATION LEVEL
 FOR THE YEAR ENDED DECEMBER 31, 2001

STATE HIGHWAY FUND

	Budget	Actual	Variance (Unfavorable)
REVENUES			
Taxes	\$ 115,000	\$ 116,755	\$ 1,755
Interest earnings	6,291	6,221	(70)
TOTAL REVENUES	121,291	122,976	1,685
EXPENDITURES			
HIGHWAYS AND STREETS			
State Highway			
Operation and maintenance	320,200	218,594	101,606
Total State Highway	320,200	218,594	101,606
TOTAL HIGHWAYS AND STREETS	320,200	218,594	101,606
TOTAL EXPENDITURES	320,200	218,594	101,606
Excess (deficiency) of revenues over expenditures	(198,909)	(95,618)	103,291
Adjustment for prior year encumbrances	61,810	61,810	
FUND BALANCE AT BEGINNING OF YEAR	156,274	156,274	
FUND BALANCE AT END OF YEAR	\$ 19,175	\$ 122,466	\$ 103,291

CITY OF ELYRIA, OHIO
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
 BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 MUNICIPAL MOTOR VEHICLE TAX FUND-LEGAL APPROPRIATION LEVEL
 FOR THE YEAR ENDED DECEMBER 31, 2001**

MUNICIPAL MOTOR VEHICLE TAX FUND			
	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
Taxes	\$ 261,033	\$ 261,034	\$ 1
Interest earnings	8,500	8,675	175
TOTAL REVENUES	269,533	269,709	176
EXPENDITURES			
HIGHWAYS AND STREETS			
Municipal Motor Vehicle Tax	1,000	580	420
Operation and maintenance	305,000	304,788	212
Capital outlay			
Total Municipal Motor Vehicle Tax	306,000	305,368	632
TOTAL HIGHWAYS & STREETS	306,000	305,368	632
TOTAL EXPENDITURES	306,000	305,368	632
Excess (deficiency) of revenues over expenditures	(36,467)	(35,659)	808
Adjustment for prior year encumbrances	70,982	70,982	
FUND BALANCE AT BEGINNING OF YEAR	15,166	15,166	
FUND BALANCE AT END OF YEAR	\$ 49,681	\$ 50,489	\$ 808

CITY OF ELYRIA, OHIO
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
 BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 HEALTH GRANT FUND-LEGAL APPROPRIATION LEVEL
 FOR THE YEAR ENDED DECEMBER 31, 2001**

HEALTH GRANT FUND			
	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
Intergovernmental revenues	\$ 549,311	\$ 549,312	\$ 1
Charges for services	226,500	232,773	6,273
TOTAL REVENUES	775,811	782,085	6,274
EXPENDITURES			
HEALTH			
Child and Family Health Services			
Personal services	161,072	160,633	439
Fringe benefits	42,598	42,431	167
Operation and maintenance	250,767	249,226	1,541
Total Child and Family Health Services	454,437	452,290	2,147
Infant Mortality Program			
Personal services	44,785	43,574	1,211
Fringe benefits	22,423	22,241	182
Operation and maintenance	18,123	17,488	635
Total Infant Mortality Program	85,331	83,303	2,028
CFHS Project Income			
Personal services	158,387	157,371	1,016
Fringe benefits	43,715	43,159	556
Operation and maintenance	63,398	57,133	6,265
Total CFHS Project Income	265,500	257,663	7,837
TOTAL HEALTH	805,268	793,256	12,012
TOTAL EXPENDITURES	805,268	793,256	12,012
Excess (deficiency) of revenues over expenditures	(29,457)	(11,171)	18,286
Adjustment for prior year encumbrances	9,347	9,347	
FUND BALANCE AT BEGINNING OF YEAR	231,527	231,527	
FUND BALANCE AT END OF YEAR	\$ 211,417	\$ 229,703	\$ 18,286

CITY OF ELYRIA, OHIO
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
 BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 DENTAL HEALTH GRANT FUND-LEGAL APPROPRIATION LEVEL
 FOR THE YEAR ENDED DECEMBER 31, 2001**

DENTAL HEALTH GRANT FUND			
	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES			
Intergovernmental revenues	\$ 37,575	\$ 35,843	\$ (1,732)
Charges for services	1,500	1,837	337
TOTAL REVENUES	39,075	37,680	(1,395)
EXPENDITURES			
HEALTH			
Dental Health Grant			
Personal services	5,842	5,836	6
Fringe benefits	937	934	3
Operation and maintenance	29,223	28,243	980
Total Dental Health Grant	36,002	35,013	989
Dental Sealant Program			
Personal services	1,500	767	733
Fringe benefits	300	123	177
Operation and maintenance	10,300	5,932	4,368
Capital outlay	6,000	5,990	10
Total Dental Sealant Program	18,100	12,812	5,288
TOTAL HEALTH	54,102	47,825	6,277
TOTAL EXPENDITURES	54,102	47,825	6,277
Excess (deficiency) of revenues over expenditures	(15,027)	(10,145)	4,882
Adjustment for prior year encumbrances	779	779	
FUND BALANCE AT BEGINNING OF YEAR	14,248	14,248	
FUND BALANCE AT END OF YEAR	\$ 4,882	\$ 4,882	\$ 4,882

CITY OF ELYRIA, OHIO
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
 BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 SWIMMING POOL INSPECTION FUND-LEGAL APPROPRIATION LEVEL
 FOR THE YEAR ENDED DECEMBER 31, 2001**

SWIMMING POOL INSPECTION FUND			
	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES			
Licenses and permits	\$ 4,000	\$ 3,855	\$ (145)
Interest earnings	400	466	66
TOTAL REVENUES	4,400	4,321	(79)
EXPENDITURES			
HEALTH			
Swimming Pool Inspection			
Personal services	5,900	5,899	1
Fringe benefits	1,324	1,307	17
Operation and maintenance	463	463	
Total Swimming Pool Inspection	7,687	7,669	18
TOTAL HEALTH	7,687	7,669	18
TOTAL EXPENDITURES	7,687	7,669	18
Excess (deficiency) of revenues over expenditures	(3,287)	(3,348)	(61)
Adjustment for prior year encumbrances	265	265	
FUND BALANCE AT BEGINNING OF YEAR	11,830	11,830	
FUND BALANCE AT END OF YEAR	\$ 8,808	\$ 8,747	\$ (61)

CITY OF ELYRIA, OHIO
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
 BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 FOOD SERVICE OPERATIONS FUND-LEGAL APPROPRIATION LEVEL
 FOR THE YEAR ENDED DECEMBER 31, 2001**

	FOOD SERVICE OPERATIONS FUND		
	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Licenses and permits	\$ 71,358	\$ 71,409	\$ 51
Interest earnings	1,663	1,833	170
TOTAL REVENUES	73,021	73,242	221
EXPENDITURES			
HEALTH			
Food Service			
Personal services	45,422	43,462	1,960
Fringe benefits	15,007	14,024	983
Operation and maintenance	4,068	3,403	665
Capital outlay	7,000	6,750	250
Total Food Service	71,497	67,639	3,858
TOTAL HEALTH	71,497	67,639	3,858
TOTAL EXPENDITURES	71,497	67,639	3,858
Excess (deficiency) of revenues over expenditures	1,524	5,603	4,079
OTHER FINANCING SOURCES			
Operating transfers in	14,000	14,000	
TOTAL OTHER FINANCING SOURCES	14,000	14,000	
Excess (deficiency) of revenues and other sources over expenditures and other uses	15,524	19,603	4,079
Adjustment for prior year encumbrances	638	638	
FUND BALANCE AT BEGINNING OF YEAR	14,994	14,994	
FUND BALANCE AT END OF YEAR	\$ 31,156	\$ 35,235	\$ 4,079

CITY OF ELYRIA, OHIO
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
 BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 BLOCK GRANT FUND-LEGAL APPROPRIATION LEVEL
 FOR THE YEAR ENDED DECEMBER 31, 2001**

	BLOCK GRANT FUND		
	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Intergovernmental revenues	\$ 952,841	\$ 760,588	\$ (192,253)
Interest earnings		8	8
Special assessments		4,735	4,735
Miscellaneous revenues	52,000	82,939	30,939
TOTAL REVENUES	1,004,841	848,270	(156,571)
EXPENDITURES			
COMMUNITY ENVIRONMENT			
Administration			
Personal services	78,801	78,616	185
Fringe benefits	17,878	17,603	275
Operation and maintenance	174,800	146,921	27,879
Debt service - principal retirement	80,000	80,000	
Interest	30,000	29,814	186
Capital outlay	164,000	163,921	79
Total Administration	545,479	516,875	28,604
Rehab/Operations			
Personal services	256,255	255,320	935
Fringe benefits	71,907	71,304	603
Operation and maintenance	135,000	132,634	2,366
Total Rehab/Operations	463,162	459,258	3,904
TOTAL COMMUNITY ENVIRONMENT	1,008,641	976,133	32,508
TOTAL EXPENDITURES	1,008,641	976,133	32,508
Excess (deficiency) of revenues over expenditures	(3,800)	(127,863)	(124,063)
OTHER FINANCING SOURCES			
Other financing sources		7,368	7,368
TOTAL OTHER FINANCING SOURCES		7,368	7,368
Excess (deficiency) of revenues and other sources over expenditures and other uses	(3,800)	(120,495)	(116,695)
Adjustment for prior year encumbrances	75,590	75,590	
FUND BALANCE (DEFICIT) AT BEGINNING OF YEAR	(56,758)	(56,758)	
FUND BALANCE (DEFICIT) AT END OF YEAR	\$ 15,032	\$ (101,663)	\$ (116,695)

CITY OF ELYRIA, OHIO
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
 BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS);
 C.H.I.P. GRANT FUND-LEGAL APPROPRIATION LEVEL
 FOR THE YEAR ENDED DECEMBER 31, 2001**

	C.H.I.P. GRANT FUND		
	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Intergovernmental revenues	\$ 150,867	\$ 80,998	\$ (150,867)
Miscellaneous revenues	30,000	80,998	50,998
TOTAL REVENUES	180,867	80,998	(99,869)
EXPENDITURES			
COMMUNITY ENVIRONMENT			
C.H.I.P. Grant			
Personal services	34,844	34,267	577
Fringe benefits	9,735	9,664	71
Operation and maintenance	305,400	296,669	8,731
Total C.H.I.P. Grant	349,979	340,600	9,379
TOTAL COMMUNITY ENVIRONMENT	349,979	340,600	9,379
TOTAL EXPENDITURES	349,979	340,600	9,379
Excess (deficiency) of revenues over expenditures	(169,112)	(259,602)	(90,490)
Adjustment for prior year encumbrances	105,695	105,695	
FUND BALANCE AT BEGINNING OF YEAR	63,417	63,417	
FUND BALANCE AT END OF YEAR	\$ (90,490)	\$ (90,490)	\$ (90,490)

CITY OF ELYRIA, OHIO
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
 BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS);
 INDIGENT DRIVERS ALCOHOL TREATMENT FUND-LEGAL APPROPRIATION LEVEL
 FOR THE YEAR ENDED DECEMBER 31, 2001**

	INDIGENT DRIVERS ALCOHOL TREATMENT FUND		
	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Interest earnings	\$ 15,157	\$ 16,746	\$ 1,589
Fines and forfeitures	45,727	45,727	
TOTAL REVENUES	60,884	62,473	1,589
EXPENDITURES			
PUBLIC SAFETY			
Indigent Drivers Alcohol Treatment			
Operation and maintenance	40,030	31,612	8,418
Total Indigent Drivers Alcohol Treatment	40,030	31,612	8,418
TOTAL PUBLIC SAFETY	40,030	31,612	8,418
TOTAL EXPENDITURES	40,030	31,612	8,418
Excess (deficiency) of revenues over expenditures	20,854	30,861	10,007
Adjustment for prior year encumbrances	404	404	
FUND BALANCE AT BEGINNING OF YEAR	313,034	313,034	
FUND BALANCE AT END OF YEAR	\$ 334,292	\$ 344,299	\$ 10,007

CITY OF ELYRIA, OHIO
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
 BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)-
 LAW ENFORCEMENT FUND-LEGAL APPROPRIATION LEVEL
 FOR THE YEAR ENDED DECEMBER 31, 2001**

	LAW ENFORCEMENT FUND		
	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Interest earnings	\$ 5,630	\$ 5,635	\$ 5
Miscellaneous revenues	102,957	102,465	(492)
TOTAL REVENUES	108,587	108,100	(487)
EXPENDITURES			
PUBLIC SAFETY			
Law Enforcement	22,350	11,274	11,076
Operation and maintenance	9,244	8,016	1,228
Capital outlay	31,594	19,290	12,304
Total Law Enforcement	31,594	19,290	12,304
TOTAL PUBLIC SAFETY	31,594	19,290	12,304
TOTAL EXPENDITURES	31,594	19,290	12,304
Excess (deficiency) of revenues over expenditures	76,993	88,810	11,817
Adjustment for prior year encumbrances	2,000	2,000	
FUND BALANCE AT BEGINNING OF YEAR	55,897	55,897	
FUND BALANCE AT END OF YEAR	\$ 134,890	\$ 146,707	\$ 11,817

CITY OF ELYRIA, OHIO
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
 BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)-
 MANDATORY DRUG FINE FUND-LEGAL APPROPRIATION LEVEL
 FOR THE YEAR ENDED DECEMBER 31, 2001**

	MANDATORY DRUG FINE FUND		
	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Interest earnings	\$ 1,920	\$ 1,919	\$ (1)
Fines and forfeitures	8,747	8,747	
Miscellaneous revenues	365	365	
TOTAL REVENUES	11,032	11,031	(1)
EXPENDITURES			
PUBLIC SAFETY			
Mandatory Drug Fine	16,095	9,118	6,977
Operation and maintenance	11,375	5,924	5,451
Capital outlay	27,470	15,042	12,428
Total Mandatory Drug Fine	27,470	15,042	12,428
TOTAL PUBLIC SAFETY	27,470	15,042	12,428
TOTAL EXPENDITURES	27,470	15,042	12,428
Excess (deficiency) of revenues over expenditures	(16,438)	(4,011)	12,427
Adjustment for prior year encumbrances	1,770	1,770	
FUND BALANCE AT BEGINNING OF YEAR	42,165	42,165	
FUND BALANCE AT END OF YEAR	\$ 27,497	\$ 39,924	\$ 12,427

CITY OF ELVRIA, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
 BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS);
 FIRE PENSION FUND-LEGAL APPROPRIATION LEVEL
 FOR THE YEAR ENDED DECEMBER 31, 2001

	FIRE PENSION FUND		
	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Taxes	\$ 248,164	\$ 249,799	\$ 1,635
Intergovernmental revenues	26,055	26,055	
Interest earnings	12,700	12,721	21
TOTAL REVENUES	286,919	288,575	1,656
EXPENDITURES			
PUBLIC SAFETY			
Fire Pension			
Fringe benefits	255,000	255,000	
Operation and maintenance	4,303	4,302	1
Debt service - principal retirement	11,970	11,970	
Interest	19,257	19,256	1
Total Fire Pension	290,530	290,528	2
TOTAL PUBLIC SAFETY	290,530	290,528	2
TOTAL EXPENDITURES	290,530	290,528	2
Excess (deficiency) of revenues over expenditures	(3,611)	(1,953)	1,658
FUND BALANCE AT BEGINNING OF YEAR	103,921	103,921	
FUND BALANCE AT END OF YEAR	\$ 100,310	\$ 101,968	\$ 1,658

CITY OF ELVRIA, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
 BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS);
 POLICE PENSION FUND-LEGAL APPROPRIATION LEVEL
 FOR THE YEAR ENDED DECEMBER 31, 2001

	POLICE PENSION FUND		
	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Taxes	\$ 248,164	\$ 249,799	\$ 1,635
Intergovernmental revenues	26,055	26,055	
Interest earnings	11,300	11,369	69
TOTAL REVENUES	285,519	287,223	1,704
EXPENDITURES			
PUBLIC SAFETY			
Police Pension			
Fringe benefits	275,000	275,000	
Operation and maintenance	4,258	4,257	1
Debt service - principal retirement	23,030	23,030	
Interest	37,049	37,049	
Total Police Pension	339,337	339,336	1
TOTAL PUBLIC SAFETY	339,337	339,336	1
TOTAL EXPENDITURES	339,337	339,336	1
Excess (deficiency) of revenues over expenditures	(53,818)	(52,113)	1,705
FUND BALANCE AT BEGINNING OF YEAR	154,322	154,322	
FUND BALANCE AT END OF YEAR	\$ 100,504	\$ 102,209	\$ 1,705

CITY OF ELYRIA, OHIO
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS):
MUNI COURT TECHNOLOGY FUND-LEGAL APPROPRIATION LEVEL**
FOR THE YEAR ENDED DECEMBER 31, 2001

MUNI COURT TECHNOLOGY FUND			
	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Fines and forfeitures	\$ 188,369	\$ 177,340	\$ (11,029)
TOTAL REVENUES	188,369	177,340	(11,029)
EXPENDITURES			
PUBLIC SAFETY			
Muni Court Technology			
Personal services	49,600	47,740	1,860
Fringe benefits	15,950	15,150	800
Operation and maintenance	160,338	145,917	15,021
Capital outlay	177,338	177,338	
Total Muni Court Technology	403,826	386,145	17,681
TOTAL PUBLIC SAFETY	403,826	386,145	17,681
TOTAL EXPENDITURES	403,826	386,145	17,681
Excess (deficiency) of revenues over expenditures	(215,457)	(208,805)	6,652
OTHER FINANCING USES			
Operating transfers out	(10,644)	(10,644)	
TOTAL OTHER FINANCING USES	(10,644)	(10,644)	
Excess (deficiency) of revenues and other sources over expenditures and other uses	(226,101)	(219,449)	6,652
Adjustment for prior year encumbrances	223,278	223,278	
FUND BALANCE AT BEGINNING OF YEAR	52,550	52,550	
FUND BALANCE AT END OF YEAR	\$ 49,727	\$ 56,379	\$ 6,652

CITY OF ELYRIA, OHIO
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS):
MUNI COURT SECURITY FUND-LEGAL APPROPRIATION LEVEL**
FOR THE YEAR ENDED DECEMBER 31, 2001

MUNI COURT SECURITY FUND			
	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Interest earnings	\$ 3,112	\$ 3,267	\$ 155
Fines and forfeitures	70,445	70,446	1
TOTAL REVENUES	73,557	73,713	156
EXPENDITURES			
PUBLIC SAFETY			
Muni Court Security			
Personal services	26,600	25,523	1,077
Fringe benefits	4,456	4,058	398
Operation and maintenance	15,500	14,471	1,029
Total Muni Court Security	46,556	44,052	2,504
TOTAL PUBLIC SAFETY	46,556	44,052	2,504
TOTAL EXPENDITURES	46,556	44,052	2,504
Excess (deficiency) of revenues over expenditures	27,001	29,661	2,660
FUND BALANCE AT BEGINNING OF YEAR	56,589	56,589	
FUND BALANCE AT END OF YEAR	\$ 83,590	\$ 86,250	\$ 2,660

CITY OF ELYRIA, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
 BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS):
 MUNI COURT CONSTRUCTION AND IMPROVEMENT FUND-LEGAL APPROPRIATION LEVEL
 FOR THE YEAR ENDED DECEMBER 31, 2001

	MUNI COURT CONSTRUCTION AND IMPROVEMENT FUND		
	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Interest earnings	\$ 7,123	\$ 7,516	\$ 393
Fines and forfeitures	105,133	105,134	1
TOTAL REVENUES	112,256	112,650	394
EXPENDITURES			
PUBLIC SAFETY			
Muni Court Constr/Imp	5,000	4,427	573
Operation and maintenance	3,000	1,985	1,015
Capital outlay	8,000	6,412	1,588
Total Muni Court Constr/Imp	8,000	6,412	1,588
TOTAL PUBLIC SAFETY	8,000	6,412	1,588
TOTAL EXPENDITURES	8,000	6,412	1,588
Excess (deficiency) of revenues over expenditures	104,256	106,238	1,982
Adjustment for prior year encumbrances	741	741	
FUND BALANCE AT BEGINNING OF YEAR	115,041	115,041	
FUND BALANCE AT END OF YEAR	\$ 220,038	\$ 222,020	\$ 1,982

CITY OF ELYRIA, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
 BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS):
 ALCOHOL ENFORCEMENT AND EDUCATION FUND-LEGAL APPROPRIATION LEVEL
 FOR THE YEAR ENDED DECEMBER 31, 2001

	ALCOHOL ENFORCEMENT AND EDUCATION FUND		
	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Interest earnings	\$ 311	\$ 312	\$ 1
Fines and forfeitures	2,354	2,354	
TOTAL REVENUES	2,665	2,666	1
Excess (deficiency) of revenues over expenditures	2,665	2,666	1
FUND BALANCE AT BEGINNING OF YEAR	6,934	6,934	
FUND BALANCE AT END OF YEAR	\$ 9,599	\$ 9,600	\$ 1

CITY OF ELYRIA, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
 BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS):
 POLICE LEVY FUND-LEGAL APPROPRIATION LEVEL
 FOR THE YEAR ENDED DECEMBER 31, 2001

	POLICE LEVY FUND		
	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Taxes	\$ 3,085,300	\$ 3,088,423	\$ 3,123
Intergovernmental revenues	73,560	73,559	(1)
Charges for services		75	75
Interest earnings	62,410	62,418	8
Miscellaneous revenues	53,610	53,605	(5)
TOTAL REVENUES	3,274,880	3,278,080	3,200
EXPENDITURES			
PUBLIC SAFETY			
Police Levy			
Personal services	2,061,569	2,021,681	39,888
Fringe benefits	664,461	658,260	6,201
Operation and maintenance	575,382	484,113	91,269
Capital outlay	267,282	241,139	26,143
Debt service - principal retirement	190,000	190,000	
Interest	10,000	10,000	
Total Police Levy	3,768,694	3,605,193	163,501
TOTAL PUBLIC SAFETY	3,768,694	3,605,193	163,501
TOTAL EXPENDITURES	3,768,694	3,605,193	163,501
Excess (deficiency) of revenues over expenditures	(493,814)	(327,113)	166,701
Adjustment for prior year encumbrances	74,984	74,984	
FUND BALANCE AT BEGINNING OF YEAR	1,063,609	1,063,609	
FUND BALANCE AT END OF YEAR	\$ 644,779	\$ 811,480	\$ 166,701

CITY OF ELYRIA, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
 BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS):
 ELYRIA 20/20 FUND-LEGAL APPROPRIATION LEVEL
 FOR THE YEAR ENDED DECEMBER 31, 2001

	ELYRIA 20/20 FUND		
	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Interest earnings	\$ 128	\$ 128	\$
TOTAL REVENUES	128	128	
EXPENDITURES			
COMMUNITY ENVIRONMENT			
Elyria 20/20 Trust			
Operation and maintenance	12,590	12,590	
Total Elyria 20/20 Trust	12,590	12,590	
TOTAL COMMUNITY ENVIRONMENT	12,590	12,590	
TOTAL EXPENDITURES	12,590	12,590	
Excess (deficiency) of revenues over expenditures	(12,462)	(12,462)	
FUND BALANCE AT BEGINNING OF YEAR	12,462	12,462	
FUND BALANCE AT END OF YEAR	\$	\$	\$

CITY OF ELYRIA, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
 BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 SPECIAL PARKING FINE FUND-LEGAL APPROPRIATION LEVEL
 FOR THE YEAR ENDED DECEMBER 31, 2001

	SPECIAL PARKING FINE FUND		
	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Interest earnings	\$ 1,036	\$ 1,156	\$ 120
Fines and forfeitures	26,708	26,708	
TOTAL REVENUES	<u>27,744</u>	<u>27,864</u>	<u>120</u>
EXPENDITURES			
GENERAL GOVERNMENT			
Special Parking Fine	213	212	1
Operation and maintenance	5,000	5,000	
Capital outlay			
Total Special Parking Fine	5,213	5,212	1
TOTAL GENERAL GOVERNMENT	<u>5,213</u>	<u>5,212</u>	<u>1</u>
TOTAL EXPENDITURES	<u>5,213</u>	<u>5,212</u>	<u>1</u>
Excess (deficiency) of revenues over expenditures	22,531	22,652	121
FUND BALANCE AT BEGINNING OF YEAR	15,132	15,132	
FUND BALANCE AT END OF YEAR	<u>\$ 37,663</u>	<u>\$ 37,784</u>	<u>\$ 121</u>

CITY OF ELYRIA, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
 BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 LEGAL RESEARCH & COURT COMPUTERIZATION FUND
 FOR THE YEAR ENDED DECEMBER 31, 2001

	LEGAL RESEARCH & COURT COMPUTERIZATION FUND		
	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Fines and forfeitures	\$ 53,487	\$ 53,488	\$ 1
TOTAL REVENUES	<u>53,487</u>	<u>53,488</u>	<u>1</u>
EXPENDITURES			
GENERAL GOVERNMENT			
Legal Research & Court Computerization	25,000	14,704	10,296
Operation and maintenance			
Total Legal Research & Court Comp.	25,000	14,704	10,296
TOTAL GENERAL GOVERNMENT	<u>25,000</u>	<u>14,704</u>	<u>10,296</u>
TOTAL EXPENDITURES	<u>25,000</u>	<u>14,704</u>	<u>10,296</u>
Excess (deficiency) of revenues over expenditures	28,487	38,784	10,297
OTHER FINANCING SOURCES	10,644	10,644	
Operating transfers in	10,644	10,644	
TOTAL OTHER FINANCING SOURCES	<u>10,644</u>	<u>10,644</u>	
Excess (deficiency) of revenues and other sources over expenditures	39,131	49,428	10,297
FUND BALANCE AT BEGINNING OF YEAR			
FUND BALANCE AT END OF YEAR	<u>\$ 39,131</u>	<u>\$ 49,428</u>	<u>\$ 10,297</u>

DEBT SERVICE FUNDS

Debt Service Funds are established to account for the accumulation of resources for, and the repayment of, general long-term debt principal and interest.

* * * * *

General Bond Retirement

To account for the accumulation of resources for, and the repayment of, general long-term debt principal and interest.

Special Assessment Bond Retirement

To account for the accumulation of resources for, and the repayment of, special assessment long-term debt principal and interest.

CITY OF ELYRIA, OHIO
COMBINING BALANCE SHEET
ALL DEBT SERVICE FUNDS
DECEMBER 31, 2001

	General Bond Retirement	Special Assessment Bond Retirement	Totals
ASSETS			
Equity in pooled cash and cash equivalents	\$ 274,679	\$ 6,881	\$ 281,560
Other Short-term Investments	2,261,000		2,261,000
Receivables:			
Taxes	1,244,387		1,244,387
Accrued interest	13,792		13,792
Special assessments		3,653,430	3,653,430
Due from other governments	165,050		165,050
TOTAL ASSETS	<u>\$ 3,958,908</u>	<u>\$ 3,660,311</u>	<u>\$ 7,619,219</u>
LIABILITIES			
Matured interest payable	\$ 23,578	\$ 6,881	\$ 30,459
Deferred revenue	1,401,944	3,653,430	5,055,374
TOTAL LIABILITIES	1,425,522	3,660,311	5,085,833
FUND BALANCE			
Reserved for debt service	2,533,386		2,533,386
TOTAL FUND BALANCE	<u>2,533,386</u>		<u>2,533,386</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 3,958,908</u>	<u>\$ 3,660,311</u>	<u>\$ 7,619,219</u>

CITY OF ELYRIA, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
ALL DEBT SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2001

	General Bond Retirement	Special Assessment Bond Retirement	Totals
REVENUES			
Taxes	\$ 1,582,583		\$ 1,582,583
Intergovernmental revenues	165,015		165,015
Investment income	135,929	11,729	147,658
Special assessments		655,363	655,363
TOTAL REVENUES	<u>1,883,527</u>	<u>667,092</u>	<u>2,550,619</u>
EXPENDITURES			
Current:			
General government	29,566	27,588	57,154
Debt service:			
Principal retirement	438,358	468,406	906,764
Interest and fiscal charges	884,978	171,098	1,056,076
TOTAL EXPENDITURES	<u>1,352,902</u>	<u>667,092</u>	<u>2,019,994</u>
Excess (deficiency) of revenues over expenditures	<u>530,625</u>		<u>530,625</u>
OTHER FINANCING SOURCES			
Proceeds of notes/bonds	<u>9,345</u>		<u>9,345</u>
TOTAL OTHER FINANCING SOURCES	<u>9,345</u>		<u>9,345</u>
Excess of revenues and other sources over expenditures	<u>539,970</u>		<u>539,970</u>
FUND BALANCE AT BEGINNING OF YEAR	<u>1,993,416</u>		<u>1,993,416</u>
FUND BALANCE AT END OF YEAR	<u>\$ 2,533,386</u>	<u>\$</u>	<u>\$ 2,533,386</u>

CITY OF ELYRIA, OHIO
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
 BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS):
 GENERAL BOND RETIREMENT FUND-LEGAL APPROPRIATION LEVEL
 FOR THE YEAR ENDED DECEMBER 31, 2001**

	GENERAL BOND RETIREMENT FUND		
	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Taxes	\$ 1,571,700	\$ 1,582,062	\$ 10,362
Intergovernmental revenues	165,015	165,016	1
Interest earnings	131,112	157,419	26,307
TOTAL REVENUES	1,867,827	1,904,497	36,670
EXPENDITURES			
DEBT SERVICE			
General Bond Retirement	30,000	29,566	434
Operation and maintenance	438,359	438,358	1
Principal retirement	885,338	885,338	
Interest			
Total General Bond Retirement	1,353,697	1,353,262	435
TOTAL DEBT SERVICE	1,353,697	1,353,262	435
TOTAL EXPENDITURES	1,353,697	1,353,262	435
Excess (deficiency) of revenues over expenditures	514,130	551,235	37,105
OTHER FINANCING SOURCES			
Proceeds of notes	9,345	9,345	
Other financing sources		360	360
TOTAL OTHER FINANCING SOURCES	9,345	9,705	360
Excess (deficiency) of revenues and other sources over expenditures	523,475	560,940	37,465
FUND BALANCE AT BEGINNING OF YEAR	1,956,635	1,956,635	
FUND BALANCE AT END OF YEAR	\$ 2,480,110	\$ 2,517,575	\$ 37,465

CITY OF ELYRIA, OHIO
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
 BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS):
 SPECIAL ASSESSMENT BOND RETIREMENT FUND-LEGAL APPROPRIATION LEVEL
 FOR THE YEAR ENDED DECEMBER 31, 2001**

	SPECIAL ASSESSMENT BOND RETIREMENT FUND		
	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Interest earnings	\$ 10,000	\$ 11,729	\$ 1,729
Special assessments	657,453	655,363	(2,090)
TOTAL REVENUES	667,453	667,092	(361)
EXPENDITURES			
DEBT SERVICE			
Special Assessment Bond Retirement	27,589	27,588	1
Operation and maintenance	468,406	468,406	
Principal retirement	171,458	171,098	360
Interest			
Total Special Assessment Bond Retirement	667,453	667,092	361
TOTAL DEBT SERVICE	667,453	667,092	361
TOTAL EXPENDITURES	667,453	667,092	361
Excess (deficiency) of revenues over expenditures			
FUND BALANCE AT BEGINNING OF YEAR	\$	\$	\$
FUND BALANCE AT END OF YEAR	\$	\$	\$

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CAPITAL PROJECTS FUNDS

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

* * * * *

Industrial Parkway

To account for monies restricted for the construction of a new highway.

Bridge Projects

To account for monies restricted for the construction of major repairs or improvements to City bridges.

Capital Improvement

To account for monies restricted for the purchase or construction of capital improvements for the City.

East Broad Street Widening

To account for monies restricted for improvements to be made to East Broad Street.

Cascade / Elywood

To account for monies restricted for improvements to be made to Cascade / Elywood Parks.

South Recreation Construction

To account for monies restricted for the construction of a new South Recreation Center.

State Issue II Capital Projects

To account for monies restricted for various improvement projects approved by the Ohio Public Works Commission of the State of Ohio.

Municipal Building Construction

To account for monies restricted for the construction of a new City Hall building.

CITY OF ELYRIA, OHIO
 COMBINING BALANCE SHEET
 ALL CAPITAL PROJECTS FUNDS
 DECEMBER 31, 2001

	Industrial Parkway	Bridge Projects	Capital Improvement	East Broad St. Widening	Cascade/ Elywood
ASSETS					
Equity in pooled cash and cash equivalents	\$ 494,172	\$ 27,557	\$ 227	\$ 169,163	\$ 15,612
Receivables - accrued interest due from other governments	536	6		168	3
TOTAL ASSETS	<u>\$ 494,708</u>	<u>\$ 27,563</u>	<u>\$ 227</u>	<u>\$ 169,331</u>	<u>\$ 15,615</u>
LIABILITIES					
Accounts payable	\$ 298				
Contracts payable	600,000				
General obligation notes payable	600,298				
TOTAL LIABILITIES					
FUND BALANCE					
Reserved for encumbrances	28,155	1,032			
Unreserved-undesignated	(133,745)	26,531	227	169,331	15,615
TOTAL FUND BALANCE	<u>(105,590)</u>	<u>27,563</u>	<u>227</u>	<u>169,331</u>	<u>15,615</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 494,708</u>	<u>\$ 27,563</u>	<u>\$ 227</u>	<u>\$ 169,331</u>	<u>\$ 15,615</u>

CITY OF ELYRIA, OHIO
 COMBINING BALANCE SHEET
 ALL CAPITAL PROJECTS FUNDS (continued)
 DECEMBER 31, 2001

	South Recreation Construction	State Issue II Capital Projects	Municipal Building Construction	Totals
ASSETS				
Equity in pooled cash and cash equivalents	\$ 74,776	\$ 48,818	\$ 6,816,821	\$ 7,647,146
Receivables -				
accrued interest	26	10	4,654	5,403
due from other governments		91,044		91,044
TOTAL ASSETS	<u>\$ 74,802</u>	<u>\$ 139,872</u>	<u>\$ 6,821,475</u>	<u>\$ 7,743,593</u>
LIABILITIES				
Accounts payable				\$ 298
Contracts payable		96,214	694,183	790,397
General obligation notes payable				600,000
TOTAL LIABILITIES		<u>96,214</u>	<u>694,183</u>	<u>1,390,695</u>
FUND BALANCE				
Reserved for encumbrances		145,457	5,209,997	5,384,641
Unreserved-undesignated	74,802	(101,799)	917,295	968,257
TOTAL FUND BALANCE	<u>74,802</u>	<u>43,658</u>	<u>6,127,292</u>	<u>6,352,898</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 74,802</u>	<u>\$ 139,872</u>	<u>\$ 6,821,475</u>	<u>\$ 7,743,593</u>

CITY OF ELYRIA, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
ALL CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2001

	Industrial Parkway	Bridge Projects	Capital Improvement	East Broad St. Widening
REVENUES				
Intergovernmental revenues	\$ 7,812	\$ 1,263	\$ 98,201	\$ 8,883
Investment Income			2,869	
Contributions				
TOTAL REVENUES	<u>7,812</u>	<u>1,263</u>	<u>101,070</u>	<u>8,883</u>
EXPENDITURES				
Capital outlay	136,139	11,844	97,270	
Debt Service - principal retirement				
TOTAL EXPENDITURES	<u>136,139</u>	<u>11,844</u>	<u>97,270</u>	
Excess (deficiency) of revenues over expenditures	<u>(128,327)</u>	<u>(10,581)</u>	<u>3,800</u>	<u>8,883</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from notes / bonds	1,110			
Proceeds from loans				
Operating transfers in			(103,624)	
Operating transfers out				
TOTAL OTHER FINANCING SOURCES (USES)	<u>1,110</u>		<u>(103,624)</u>	
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>(127,217)</u>	<u>(10,581)</u>	<u>(99,824)</u>	<u>8,883</u>
FUND BALANCE AT BEGINNING OF YEAR	<u>21,627</u>	<u>38,144</u>	<u>100,051</u>	<u>160,448</u>
FUND BALANCE AT END OF YEAR	<u>\$ (105,590)</u>	<u>\$ 27,563</u>	<u>\$ 227</u>	<u>\$ 169,331</u>

**CITY OF ELYRIA, OHIO
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 ALL CAPITAL PROJECTS FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2001**

	Cascade/ Elywood	South Recreation Construction	State Issue II Capital Projects	Municipal Building Construction	Totals
REVENUES					
Intergovernmental revenues	\$ 627	\$ 4,270	\$ 1,009,012	\$ 267,903	\$ 1,107,213
Investment Income	110	2,500	2,700	267,903	296,327
Contributions					2,610
TOTAL REVENUES	<u>737</u>	<u>6,770</u>	<u>1,011,712</u>	<u>267,903</u>	<u>1,406,150</u>
EXPENDITURES					
Capital outlay	467	17,838	1,234,946	3,285,531	4,784,035
Debt Service - principal retirement				7,700,000	7,700,000
TOTAL EXPENDITURES	<u>467</u>	<u>17,838</u>	<u>1,234,946</u>	<u>10,985,531</u>	<u>12,484,035</u>
Excess (deficiency) of revenues over expenditures	270	(11,068)	(223,234)	(10,717,628)	(11,077,885)
OTHER FINANCING SOURCES (USES)					
Proceeds from notes / bonds				15,751,424	15,752,534
Proceeds from loans			109,085		109,085
Operating transfers in			113,185		113,185
Operating transfers out					(103,624)
TOTAL OTHER FINANCING SOURCES (USES)			<u>222,270</u>	<u>15,751,424</u>	<u>15,871,180</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	270	(11,068)	(964)	5,033,796	4,793,295
FUND BALANCE AT BEGINNING OF YEAR	<u>15,345</u>	<u>85,870</u>	<u>44,622</u>	<u>1,093,496</u>	<u>1,559,603</u>
FUND BALANCE AT END OF YEAR	<u>\$ 15,615</u>	<u>\$ 74,802</u>	<u>\$ 43,658</u>	<u>\$ 6,127,292</u>	<u>\$ 6,352,898</u>

CITY OF ELYRIA, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
 BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS),
 INDUSTRIAL PARKWAY FUND-LEGAL APPROPRIATION LEVEL
 FOR THE YEAR ENDED DECEMBER 31, 2001

	INDUSTRIAL PARKWAY FUND		
	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Interest earnings	\$ 7,293	\$ 7,293	\$
TOTAL REVENUES	7,293	7,293	
EXPENDITURES			
HIGHWAYS AND STREETS			
Industrial Parkway	98,746	98,746	425,000
Operation and maintenance	500,000	75,000	
Capital outlay			
Total Industrial Parkway	598,746	173,746	425,000
TOTAL HIGHWAYS AND STREETS	598,746	173,746	425,000
TOTAL EXPENDITURES	598,746	173,746	425,000
Excess (deficiency) of revenues over expenditures	(591,453)	(166,453)	425,000
OTHER FINANCING SOURCES			
Proceeds of notes	601,110	601,110	
TOTAL OTHER FINANCING SOURCES	601,110	601,110	
Excess of revenues and other sources over expenditures	9,657	434,657	425,000
Adjustment for prior year encumbrances	22,359	22,359	
FUND BALANCE AT BEGINNING OF YEAR	9,003	9,003	
FUND BALANCE AT END OF YEAR	\$ 41,019	\$ 466,019	\$ 425,000

CITY OF ELYRIA, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
 BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS),
 BRIDGE PROJECTS FUND-LEGAL APPROPRIATION LEVEL
 FOR THE YEAR ENDED DECEMBER 31, 2001

	BRIDGE PROJECTS FUND		
	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Interest earnings	\$ 1,234	\$ 1,278	\$ 44
TOTAL REVENUES	1,234	1,278	44
EXPENDITURES			
COMMUNITY ENVIRONMENT			
Miscellaneous Bridges	12,877	12,876	1
Operation and maintenance	12,877	12,876	1
Total Miscellaneous Bridges	12,877	12,876	1
TOTAL COMMUNITY ENVIRONMENT	12,877	12,876	1
TOTAL EXPENDITURES	12,877	12,876	1
Excess (deficiency) of revenues over expenditures	(11,643)	(11,598)	45
Adjustment for prior year encumbrances	12,876	12,876	
FUND BALANCE AT BEGINNING OF YEAR	25,247	25,247	
FUND BALANCE AT END OF YEAR	\$ 26,480	\$ 26,525	\$ 45

CITY OF ELYRIA, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
 BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS):
 CAPITAL IMPROVEMENT FUND-LEGAL APPROPRIATION LEVEL
 FOR THE YEAR ENDED DECEMBER 31, 2001

CAPITAL IMPROVEMENT FUND				
	Budget	Actual	Variance	
			Favorable	(Unfavorable)
REVENUES				
Interest earnings	\$ 3,310	\$ 3,309	\$	(1)
Miscellaneous revenues	98,200	98,201		1
TOTAL REVENUES	101,510	101,510		
EXPENDITURES				
HIGHWAYS AND STREETS				
Capital improvement	97,270	97,270		
Capital outlay				
Total Capital Improvement	97,270	97,270		
TOTAL HIGHWAYS AND STREETS	97,270	97,270		
TOTAL EXPENDITURES	97,270	97,270		
Excess (deficiency) of revenues over expenditures	4,240	4,240		
OTHER FINANCING USES				
Operating transfers out	(103,627)	(103,624)		3
TOTAL OTHER FINANCING USES	(103,627)	(103,624)		3
Excess (deficiency) of revenues and other sources over expenditures and other uses	(99,387)	(99,384)		3
Adjustment for prior year encumbrances	70,164	70,164		
FUND BALANCE AT BEGINNING OF YEAR	29,446	29,446		
FUND BALANCE AT END OF YEAR	\$ 223	\$ 226	\$	3

CITY OF ELYRIA, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
 BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS):
 EAST BROAD STREET WIDENING FUND-LEGAL APPROPRIATION LEVEL
 FOR THE YEAR ENDED DECEMBER 31, 2001

EAST BROAD STREET WIDENING FUND				
	Budget	Actual	Variance	
			Favorable	(Unfavorable)
REVENUES				
Interest earnings	\$ 7,899	\$ 9,209	\$	1,310
TOTAL REVENUES	7,899	9,209		1,310
Excess (deficiency) of revenues over expenditures	7,899	9,209		1,310
FUND BALANCE AT BEGINNING OF YEAR	159,956	159,956		
FUND BALANCE AT END OF YEAR	\$ 167,855	\$ 169,165	\$	1,310

CITY OF ELYRIA, OHIO
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
 BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS):
 CASCADE/ELYWOOD FUND-LEGAL APPROPRIATION LEVEL
 FOR THE YEAR ENDED DECEMBER 31, 2001**

	CASCADE/ELYWOOD FUND		
	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Interest earnings	\$ 632	\$ 632	\$
Miscellaneous revenues	110	110	
TOTAL REVENUES	742	742	
EXPENDITURES			
CULTURE AND RECREATION			
Cascade/Elywood	468	467	1
Operation and maintenance			
Total Cascade/Elywood	468	467	1
TOTAL CULTURE AND RECREATION	468	467	1
TOTAL EXPENDITURES	468	467	1
Excess (deficiency) of revenues over expenditures	274	275	1
Adjustment for prior year encumbrances	394	394	
FUND BALANCE AT BEGINNING OF YEAR	14,942	14,942	
FUND BALANCE AT END OF YEAR	\$ 15,610	\$ 15,611	\$ 1

CITY OF ELYRIA, OHIO
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
 BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS):
 SOUTH RECREATION CONSTRUCTION FUND-LEGAL APPROPRIATION LEVEL
 FOR THE YEAR ENDED DECEMBER 31, 2001**

	SOUTH RECREATION CONSTRUCTION FUND		
	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Interest earnings	\$ 4,420	\$ 4,419	\$ (1)
Miscellaneous revenues	2,500	2,500	
TOTAL REVENUES	6,920	6,919	(1)
EXPENDITURES			
CULTURE & RECREATION			
South Recreation Construction	97,197	97,039	158
Capital outlay			
Total South Recreation Const.	97,197	97,039	158
TOTAL CULTURE AND RECREATION	97,197	97,039	158
TOTAL EXPENDITURES	97,197	97,039	158
Excess (deficiency) of revenues over expenditures	(90,277)	(90,120)	157
Adjustment for prior year encumbrances	161,668	161,668	
FUND BALANCE AT BEGINNING OF YEAR	85,695	85,695	
FUND BALANCE AT END OF YEAR	\$ 157,086	\$ 157,243	\$ 157

CITY OF ELYRIA, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
 BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS):
 STATE ISSUE II CAPITAL PROJECTS FUND-LEGAL APPROPRIATION LEVEL
 FOR THE YEAR ENDED DECEMBER 31, 2001

STATE ISSUE II CAPITAL PROJECTS FUND			
	Budget	Actual	Variance (Unfavorable)
REVENUES			
Intergovernmental revenues	\$ 1,133,650	\$ 1,027,053	\$ (106,597)
Interest earnings	2,626	3,116	490
TOTAL REVENUES	1,136,276	1,030,169	(106,107)
EXPENDITURES			
HIGHWAYS AND STREETS			
Lowell Street Improvement			
Personal services	161	21	140
Fringe benefits	100	3	97
Operating & maintenance	400	368	32
Capital outlay	76,737	76,737	
Total Lowell Street Improvement	77,398	77,129	269
Infirmary Rd. / W. River Rd. Improvement			
Personal services	2,000	1,451	549
Fringe benefits	250	229	21
Operating & maintenance	376	375	1
Capital outlay	128,378	128,377	1
Total Infirmary Rd. / W. River Rd. Impr.	131,004	130,432	572
Oberlin Rd./ Leona St. Improvement			
Personal services	2,000	1,504	496
Fringe benefits	326	235	91
Operating & maintenance	383	383	
Capital outlay	143,514	143,514	
Total Oberlin Rd./ Leona St. Impr.	146,223	145,636	587
Warden Ave./ College Park Dr. Improvement			
Personal services	2,292	1,846	446
Fringe benefits	350	282	68
Operating & maintenance	376	375	1
Capital outlay	183,963	183,962	1
Total Warden Ave./ College Park Dr. Impr.	186,981	186,465	516
Murray Ridge/ Garford Ave. Improvement			
Personal services	3,200	2,643	557
Fringe benefits	625	398	227
Operating & maintenance	376	375	1
Capital outlay	169,591	169,591	
Total Murray Ridge/ Garford Ave. Impr.	173,792	173,007	785

CITY OF ELYRIA, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
 BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS):
 STATE ISSUE II CAPITAL PROJECTS FUND-LEGAL APPROPRIATION LEVEL-(continued)
 FOR THE YEAR ENDED DECEMBER 31, 2001

STATE ISSUE II CAPITAL PROJECTS FUND			
	Budget	Actual	Variance (Unfavorable)
E. Bridge St. & Ford Rd. Improvement			
Personal services	3,793	3,793	
Fringe benefits	568	568	
Capital outlay	429,192	429,192	
Total E. Bridge St. & Ford Rd. Improvement	433,553	433,553	
Sugar Ln./Abbe Rd./E. Broad St.			
Personal services	206	205	1
Fringe benefits	29	28	1
Capital outlay	158,895	158,894	1
Total Sugar Ln./Abbe Rd./E. Broad St.	159,130	159,127	3
TOTAL HIGHWAYS AND STREETS	1,308,081	1,305,349	2,732
TOTAL EXPENDITURES	1,308,081	1,305,349	2,732
Excess (deficiency) of revenues over expenditures	(171,805)	(275,180)	(103,375)
OTHER FINANCING SOURCES			
Operating transfers in	113,135	113,185	50
TOTAL OTHER FINANCING SOURCES	113,135	113,185	50
Excess (deficiency) of revenues and other sources over expenditures and other uses	(58,670)	(161,995)	(103,325)
Adjustment for prior year encumbrances	554,444	554,444	
FUND BALANCE (DEFICIT) AT BEGINNING OF YEAR	(495,774)	(495,774)	
FUND BALANCE (DEFICIT) AT END OF YEAR	\$ (103,325)	\$ (103,325)	\$ (103,325)

CITY OF ELYRIA, OHIO
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
 BALANCE BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS):
 MUNICIPAL BUILDING CONSTRUCTION FUND-LEGAL APPROPRIATION LEVEL
 FOR THE YEAR ENDED DECEMBER 31, 2001**

MUNICIPAL BUILDING CONSTRUCTION FUND			
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u> <u>Favorable</u> <u>(Unfavorable)</u>
REVENUES			
Interest earnings	\$ 283,000	\$ 283,219	\$ 219
TOTAL REVENUES	<u>283,000</u>	<u>283,219</u>	<u>219</u>
EXPENDITURES			
COMMUNITY ENVIRONMENT			
Municipal Building Const/Imp	298,470	298,469	1
Operation and maintenance	8,562,000	8,216,523	345,477
Capital outlay	7,700,000	7,700,000	
Principal retirement			
Total Municipal Bldg Const/Imp	<u>16,560,470</u>	<u>16,214,992</u>	<u>345,478</u>
TOTAL COMMUNITY ENVIRONMENT	<u>16,560,470</u>	<u>16,214,992</u>	<u>345,478</u>
TOTAL EXPENDITURES	<u>16,560,470</u>	<u>16,214,992</u>	<u>345,478</u>
Excess (deficiency) of revenues over expenditures	(16,277,470)	(15,931,773)	345,697
OTHER FINANCING SOURCES			
Proceeds of bonds	8,044,974	8,044,974	
Proceeds of notes	7,706,450	7,706,450	
TOTAL OTHER FINANCING SOURCES	<u>15,751,424</u>	<u>15,751,424</u>	
Excess (deficiency) of revenues and other sources over expenditures	(526,046)	(180,349)	345,697
Adjustment for prior year encumbrances	63,204	63,204	
FUND BALANCE AT BEGINNING OF YEAR	<u>1,035,738</u>	<u>1,035,738</u>	
FUND BALANCE AT END OF YEAR	<u>\$ 572,896</u>	<u>\$ 918,593</u>	<u>\$ 345,697</u>

ENTERPRISE FUNDS

Enterprise Funds are established to account for operations that are financed and operated in a manner similar to private sector businesses 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 governing body 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

To account for the operations of the City's water utility.

Special Parks and Recreation

To account for the operations of the concession stands and athletic programs in the various City parks.

Sanitation

To account for the operations of the City's rubbish and garbage collection operations.

Wastewater Pollution Control

To account for the operations and improvement of the City's wastewater treatment plant and sanitary sewer system.

CITY OF ELYRIA, OHIO
COMBINING BALANCE SHEET
ALL ENTERPRISE FUNDS
DECEMBER 31, 2001

	Water	Special Parks and Recreation	Sanitation	Wastewater Pollution Control	Totals
ASSETS					
Current:					
Equity in pooled cash and cash equivalents	\$ 1,767,182	\$ 114,769	\$ 249,258	\$ 5,810,890	\$ 7,942,099
Other short-term investments	482,994		204,894	1,953,386	2,641,274
Receivables:					
Accounts	373,125		99,348	745,282	1,217,755
Accrued interest	5,978	40	1,426	38,701	46,145
Rehabilitation loans				459,134	459,134
Settlements				802,000	802,000
Special assessments	85,463			49,676	85,463
Inventory of supplies	173,137	9,274	13,692	59,870	232,087
Prepaid expenses	40,631				114,193
Total current assets	2,928,510	124,083	568,618	9,918,939	13,540,150
Fixed Assets:					
Land	6,169		20,744	580,575	607,488
Buildings	5,014,107	156,826	72,332	24,094,236	29,337,501
Improvements	5,077,041	106,443		20,629,113	25,812,597
Utility distribution and collection systems				33,358,875	47,644,209
Machinery and equipment	14,285,334	174,594	1,675,489	3,123,363	8,546,683
Construction in progress	439,253		32,902	198,284	670,439
Total fixed assets	28,395,141	437,863	1,801,467	81,984,446	112,618,917
Less: Accumulated depreciation	(16,179,602)	(197,197)	(1,457,389)	(35,791,792)	(53,625,980)
Net fixed assets	12,215,539	240,666	344,078	46,192,654	58,992,937
TOTAL ASSETS	\$ 15,144,049	\$ 364,749	\$ 912,696	\$ 56,111,593	\$ 72,533,087

**CITY OF ELYRIA, OHIO
COMBINING BALANCE SHEET
ALL ENTERPRISE FUNDS
DECEMBER 31, 2001**

	Water	Special Parks and Recreation	Sanitation	Wastewater Pollution Control	Totals
LIABILITIES					
Current:					
Accounts payable	\$ 34,690	\$ 3,326	\$ 14,497	\$ 26,874	\$ 79,387
Contracts payable	164,952	8,600	121,292	13,748	308,592
Accrued wages and benefits	681,425	4,330	178,116	650,270	1,514,141
Compensated absences payable	29,229	369	11,553	66,058	107,209
Accrued interest	5,656			782,233	787,889
Deferred revenue	85,463		29,111		114,574
General obligation notes payable	1,000,000			1,200,000	2,200,000
Current portion of general obligation bonds payable	66,509			63,315	129,824
Current portion of construction loans payable	12,902			1,269,996	1,282,898
Total current liabilities	2,080,826	16,625	354,569	4,072,494	6,524,514
Long-term debt:					
General obligation bonds payable	1,430,307			302,435	1,732,742
Construction loans payable	48,697			17,601,555	17,650,252
Total long-term debt	1,479,004			17,903,990	19,382,994
TOTAL LIABILITIES	3,559,830	16,625	354,569	21,976,484	25,907,508
CONTRIBUTED CAPITAL AND RETAINED EARNINGS					
Contributed capital:					
From federal grants	525,910	1,580	280,000	10,409,094	10,409,094
From other City funds	525,910	1,580	1,241,516	96,629	376,629
Other	525,910	1,580	1,521,516	298,825	2,067,831
Total contributed capital	11,058,309	346,544	(963,389)	10,804,548	12,853,554
Retained earnings - unreserved	11,584,219	348,124	558,127	34,135,109	33,772,025
TOTAL CONTRIBUTED CAPITAL AND RETAINED EARNINGS	15,144,049	364,749	912,696	56,111,593	72,533,087
TOTAL LIABILITIES, CONTRIBUTED CAPITAL AND RETAINED EARNINGS	\$ 15,144,049	\$ 364,749	\$ 912,696	\$ 56,111,593	\$ 72,533,087

CITY OF ELYRIA, OHIO
 COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND EQUITY
 ALL ENTERPRISE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2001

	Water	Special Parks and Recreation	Sanitation	Wastewater Pollution Control	Totals
OPERATING REVENUES					
Charges for services	\$ 4,592,284	\$ 208,990	\$ 2,286,765	\$ 9,277,284	\$ 16,365,323
Tap fees	136,501			130,918	267,419
Other	24,787	115,151		91,853	231,791
TOTAL OPERATING REVENUES	4,753,572	324,141	2,286,765	9,500,055	16,864,533
OPERATING EXPENSES					
Personal services	1,980,289	98,467	1,109,421	3,189,767	6,377,944
Fringe benefits	608,047	15,698	379,259	904,004	1,907,008
Materials and supplies	502,154	77,541	257,435	652,279	1,489,409
Heat, light, and power	411,881	7,076		499,925	918,882
Contractual services	303,363	52,267	872,559	635,648	1,863,837
Depreciation	812,318	10,526	98,017	2,415,761	3,336,622
Other	87,481	10,903	24,477	99,552	222,413
TOTAL OPERATING EXPENSES	4,705,533	272,478	2,741,168	8,396,936	16,116,115
OPERATING INCOME (LOSS)	48,039	51,663	(454,403)	1,103,119	748,418
NONOPERATING REVENUES (EXPENSES)					
Investment income	71,139	8,186	38,258	434,196	551,779
Interest expense	(70,213)		(73)	(1,422,978)	(1,493,264)
Recycling grant			88,864		88,864
TOTAL NONOPERATING REVENUES (EXPENSES)	926	8,186	127,049	(988,782)	(852,621)
NET INCOME (LOSS) BEFORE CAPITAL GRANT ACTIVITY	48,965	59,849	(327,354)	114,337	(104,203)
CAPITAL GRANT REVENUE			50,229		50,229
NET INCOME	48,965	59,849	(277,125)	114,337	(53,974)
DEPRECIATION ON FIXED ASSETS ACQUIRED WITH CONTRIBUTED CAPITAL RESTRICTED FOR CAPITAL ACQUISITIONS OR CONSTRUCTION				986,168	986,168
RETAINED EARNINGS AT BEGINNING OF YEAR	11,009,344	286,695	(686,264)	22,230,056	32,839,831
RETAINED EARNINGS AT END OF YEAR	11,058,309	346,544	(963,389)	23,330,561	33,772,025
CONTRIBUTED CAPITAL AT BEGINNING OF YEAR	525,910	1,580	1,521,516	11,790,716	13,839,722
DEPRECIATION ON FIXED ASSETS ACQUIRED WITH CONTRIBUTED CAPITAL RESTRICTED FOR CAPITAL ACQUISITIONS OR CONSTRUCTION				(986,168)	(986,168)
CONTRIBUTED CAPITAL AT END OF YEAR	525,910	1,580	1,521,516	10,804,548	12,853,554
FUND EQUITY AT END OF YEAR	\$ 11,584,219	\$ 348,124	\$ 558,127	\$ 34,135,109	\$ 46,625,579

**CITY OF ELYRIA, OHIO
COMBINING STATEMENT OF CASH FLOWS
ALL ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2001**

CASH FLOWS FROM OPERATING ACTIVITIES					
Cash received from customers	\$ 4,626,649				
Cash payments to suppliers for goods and services	(1,610,764)				
Cash payments to employees for services	(2,255,064)				
Settlement proceeds	24,787				
Other operating revenues	(87,481)				
Other operating expenses	698,127				
NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES	1,000,000				
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Proceeds from sale of notes	1,000,000				
Capital grants received	(480,362)				
Acquisition and construction of capital asset	(159,940)				
Principal and interest paid on notes, bonds and loans payable	359,698				
NET CASH PROVIDED BY (USED FOR) CAPITAL AND RELATED FINANCING ACTIVITIES	(156,742)				
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest on investments	72,470				
Short-term investments converted to cash	42,600				
Purchase of short-term investments	(482,994)				
NET CASH PROVIDED BY (USED FOR) INVESTING ACTIVITIES	(367,924)				
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	689,901				
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	1,077,281				
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 1,767,182				
RECONCILIATION OF OPERATING INCOME (LOSS) TO CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES:					
Operating income (loss)	\$ 48,039				
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:					
Depreciation	812,318				
Change in assets and liabilities					
Accounts receivable	(102,136)				
Rehabilitation loans receivable					
Settlements receivable					
Inventory of supplies	(5,043)				
Prepaid expenses	(7,863)				
Accounts payable	(36,946)				
Contracts payable relating to operating activities	11,916				
Accrued wages and benefits	10,041				
Compensated absences payable	(32,379)				
Deferred revenue	650,088				
Total adjustments	\$ 698,127				
NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES	\$ 1,000,000				
SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES					
Unrealized appreciation (depreciation) in fair value of investment	\$ (44)				
TOTAL NONCASH TRANSACTIONS	\$ (44)				

CITY OF ELYRIA, OHIO
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND EQUITY
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
WATER FUND-LEGAL APPROPRIATION LEVEL
FOR THE YEAR ENDED DECEMBER 31, 2001

	WATER FUND		
	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Charges for service	\$ 4,403,000	\$ 4,377,094	\$ (25,906)
Licenses and permits	235,000	237,158	2,158
Interest earnings	62,500	62,509	9
Special assessments	12,000	11,312	(688)
Fines and forfeitures	22,500	22,939	439
Miscellaneous revenues	4,000	1,362	(2,638)
TOTAL REVENUES	4,739,000	4,712,374	(26,626)
EXPENSES			
Public Utility Services			
Personal services	722,500	717,857	4,643
Fringe benefits	234,135	233,420	715
Operation and maintenance	196,970	195,054	1,916
Capital outlay	56,775	56,697	78
Total Public Utilities	1,210,380	1,203,028	7,352
Water Pumping			
Personal services	1,002,535	994,255	8,280
Fringe benefits	284,106	282,333	1,773
Operation and maintenance	948,250	932,808	15,442
Capital outlay	1,084,301	1,084,254	47
Total Water Pumping	3,319,192	3,293,650	25,542
Water Distribution			
Personal services	403,586	400,271	3,315
Fringe benefits	118,916	117,197	1,719
Operation and maintenance	145,050	119,528	25,522
Capital outlay	90,000	65,202	24,798
Total Water Distribution	757,552	702,198	55,354
Water Miscellaneous			
Personal services	144,000	142,682	1,318
Fringe benefits	47,918	47,621	297
Operation and maintenance	821,652	817,708	3,944
Capital outlay	213,284	211,823	1,461
Debt service:			
Principal retirement	89,563	89,562	1
Interest	70,379	70,378	1
Reimbursements	220,000	216,174	3,826
Total Water Miscellaneous	1,606,796	1,595,948	10,848

CITY OF ELYRIA, OHIO
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND EQUITY
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
WATER FUND-LEGAL APPROPRIATION LEVEL (continued)
FOR THE YEAR ENDED DECEMBER 31, 2001

	WATER FUND (continued)		
	Budget	Actual	Variance Favorable (Unfavorable)
TOTAL EXPENSES	6,893,920	6,794,824	99,096
Operating loss	(2,154,920)	(2,082,450)	72,470
NONOPERATING REVENUES			
Proceeds of notes	1,001,850	1,001,850	
Other sources	552,400	590,728	38,328
TOTAL NONOPERATING REVENUES	1,554,250	1,592,578	38,328
OPERATING TRANSFERS IN	6,000	10,005	4,005
Net income (loss)	(594,670)	(479,867)	114,803
Adjustment for prior year encumbrances	301,335	301,335	
FUND EQUITY AT BEGINNING OF YEAR	781,492	781,492	
FUND EQUITY AT END OF YEAR	\$ 488,157	\$ 602,960	\$ 114,803

CITY OF ELYRIA, OHIO
 SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND EQUITY
 BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS),
 SPECIAL PARKS AND RECREATION FUND-LEGAL APPROPRIATION LEVEL
 FOR THE YEAR ENDED DECEMBER 31, 2001

	SPECIAL PARKS AND RECREATION FUND		
	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Charges for service	\$ 204,756	\$ 209,025	\$ 4,269
Interest earnings	9,934	9,934	
Miscellaneous revenues	112,236	116,560	4,324
TOTAL REVENUES	326,926	335,519	8,593
EXPENSES			
Special Parks and Recreation			
Personal services	101,100	98,190	2,910
Fringe benefits	16,297	15,573	724
Operation and maintenance	167,750	156,441	11,309
Capital outlay	167,200	165,342	1,858
Total Special Parks and Recreation	452,347	435,546	16,801
TOTAL EXPENSES	452,347	435,546	16,801
Net income (loss)	(125,421)	(100,027)	25,394
Adjustment for prior year encumbrances	102,502	102,502	
FUND EQUITY AT BEGINNING OF YEAR	91,109	91,109	
FUND EQUITY AT END OF YEAR	\$ 68,190	\$ 93,584	\$ 25,394

CITY OF ELYRIA, OHIO
 SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND EQUITY
 BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS),
 SANITATION FUND-LEGAL APPROPRIATION LEVEL
 FOR THE YEAR ENDED DECEMBER 31, 2001

	SANITATION FUND		
	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Intergovernmental revenues	\$ 150,000	\$ 150,000	\$
Charges for services	2,275,000	2,339,978	64,978
Interest earnings	30,300	30,274	(26)
Miscellaneous revenues		276	276
TOTAL REVENUES	2,455,300	2,520,528	65,228
EXPENSES			
Sanitation			
Personal services	1,013,632	997,506	16,126
Fringe benefits	338,499	334,928	3,571
Operation and maintenance	1,157,950	1,009,173	148,777
Capital outlay	39,616	39,615	1
Reimbursements	172,592	172,591	1
Total Sanitation	2,772,289	2,553,813	168,476
Recycling			
Operation and maintenance	110,679	110,331	348
Capital outlay	50,229	50,229	
Total Recycling	160,908	160,560	348
TOTAL EXPENSES	2,883,197	2,714,373	168,824
Operating income (loss)	(427,897)	(193,845)	234,052
OPERATING TRANSFERS IN	5,000	10,005	5,005
Net income (loss)	(422,897)	(183,840)	239,057
Adjustment for prior year encumbrances	113,644	113,644	
FUND EQUITY AT BEGINNING OF YEAR	476,587	476,587	
FUND EQUITY AT END OF YEAR	\$ 167,334	\$ 406,391	\$ 239,057

CITY OF ELYRIA, OHIO
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND EQUITY
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS):
WASTEWATER POLLUTION CONTROL FUND-LEGAL APPROPRIATION LEVEL
FOR THE YEAR ENDED DECEMBER 31, 2001

	WASTEWATER POLLUTION CONTROL FUND		
	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Charges for services	\$ 9,170,000	\$ 9,173,531	\$ 3,531
Fees, licenses and permits	130,000	130,918	918
Interest earnings	432,787	437,218	4,431
Miscellaneous revenues	370,000	396,350	26,350
TOTAL REVENUES	10,102,787	10,138,017	35,230
EXPENSES			
Wastewater Pollution Control			
Personal services	2,246,500	2,232,919	13,581
Fringe benefits	651,441	646,403	5,038
Operation and maintenance	1,379,700	1,352,816	26,884
Capital outlay	891,922	845,423	46,499
Total Wastewater Pollution Control	5,169,563	5,077,561	92,002
Miscellaneous			
Personal services	280,700	280,024	676
Fringe benefits	67,927	67,051	876
Operation and maintenance	436,481	429,865	6,616
Capital outlay	1,235,059	1,196,388	38,671
Debt service:			
Principal retirement	1,236,882	1,236,880	2
Interest	1,629,409	1,629,409	
Reimbursement	1,020,000	982,315	37,685
Total Wastewater Pollution Control Miscellaneous	5,906,458	5,821,932	84,526
Southeast Sanitary Sewer			
Operation and maintenance	9,504	9,504	
Capital outlay	517,784	517,783	1
Debt service:			
Principal retirement	2,200,000	2,200,000	
Interest	107,250	107,250	
Total Southeast Sanitary Sewer	2,834,538	2,834,537	1

CITY OF ELYRIA, OHIO
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND EQUITY
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS):
WASTEWATER POLLUTION CONTROL FUND-LEGAL APPROPRIATION LEVEL (continued)
FOR THE YEAR ENDED DECEMBER 31, 2001

	WASTEWATER POLLUTION CONTROL FUND (continued)		
	Budget	Actual	Variance Favorable (Unfavorable)
TOTAL EXPENSES	13,910,559	13,734,030	176,529
Operating loss	(3,807,772)	(3,596,013)	211,759
NONOPERATING REVENUES			
Proceeds of notes	1,200,000	1,200,000	
Other financing sources		5	5
TOTAL NONOPERATING REVENUES	1,200,000	1,200,005	5
OPERATING TRANSFERS IN	1,112,250	1,117,255	5,005
OPERATING TRANSFERS OUT	(1,107,250)	(1,107,250)	
Net Income (loss)	(2,602,772)	(2,386,003)	216,769
Adjustment for prior year encumbrances	1,365,575	1,365,575	
FUND EQUITY AT BEGINNING OF YEAR	7,672,712	7,672,712	
FUND EQUITY AT END OF YEAR	\$ 6,435,515	\$ 6,652,284	\$ 216,769

INTERNAL SERVICE FUNDS

Internal Service Funds are established to account for the financing of goods or services provided by one department or agency to other departments or agencies of the governmental unit, or the other governmental units on a cost reimbursement basis.

* * * * *

Employees' Health Insurance

To account for the operations of the City's self-insured health plan.

Workers' Compensation

To account for the operations of the City's workers' compensation plan.

**CITY OF ELYRIA, OHIO
COMBINING BALANCE SHEET
ALL INTERNAL SERVICE FUNDS
DECEMBER 31, 2001**

	Employees' Health Insurance	Workers' Compensation	Totals
ASSETS			
Current:			
Equity in pooled cash and cash equivalents	\$ 303,995	\$ 819,310	\$ 1,123,305
Other Short-term investments	196,000	1,790,266	1,986,266
Receivables:			
Accrued interest	570	19,611	20,181
Total current assets	500,565	2,629,187	3,129,752
Fixed assets:			
Machinery and equipment	4,582		4,582
Total fixed assets	4,582		4,582
Less: Accumulated depreciation	(4,582)		(4,582)
Net fixed assets			
TOTAL ASSETS	\$ 500,565	\$ 2,629,187	\$ 3,129,752
LIABILITIES			
Current:			
Accounts payable	\$ 1,614		\$ 1,614
Accrued wages and benefits	276,703	368,812	645,515
Compensated absences payable		48	48
Total current liabilities	278,317	368,860	647,177
TOTAL LIABILITIES	278,317	368,860	647,177
FUND EQUITY			
Contributed capital:			
From other City funds	466,244		466,244
Total contributed capital	466,244		466,244
Retained earnings - unreserved	(243,996)	2,260,327	2,016,331
TOTAL FUND EQUITY	222,248	2,260,327	2,482,575
TOTAL LIABILITIES AND FUND EQUITY	\$ 500,565	\$ 2,629,187	\$ 3,129,752

**CITY OF ELYRIA, OHIO
 COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND EQUITY
 ALL INTERNAL SERVICE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2001**

	Employees' Health Insurance	Workers' Compensation	Totals
OPERATING REVENUES			
Charges for services	\$ 3,578,310	\$ 254,565	\$ 3,832,875
Other		361,634	361,634
TOTAL OPERATING REVENUES	3,578,310	616,199	4,194,509
OPERATING EXPENSES			
Personal services		14,925	14,925
Fringe benefits	3,756,235	476,610	4,232,845
Contractual services	12,400	26,329	38,729
TOTAL OPERATING EXPENSES	3,768,635	517,864	4,286,499
OPERATING INCOME (LOSS)	(190,325)	98,335	(91,990)
NONOPERATING REVENUES			
Investment income	25,608	146,266	171,874
TOTAL NONOPERATING REVENUES	25,608	146,266	171,874
NET INCOME (LOSS)	(164,717)	244,601	79,884
RETAINED EARNINGS (DEFICIT) AT BEGINNING OF YEAR	(79,279)	2,015,726	1,936,447
RETAINED EARNINGS (DEFICIT) AT END OF YEAR	(243,996)	2,260,327	2,016,331
CONTRIBUTED CAPITAL AT BEGINNING OF YEAR	466,244		466,244
CONTRIBUTED CAPITAL AT END OF YEAR	466,244		466,244
FUND EQUITY AT END OF YEAR	\$ 222,248	\$ 2,260,327	\$ 2,482,575

**CITY OF ELYRIA, OHIO
 COMBINING STATEMENT OF CASH FLOWS
 ALL INTERNAL SERVICE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2001**

	Employees' Health Insurance	Workers' Compensation	Totals
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from customers	\$ 3,578,310	\$ 254,565	\$ 3,832,875
Cash payments to suppliers for goods and services	(3,824,148)	(645,200)	(4,469,348)
Cash paid to employees for services		(14,894)	(14,894)
Other operating revenues		361,634	361,634
NET CASH USED FOR OPERATING ACTIVITIES	(245,838)	(43,895)	(289,733)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest on investments	28,551	158,402	186,953
Short-term investments converted to cash		2,458,957	2,458,957
Purchase of short-term investments	(196,000)	(1,790,266)	(1,986,266)
NET CASH PROVIDED BY (USED FOR) INVESTING ACTIVITIES	(167,449)	827,093	659,644
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(413,287)	783,198	369,911
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	717,282	36,112	753,394
CASH AND CASH EQUIVALENTS AT END OF YEAR	303,995	819,310	1,123,305
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES:			
Operating income (loss)	\$ (190,325)	\$ 98,335	\$ (91,990)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Change in assets and liabilities:			
Accounts payable	733	(6,250)	(5,517)
Accrued wages and benefits	(56,246)	(135,989)	(192,235)
Compensated absences payable		9	9
Total Adjustments	(55,513)	(142,230)	(197,743)
NET CASH USED FOR OPERATING ACTIVITIES	(245,838)	(43,895)	(289,733)
SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:			
Unrealized appreciation in fair value of investments		\$ 1,943	\$ 1,943
TOTAL NONCASH TRANSACTIONS		\$ 1,943	\$ 1,943

CITY OF ELYRIA, OHIO
 SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND EQUITY
 BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 EMPLOYEES' HEALTH INSURANCE FUND-LEGAL APPROPRIATION LEVEL
 FOR THE YEAR ENDED DECEMBER 31, 2001

	EMPLOYEES' HEALTH INSURANCE FUND		
	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Charges for services	\$ 3,570,837	\$ 3,578,310	\$ 7,473
Interest earnings	28,550	28,550	
TOTAL REVENUES	3,599,387	3,606,860	7,473
EXPENSES			
GENERAL GOVERNMENT			
Employees' Health Insurance	3,850,000	3,810,867	39,133
Fringe benefits		13,281	10,719
Operation and maintenance	24,000		
Total Employees' Health Insurance	3,874,000	3,824,148	49,852
TOTAL GENERAL GOVERNMENT	3,874,000	3,824,148	49,852
TOTAL EXPENSES	3,874,000	3,824,148	49,852
Net loss	(274,613)	(217,288)	57,325
FUND EQUITY AT BEGINNING OF YEAR	717,284	717,284	
FUND EQUITY AT END OF YEAR	\$ 442,671	\$ 499,996	\$ 57,325

CITY OF ELYRIA, OHIO
 SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND EQUITY
 BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 WORKERS' COMPENSATION FUND-LEGAL APPROPRIATION LEVEL
 FOR THE YEAR ENDED DECEMBER 31, 2001

	WORKERS' COMPENSATION FUND		
	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Charges for services	\$ 260,000	\$ 254,565	\$ 4,565
Interest earnings	151,278	151,289	11
Miscellaneous revenues	356,774	356,775	1
TOTAL REVENUES	768,052	762,629	4,577
EXPENSES			
FUND OPERATIONS			
Workers' Compensation	15,600	14,894	706
Personal services	613,532	612,669	863
Fringe benefits	34,760	32,579	2,181
Operation and maintenance			
Total Workers' Compensation	663,892	660,142	3,750
TOTAL FUND OPERATIONS	663,892	660,142	3,750
TOTAL EXPENSES	663,892	660,142	3,750
Net income	94,160	102,487	8,327
FUND EQUITY AT BEGINNING OF YEAR	2,488,230	2,488,230	
FUND EQUITY AT END OF YEAR	\$ 2,582,390	\$ 2,590,717	\$ 8,327

TRUST AND AGENCY FUNDS

Trust and Agency Funds are used to account for assets held by a governmental unit in a trustee capacity and/or as an agent for individuals, private organizations, other governmental units, and / or other funds. These include (a) expendable trust funds, (b) nonexpendable trust funds, and (c) agency funds.

* * * * *

EXPENDABLE TRUSTS

Wagner Trust

To accumulate donations to provide for park and recreation expenditures.

Findley Trust

To accumulate donations to provide for park and recreation expenditures.

Cemetery Maintenance and Improvement

To accumulate monies from cemetery lot sales to provide for the repair, maintenance and improvement of City cemeteries.

NONEXPENDABLE TRUST

Cemetery Trust

To accumulate monies from cemetery lot sales. The original amounts received must be preserved intact. Interest earnings are transferred to the Cemetery Maintenance and Improvement Fund.

AGENCY

Consumer Deposits

Security deposits charged by the public utilities division for water services.

Excavating Permits

Security deposits held by the City for excavating projects.

State Health Fees

Fees collected by the City for the State of Ohio.

Unclaimed Monies

Monies left unclaimed which are held for five years and then deposited to the General Fund per section 9.39 of the Ohio Revised Code.

TRUST AND AGENCY FUNDS (continued)

AGENCY (continued)

Municipal Court

Fines and fees collected by the Elyria Municipal Court to be disbursed to various parties.

Land Purchase Deposits

To account for deposits on the sale of City owned land.

Lorain County Utility Charges

To account for the collection of utility charges for other jurisdictions to be paid to Lorain County.

Payroll Revolving

To account for monies withheld from employees' salaries and wages to be disbursed to other governmental entities.

Fire Damage Deposits

Insurance proceeds held by the City to guarantee the proper repair, securing or removal of fire damage buildings.

Police Department Deposit

Evidence monies held by the City to be disbursed to various parties as decreed by the Court.

State Building Fees

OBS Assessment fees collected by the City for the State of Ohio.

Lower Black River Water Quality

To account for monies deposited with the City by various entities to be used for a cooperative study of the water quality of the lower Black River as mandated by the State of Ohio E.P.A.

Contractors' Deposits

Security deposits held by the City so contractors obtain a certificate of occupancy on building projects upon completion.

Employee Cafeteria Plan

To account for monies withheld from employees' salaries and wages for reimbursement of Section 125 Plan health care and dependent care expenses.

Little League North Site Monies

To account for monies deposited with the City by Little League North from the sale of timber from City owned property and for grant monies awarded to Little League North by the Lorain County Solid Waste District and deposited with the City to be used for construction on new baseball fields.

**CITY OF EL YRIA, OHIO
COMBINING BALANCE SHEET
ALL FIDUCIARY FUNDS
DECEMBER 31, 2001**

	Expendable Trust	Cemetery Maintenance and Improvement	Nonexpendable Trust
ASSETS			
Equity in pooled cash and cash equivalents			
Cash and cash equivalents - segregated accounts	11,792	175,479	103,955
Other short-term investments		2,300	367,432
Receivables -			
Accrued interest	21	200	88
TOTAL ASSETS	<u>\$ 11,813</u>	<u>\$ 177,979</u>	<u>\$ 104,043</u>
			<u>\$ 367,513</u>
LIABILITIES			
Accounts payable	\$	\$	\$
Accrued wages and benefits		608	1,180
Compensated absences payable			1,197
Due to other funds			230
Due to other governments			
Other liabilities			
TOTAL LIABILITIES		<u>608</u>	<u>2,607</u>
FUND BALANCE			
Reserved for encumbrances	1,659	2,024	7,943
Reserved for endowment	10,154	175,347	93,493
Unreserved - undesignated	11,813	177,371	101,436
TOTAL FUND BALANCE	<u>\$ 11,813</u>	<u>\$ 177,979</u>	<u>\$ 104,043</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 11,813</u>	<u>\$ 177,979</u>	<u>\$ 367,513</u>

CITY OF ELYRIA, OHIO
 COMBINING BALANCE SHEET
 ALL FIDUCIARY FUNDS (CONTINUED)
 DECEMBER 31, 2001

	Agency							
	Consumer Deposits	Excavating Permits	State Health Fees	Unclaimed Monies	Municipal Court	Land Purchase Deposits	Lorain County Utility Charges	Payroll Revolving
ASSETS								
Equity in pooled cash and cash equivalents								
Cash and cash equivalents - segregated accounts								
Other short-term investments	550,320			11,400	333,709			165,669
Receivables -								
Accrued interest	1,389			49				
TOTAL ASSETS	<u>\$ 551,709</u>	<u>\$ 2,700</u>	<u>\$ 4,586</u>	<u>\$ 49,325</u>	<u>\$ 333,709</u>	<u>\$ 1,385</u>	<u>\$ 26,786</u>	<u>\$ 165,669</u>
LIABILITIES								
Accounts payable								
Accrued wages and benefits								
Compensated absences payable					103,697			165,544
Due to other funds					230,012			
Due to other governments			4,586				26,786	125
Other liabilities	551,709	2,700		49,325	333,709	1,385	26,786	165,669
TOTAL LIABILITIES	<u>551,709</u>	<u>2,700</u>	<u>4,586</u>	<u>49,325</u>	<u>333,709</u>	<u>1,385</u>	<u>26,786</u>	<u>165,669</u>
FUND BALANCE								
Reserved for encumbrances								
Reserved for endowment								
Unreserved - undesignated								
TOTAL FUND BALANCE								
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 551,709</u>	<u>\$ 2,700</u>	<u>\$ 4,586</u>	<u>\$ 49,325</u>	<u>\$ 333,709</u>	<u>\$ 1,385</u>	<u>\$ 26,786</u>	<u>\$ 165,669</u>

**CITY OF ELVRIA, OHIO
COMBINING BALANCE SHEET
ALL FIDUCIARY FUNDS (CONTINUED)
DECEMBER 31, 2001**

	Agency							
	Fire Damage Deposits	Police Department Deposit	State Building Fees	Lower Black River Water Quality	Contractors' Deposits	Employee Cafeteria Plan	Total-All Fiduciary Funds	
ASSETS								
Equity in pooled cash and cash equivalents								
Cash and cash equivalents - segregated accounts								
Other short-term investments								
Receivables -								
Accrued interest								
TOTAL ASSETS	<u>\$ 16,000</u>	<u>\$ 79,538</u>	<u>\$ 3,464</u>	<u>\$ 87,854</u>	<u>\$ 12,175</u>	<u>\$ 2,795</u>	<u>\$ 1,999,043</u>	
LIABILITIES								
Accounts payable								
Accrued wages and benefits								
Compensated absences payable								
Due to other funds								
Due to other governments								
Other liabilities								
TOTAL LIABILITIES	<u>16,000</u>	<u>79,538</u>	<u>3,464</u>	<u>87,854</u>	<u>12,175</u>	<u>2,795</u>	<u>1,340,910</u>	
FUND BALANCE								
Reserved for encumbrances								
Reserved for endowment								
Unreserved - undesignated								
TOTAL FUND BALANCE							<u>658,133</u>	
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 16,000</u>	<u>\$ 79,538</u>	<u>\$ 3,464</u>	<u>\$ 87,854</u>	<u>\$ 12,175</u>	<u>\$ 2,795</u>	<u>\$ 1,999,043</u>	

CITY OF EL YRIA, OHIO
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
ALL EXPENDABLE TRUST FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2001

	Wagner Trust	Findley Trust	Cemetery Maintenance and Improvement	Totals
REVENUES				
Charges for services	\$ 1,005	\$ 7,390	\$ 64,357	\$ 64,357
Investment income	6,406	58,438	6,033	14,428
Contributions	7,411	65,828	70,390	64,844
TOTAL REVENUES	14,822	131,656	140,777	143,629
EXPENDITURES				
Current:				
Health	19,310	41,155	90,106	90,106
Culture and recreation	19,310	41,155	38,578	60,465
Capital outlay	19,310	41,155	128,684	38,578
TOTAL EXPENDITURES	57,930	123,465	(58,294)	189,149
Excess (deficiency) of revenues over expenditures	(11,899)	24,673	(58,294)	(45,520)
OTHER FINANCING SOURCES				
Operating transfers in			23,879	23,879
TOTAL OTHER FINANCING SOURCES			23,879	23,879
Excess (deficiency) of revenues and other sources over expenditures and other uses	(11,899)	24,673	(34,415)	(21,641)
FUND BALANCE AT BEGINNING OF YEAR	23,712	152,698	135,851	312,261
FUND BALANCE AT END OF YEAR	\$ 11,813	\$ 177,371	\$ 101,436	\$ 290,620

CITY OF ELYRIA, OHIO
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
 BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**
WAGNER TRUST FUND-LEGAL APPROPRIATION LEVEL
 FOR THE YEAR ENDED DECEMBER 31, 2001

	WAGNER TRUST FUND		
	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Interest earnings	\$ 1,163	\$ 1,163	\$
Miscellaneous revenues	6,800	6,405	(395)
TOTAL REVENUES	7,963	7,568	(395)
EXPENDITURES			
Wagner Trust			
Operation and maintenance	29,700	23,636	6,064
Total Wagner Trust	29,700	23,636	6,064
TOTAL EXPENDITURES	29,700	23,636	6,064
Excess (deficiency) of revenues over expenditures	(21,737)	(16,068)	5,669
Adjustment for prior year encumbrances	2,342	2,342	
FUND BALANCE AT BEGINNING OF YEAR	23,859	23,859	
FUND BALANCE AT END OF YEAR	\$ 4,464	\$ 10,133	\$ 5,669

CITY OF ELYRIA, OHIO
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
 BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**
FINDLEY TRUST FUND-LEGAL APPROPRIATION LEVEL
 FOR THE YEAR ENDED DECEMBER 31, 2001

	FINDLEY TRUST FUND		
	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Interest earnings	\$ 8,250	\$ 8,946	\$ 696
Miscellaneous revenues	58,350	58,438	88
TOTAL REVENUES	66,600	67,384	784
EXPENDITURES			
Findley Trust			
Personal services	1,362	1,361	1
Fringe benefits	240	203	37
Operation and maintenance	47,000	43,562	3,438
Total Findley Trust	48,602	45,126	3,476
TOTAL EXPENDITURES	48,602	45,126	3,476
Excess (deficiency) of revenues over expenditures	17,998	22,258	4,260
Adjustment for prior year encumbrances	10,726	10,726	
FUND BALANCE AT BEGINNING OF YEAR	142,689	142,689	
FUND BALANCE AT END OF YEAR	\$ 171,413	\$ 175,673	\$ 4,260

CITY OF ELYRIA, OHIO
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
 BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 CEMETERY MAINTENANCE AND IMPROVEMENT FUND-LEGAL APPROPRIATION LEVEL
 FOR THE YEAR ENDED DECEMBER 31, 2001**

	CEMETERY MAINTENANCE AND IMPROVEMENT FUND		
	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Interest earnings	\$ 6,000	\$ 6,539	\$ 539
Miscellaneous revenues	60,000	64,358	4,358
TOTAL REVENUES	<u>66,000</u>	<u>70,897</u>	<u>4,897</u>
EXPENDITURES			
Cemetery Maintenance and Improvement			
Personal services	41,409	39,367	2,042
Fringe benefits	6,427	6,255	172
Operation and maintenance	73,675	56,468	17,207
Capital outlay	42,113	42,113	
Total Cemetery Maintenance and Improvement	<u>163,624</u>	<u>144,203</u>	<u>19,421</u>
TOTAL EXPENDITURES	<u>163,624</u>	<u>144,203</u>	<u>19,421</u>
Excess (deficiency) of revenues over expenditures	(97,624)	(73,306)	24,318
OTHER FINANCING SOURCES			
Operating transfers in	20,000	23,879	3,879
Other sources	3,200	3,204	4
TOTAL OTHER FINANCING SOURCES	<u>23,200</u>	<u>27,083</u>	<u>3,883</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	(74,424)	(46,223)	28,201
Adjustment for prior year encumbrances	12,316	12,316	
FUND BALANCE AT BEGINNING OF YEAR	<u>128,399</u>	<u>128,399</u>	
FUND BALANCE AT END OF YEAR	<u>\$ 66,291</u>	<u>\$ 94,492</u>	<u>\$ 28,201</u>

CITY OF ELYRIA, OHIO
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
 BALANCE-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 CEMETERY TRUST FUND-LEGAL APPROPRIATION LEVEL
 FOR THE YEAR ENDED DECEMBER 31, 2001**

	CEMETERY TRUST FUND		
	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Interest earnings	\$ 23,878	\$ 23,879	\$ 1
Miscellaneous revenues	7,850	7,238	(612)
TOTAL REVENUES	<u>31,728</u>	<u>31,117</u>	<u>(611)</u>
OPERATING TRANSFERS OUT	<u>(23,900)</u>	<u>(23,879)</u>	<u>21</u>
Net income	7,828	7,238	(590)
FUND BALANCE AT BEGINNING OF YEAR	<u>360,198</u>	<u>360,198</u>	
FUND BALANCE AT END OF YEAR	<u>\$ 368,026</u>	<u>\$ 367,436</u>	<u>\$ (590)</u>

CITY OF ELYRIA, OHIO
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2001

	Balance January 1, 2001	Additions	Deductions	Balance December 31, 2001
CONSUMER DEPOSITS FUND				
Assets:				
Equity in pooled cash and cash equivalents	\$ 114,192	\$ 598,314	\$ 712,506	\$ 550,320
Other short-term investments	426,000	550,320	426,000	1,389
Accrued interest receivable	4,906	1,389	4,906	551,709
Total assets	<u>\$ 545,098</u>	<u>\$ 1,150,023</u>	<u>\$ 1,143,412</u>	<u>\$ 551,709</u>
Liabilities:				
Other Liabilities	\$ 545,098	\$ 168,797	\$ 162,186	\$ 551,709
EXCAVATING PERMITS FUND				
Assets:				
Equity in pooled cash and cash equivalents	\$ 4,260	\$ 2,100	\$ 3,660	\$ 2,700
Liabilities:				
Other liabilities	\$ 4,260	\$ 2,100	\$ 3,660	\$ 2,700
STATE HEALTH FEES FUND				
Assets:				
Equity in pooled cash and cash equivalents	\$ 3,327	\$ 27,926	\$ 26,667	\$ 4,586
Liabilities:				
Accounts payable	\$ 3,327	\$ 27,926	\$ 26,667	\$ 4,586
UNCLAIMED MONIES FUND				
Assets:				
Equity in pooled cash and cash equivalents	\$ 58,713	\$ 63,274	\$ 25,398	\$ 37,876
Other short-term investments	545	11,400	58,713	11,400
Accrued interest receivable	59,258	49	545	49
Total assets	<u>\$ 59,258</u>	<u>\$ 74,723</u>	<u>\$ 84,656</u>	<u>\$ 49,325</u>
Liabilities:				
Other Liabilities	\$ 59,258	\$ 4,065	\$ 13,998	\$ 49,325
MUNICIPAL COURT FUND				
Assets:				
Cash and cash equivalents-segregated accounts	\$ 288,688	\$ 4,171,909	\$ 4,126,888	\$ 333,709
Liabilities:				
Due to other funds	\$ 110,932	\$ 103,697	\$ 110,932	\$ 103,697
Other liabilities	177,756	230,012	177,756	230,012
Total liabilities	<u>\$ 288,688</u>	<u>\$ 333,709</u>	<u>\$ 288,688</u>	<u>\$ 333,709</u>

(Continued on subsequent page)

CITY OF ELYRIA, OHIO
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2001

	Balance January 1, 2001	Additions	Deductions	Balance December 31, 2001
LAND PURCHASE DEPOSITS FUND				
Assets:				
Equity in pooled cash and cash equivalents	\$ 885	\$ 500	\$	\$ 1,385
Liabilities:				
Accounts payable	\$ 885	\$ 500	\$	\$ 1,385
LORAIN COUNTY UTILITY CHARGES FUND				
Assets:				
Equity in pooled cash and cash equivalents	\$ 22,975	\$ 228,321	\$ 224,510	\$ 26,786
Liabilities:				
Due to other governments	\$ 22,975	\$ 228,321	\$ 224,510	\$ 26,786
PAYROLL REVOLVING FUND				
Assets:				
Equity in pooled cash and cash equivalents	\$ 160,628	\$ 6,751,343	\$ 6,746,302	\$ 165,669
Liabilities:				
Accounts payable	\$ 160,528	\$ 2,484,905	\$ 2,479,889	\$ 165,544
Due to other governments	\$ 100	\$ 4,266,438	\$ 4,266,413	\$ 125
Total liabilities	\$ 160,628	\$ 6,751,343	\$ 6,746,302	\$ 165,669
FIRE DAMAGE DEPOSITS FUND				
Assets:				
Equity in pooled cash and cash equivalents	\$	\$ 21,400	\$ 5,400	\$ 16,000
Liabilities:				
Other liabilities	\$	\$ 21,400	\$ 5,400	\$ 16,000
POLICE DEPARTMENT DEPOSIT FUND				
Assets:				
Equity in pooled cash and cash equivalents	\$ 79,538	\$	\$	\$ 79,538
Liabilities:				
Other liabilities	\$ 79,538	\$	\$	\$ 79,538
STATE BUILDING FEES FUND				
Assets:				
Equity in pooled cash and cash equivalents	\$ 2,940	\$ 8,133	\$ 7,609	\$ 3,464
Liabilities:				
Due to other governments	\$ 2,940	\$ 8,133	\$ 7,609	\$ 3,464

(Continued on subsequent page)

CITY OF ELYRIA, OHIO
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2001

	Balance January 1, 2001	Additions	Deductions	Balance December 31, 2001
LOWER BLACK RIVER WATER QUALITY FUND				
Assets:				
Equity in pooled cash and cash equivalents	\$ 53,337	\$ 178,413	\$ 143,896	\$ 87,854
Liabilities:				
Accounts payable	\$ 53,337	\$ 178,413	\$ 143,896	\$ 87,854
CONTRACTORS' DEPOSITS FUND				
Assets:				
Equity in pooled cash and cash equivalents	\$ 1,200	\$ 20,875	\$ 9,900	\$ 12,175
Liabilities:				
Other liabilities	\$ 1,200	\$ 20,875	\$ 9,900	\$ 12,175
EMPLOYEE CAFETERIA PLAN FUND				
Assets:				
Equity in pooled cash and cash equivalents	\$	\$ 30,134	\$ 27,339	\$ 2,795
Liabilities:				
Accounts payable	\$	\$ 30,134	\$ 27,339	\$ 2,795
LITTLE LEAGUE NORTH SITE MONIES FUND				
Assets:				
Equity in pooled cash and cash equivalents	\$	\$ 105,714	\$ 105,714	\$
Liabilities:				
Accounts payable	\$	\$ 105,714	\$ 105,714	\$
Assets:				
Equity in pooled cash and cash equivalents	\$ 443,282	\$ 8,036,447	\$ 8,038,901	\$ 440,828
Other short-term investments	484,713	561,720	484,713	561,720
Cash and cash equivalents-segregated accounts	288,688	4,171,909	4,126,888	333,709
Accrued interest receivable	5,451	1,438	5,451	1,438
Total assets	<u>\$ 1,222,134</u>	<u>\$ 12,771,514</u>	<u>\$ 12,655,953</u>	<u>\$ 1,337,695</u>
Liabilities:				
Accounts payable	\$	\$ 105,714	\$ 105,714	\$
Assets:				
Accounts payable	\$ 218,077	\$ 2,827,592	\$ 2,783,505	\$ 262,164
Due to other funds	110,932	103,697	110,932	103,697
Due to other governments	26,015	4,502,892	4,498,532	30,375
Other liabilities	867,110	447,249	372,900	941,459
Total Liabilities	<u>\$ 1,222,134</u>	<u>\$ 7,881,430</u>	<u>\$ 7,765,869</u>	<u>\$ 1,337,695</u>

GENERAL FIXED ASSETS ACCOUNT GROUP

The *General Fixed Assets Account Group* is used to account for all property not used in the operations of proprietary funds.

CITY OF ELYRIA, OHIO
SCHEDULE OF GENERAL FIXED ASSETS
BY SOURCE
DECEMBER 31, 2001

INVESTMENTS IN GENERAL FIXED ASSETS:

Land	\$ 5,051,643
Buildings	16,914,949
Improvements	1,751,292
Collection systems (storm sewers)	13,476,946
Machinery and equipment	12,089,498
Construction in progress	2,623,045
TOTAL INVESTMENT IN GENERAL FIXED ASSETS	<u><u>\$ 51,907,373</u></u>

INVESTMENTS IN GENERAL FIXED ASSETS FROM:

General obligation notes/bonds	\$ 19,519,238
General Fund revenues	8,531,098
Special Revenue Fund revenues	6,037,293
Expendable Trust Fund revenues	715,627
Gifts	2,116,255
Unassigned *	14,987,862
TOTAL INVESTMENT IN GENERAL FIXED ASSETS	<u><u>\$ 51,907,373</u></u>

* Represents general fixed assets for which sources of funding are not available.

**CITY OF ELYRIA, 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 January 1, 2001</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance December 31, 2001</u>
Public Safety	\$ 18,169,453	\$ 541,405	\$ 53,822	\$ 18,657,036
Health	1,103,565	47,691	13,489	1,137,767
Culture and recreation	8,083,728	160,784	20,556	8,223,956
Community environment	359,123	43,307	5,320	397,110
Highways and streets	1,912,279	1,179	15,000	1,898,458
General government	18,817,459	2,780,342	4,755	21,593,046
TOTAL INVESTMENT IN GENERAL FIXED ASSETS	<u><u>\$ 48,445,607</u></u>	<u><u>\$ 3,574,708</u></u>	<u><u>\$ 112,942</u></u>	<u><u>\$ 51,907,373</u></u>

CITY OF ELYRIA, OHIO
SCHEDULE OF GENERAL FIXED ASSETS BY FUNCTION AND ACTIVITY
DECEMBER 31, 2001

Function and Activity	Land	Buildings	Improvements	Collection Systems	Machinery and Equipment	Total *
Public Safety	\$ 1,445,314	\$ 10,242,995	\$ 112,513	\$	\$ 6,856,214	\$ 18,657,036
Health	37,068	153,526	149,775	4,650	792,748	1,137,767
Culture and recreation	616,373	5,428,585	1,080,837	23,916	1,074,245	8,223,956
Community environment	376	39,316	56,154		301,264	397,110
Highways and streets	185,654	27,738			1,685,066	1,898,458
General government	2,766,858	1,022,789	352,013	13,448,380	1,379,961	18,970,001
TOTAL GENERAL FIXED ASSETS	<u><u>\$ 5,051,643</u></u>	<u><u>\$ 16,914,949</u></u>	<u><u>\$ 1,751,292</u></u>	<u><u>\$ 13,476,946</u></u>	<u><u>\$ 12,089,498</u></u>	<u><u>\$ 49,284,328</u></u>

* Does not include construction in progress.

CITY OF ELYRIA, OHIO
GENERAL FUND EXPENDITURES BY FUNCTION
LAST TEN FISCAL YEARS

Fiscal Year	Public Safety	Health	Culture & Recreation	Community Environment	Highways & Streets	General Government	Total (1)
1992	\$ 9,761,295	\$ 511,426	\$ 1,123,006	\$ 408,736	\$ 18,530	\$ 4,271,392	\$ 16,094,385
1993	10,200,096	533,915	1,243,024	409,915	-0-	4,397,265	16,784,215
1994	10,288,682	643,197	1,349,512	438,072	-0-	4,334,248	17,053,711
1995	11,675,132	820,871	1,639,909	604,661	-0-	4,763,608	19,504,181
1996	12,313,487	919,244	1,842,942	607,872	-0-	5,164,729	20,848,274
1997	12,077,021	1,047,259	1,991,904	621,052	-0-	5,060,306	20,797,542
1998	12,194,712	1,055,016	1,927,025	648,110	-0-	5,568,544	21,393,407
1999	13,060,557	1,337,812	2,615,917	672,576	-0-	5,541,966	23,228,828
2000	13,849,756	1,521,251	2,183,968	701,736	-0-	5,820,754	24,077,465
2001	14,227,350	1,557,719	1,986,733	768,354	-0-	5,814,895	24,355,051

Source: Annual audited financial statements of the City.

NOTE: (1) Capital outlay and debt service expenditures were allocated to the function to which they relate.

CITY OF ELYRIA, OHIO
GENERAL FUND REVENUES BY SOURCE
LAST TEN FISCAL YEARS

Fiscal Year	Taxes	Intergovernmental	Charges for Services	Licenses & Permits	Investment Income	Fines & Forfeitures	Miscellaneous Revenues	Total	
1992	\$ 15,057,811	\$	176,371	\$ 329,458	\$ 232,603	\$ 46,321	\$ 886,931	\$ 88,403	\$ 16,817,898
1993	16,295,966		212,986	377,512	296,770	49,275	963,081	128,026	18,323,616
1994	16,440,561		244,570	380,759	381,650	136,783	992,321	195,471	18,772,115
1995	17,882,343		279,078	400,093	439,322	244,017	1,378,694	134,686	20,758,233
1996	19,025,880		250,424	423,589	432,727	210,874	1,372,815	107,680	21,823,989
1997	18,646,493		202,842	568,146	410,859	219,627	1,319,272	80,559	21,447,798
1998	19,690,620		449,784	692,196	443,879	256,008	1,377,144	96,399	23,006,030
1999	21,380,874		366,157	862,012	413,692	254,481	1,576,407	94,097	24,947,720
2000	21,525,719		281,397	1,061,440	440,160	245,386	1,435,765	81,751	25,071,618
2001	22,319,733		324,748	1,230,862	653,022	189,646	1,188,660	65,570	25,972,241

Source: Annual audited financial statements of the City.

**CITY OF ELYRIA, OHIO
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

Fiscal Year	Total Tax Levy	Current Tax Collections	Percent of Levy Collected	Delinquent Tax Collections	Total Tax Collection	Percent of Tax Collections To Tax Levy	Outstanding Delinquent Taxes	Percent of Delinquent Taxes to Tax Levy
1992	\$ 1,959,805	\$ 1,907,369	97.3%	\$ 50,395	\$ 1,957,764	99.9%	\$ 119,573	6.1%
1993	1,975,250	1,912,381	96.8%	48,158	1,960,539	99.3%	115,946	5.9%
1994	2,013,124	1,947,467	96.7%	59,667	2,007,134	99.7%	117,208	5.8%
1995	2,114,439	2,038,009	96.4%	73,513	2,111,522	99.9%	117,879	5.6%
1996	2,132,334	2,071,973	97.2%	72,532	2,144,505	100.6%	94,170	4.4%
1997	2,131,157	2,059,683	96.7%	58,436	2,118,119	99.4%	94,616	4.4%
1998	2,442,132	2,354,220	96.4%	62,784	2,417,004	99.0%	114,687	4.7%
1999	2,711,525	2,614,812	96.4%	73,834	2,688,646	99.2%	135,307	5.0%
2000	2,761,298	2,659,149	96.3%	79,967	2,739,116	99.2%	142,766	5.2%
2001	3,195,744	3,082,725	96.5%	94,646	3,177,371	99.4%	159,358	5.0%

Source: Lorain County Auditor's Office

CITY OF ELYRIA, OHIO
ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(Amounts in 000's)

Tax Year	Collection Year	REAL PROPERTY		PUBLIC UTILITY PROPERTY		TANGIBLE PERSONAL PROPERTY		TOTAL	
		Assessed Value (1)	Estimated Actual Value	Assessed Value (1)	Estimated Actual Value	Assessed Value (1)	Estimated Actual Value	Assessed Value (1)	Estimated Actual Value
1991	1992	\$ 273,009	\$ 780,025	\$ 192,408	\$ 549,737	\$ 114,910	\$ 425,592	\$ 580,327	\$ 1,755,354
1992	1993	275,785	787,952	194,964	557,041	115,259	443,305	586,008	1,788,298
1993	1994	279,526	798,646	198,228	566,368	123,328	493,312	601,082	1,858,326
1994	1995	326,363	932,466	219,603	627,438	115,361	461,444	661,327	2,021,348
1995	1996	333,403	952,580	218,838	625,251	122,146	488,584	674,387	2,066,415
1996	1997	339,108	968,880	216,724	619,212	133,573	534,292	689,405	2,122,384
1997	1998	403,302	1,152,291	234,595	670,271	135,854	543,416	773,751	2,365,978
1998	1999	408,310	1,166,600	237,244	677,840	137,173	548,692	782,727	2,393,132
1999	2000	418,460	1,195,600	242,705	693,443	140,810	563,240	801,975	2,452,283
2000	2001	508,046	1,451,460	255,037	728,677	150,928	603,712	914,011	2,783,849

Source: Lorain County Auditor's Office

NOTE:

(1) The assessed value is computed at approximately the following percentages of the estimated actual value of property: real property - 35%; public utilities - 35% (real property) and 100% (personal property); tangible personal property - 25% and increasing amounts in collection years prior to 1992.

CITY OF ELYRIA, OHIO
PROPERTY TAX RATES - ALL DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS
(PER \$1,000 OF ASSESSED VALUATION)

Tax Year	Collection Year	CITY OF ELYRIA					Lorain County		Total	
		General Fund	Debt Service Fund	Police Pension Fund	Fire Pension Fund	Total	Elyria School District	Vocational School		Lorain County
1991	1992	\$ 2.80	\$ 0.80	\$ 0.30	\$ 0.30	\$ 4.20	\$ 48.95	\$ 2.45	\$ 11.74	\$ 67.34
1992	1993	2.80	0.80	0.30	0.30	4.20	48.95	2.45	11.74	67.34
1993	1994	2.30	1.30	0.30	0.30	4.20	48.95	2.45	11.74	67.34
1994	1995	2.30	1.30	0.30	0.30	4.20	53.68	2.45	12.69	73.02
1995	1996	2.30	1.30	0.30	0.30	4.20	53.58	2.45	12.69	72.92
1996	1997	1.90	1.70	0.30	0.30	4.20	53.58	2.45	12.69	72.92
1997	1998	1.90	1.70	0.30	0.30	4.20	52.81	2.45	10.79	70.25
1998	1999	1.90	1.70	0.30	0.30	4.20	52.71	2.45	10.79	70.15
1999	2000	1.90	1.70	0.30	0.30	4.20	57.11	2.45	10.79	74.55
2000	2001	1.90	1.70	0.30	0.30	4.20	57.11	2.45	10.79	74.55

Source: Lorain County, County Treasurer

CITY OF ELYRIA, OHIO
SPECIAL ASSESSMENT COLLECTIONS
LAST TEN FISCAL YEARS

Fiscal Year	Current Assessments Billed	Current Assessments Collected (1)	Collections As A Percentage Of Amount Due
1992	\$ 448,095	\$ 435,582	97.2%
1993	351,944	336,243	95.5%
1994	444,657	427,398	96.1%
1995	387,216	372,889	96.3%
1996	496,597	471,089	94.9%
1997	722,926	660,467	91.4%
1998	613,055	576,301	94.0%
1999	683,552	636,400	93.1%
2000	583,095	513,012	88.0%
2001	670,914	669,458	99.8%

Source: Lorain County Auditor

NOTE:

- (1) Collections made by County Auditor only.
 Does not include delinquent amounts collected.

CITY OF ELYRIA, OHIO
 RATIO OF NET GENERAL BONDED DEBT TO
 ASSESSED VALUE AND NET BONDED DEBT PER CAPITA
 LAST TEN FISCAL YEARS

Fiscal Year	Population	Assessed Value	General Gross Bonded Debt (1)	Debt Service Monies Available (3)	Debt Payable From Enterprise Revenues	Net Bonded Debt	Net Bonded Debt As A Percentage Of Assessed Values	Net Bonded Debt Per Capita
1992	56,746 (2)	\$ 580,327,352	\$ 10,235,585	\$ 758,442	\$ 4,140,585	\$ 5,336,558	0.92	94.04
1993	56,746 (2)	586,008,059	11,942,270	606,199	3,382,270	7,953,801	1.36	140.16
1994	56,746 (2)	601,081,615	11,648,819	762,933	3,124,019	7,761,867	1.29	136.78
1995	56,746 (2)	661,326,463	10,374,498	872,614	2,289,498	7,212,386	1.09	127.10
1996	56,746 (2)	674,386,318	11,745,177	1,019,819	2,130,177	8,595,181	1.27	151.47
1997	56,746 (2)	689,404,520	18,005,856	1,452,787	2,565,856	13,987,213	2.03	246.49
1998	56,746 (2)	773,751,630	16,728,784	1,378,661	2,113,784	13,236,339	1.71	233.26
1999	56,746 (2)	782,727,713	20,576,712	1,656,849	5,096,712	13,823,151	1.77	243.60
2000	55,953 (2)	801,974,850	19,079,639	1,993,416	4,184,639	12,901,584	1.61	230.58
2001	55,953 (2)	914,011,190	27,152,566	2,533,386	4,062,566	20,556,614	2.25	367.39

NOTES:

- (1) Includes all general obligation debt except for general obligation debt to be paid from special assessments.
- (2) Source - Bureau of Census
- (3) Includes monies in the General Bond Retirement Debt Service Fund only.

CITY OF ELYRIA, OHIO
 COMPUTATION OF LEGAL DEBT MARGIN
 DECEMBER 31, 2001

CITY OF ELYRIA, OHIO
 COMPUTATION OF DIRECT AND OVERLAPPING DEBT
 DECEMBER 31, 2001

OVERALL DEBT LIMITATION		
10 1/2 % of assessed valuation	\$	95,971,175
Gross indebtedness - outstanding	\$	50,041,621
Less: Debt exempt from limitation	(22,889,055)	
Debt subject to 10 1/2 % limitation		27,152,566
Less: Applicable debt service fund balance	(2,533,386)	
Net debt within 10 1/2 % limitation		<u>24,619,180</u>
LEGAL DEBT MARGIN WITHIN 10 1/2 % LIMITATION		<u>\$ 71,351,995</u>
<hr/>		
UNVOTED DEBT LIMITATION		
5 1/2 % OF ASSESSED VALUATION	\$	50,270,615
Gross indebtedness - outstanding	\$	50,041,621
Less: debt exempt from limitation	(22,889,055)	
Debt subject to 5 1/2% limitation		27,152,566
Less: Applicable debt service fund balance	(2,533,386)	
Net debt within 5 1/2 % limitation		<u>24,619,180</u>
LEGAL DEBT MARGIN WITHIN 5 1/2 % LIMITATION		<u>\$ 25,651,435</u>

Jurisdiction	Debt Outstanding (1)	Percentage Applicable To City of Elyria (2)	Amount Applicable To City of Elyria
City of Elyria	\$ 23,090,000	100.00%	\$ 23,090,000
Elyria City School District	1,360,000	91.40%	1,243,040
Lorain County	6,540,000	19.96%	1,305,384
TOTAL- OVERLAPPING DEBT	<u>7,900,000</u>		<u>2,548,424</u>
TOTAL- ALL DEBT	<u>\$ 30,990,000</u>		<u>\$ 25,638,424</u>

NOTES:

- (1) Source: Individual Jurisdictions (general obligation bonds reported in the enterprise funds and special assessment debt have been excluded)
- (2) The percentage of net debt outstanding applicable to the City was determined by dividing each jurisdiction's assessed valuation within the City by the jurisdiction's total assessed valuation.

CITY OF ELYRIA, OHIO
RATIO OF ANNUAL DEBT SERVICE
FOR GENERAL BONDED DEBT
TO TOTAL GENERAL FUND EXPENDITURES
LAST TEN FISCAL YEARS

FISCAL YEAR	PRINCIPAL (1)	INTEREST (1)	TOTAL DEBT SERVICE (1)	TOTAL GENERAL FUND EXPENDITURES	DEBT SERVICE AS A PERCENTAGE OF TOTAL GENERAL FUND EXPENDITURES
1992	\$ 3,445,000	\$ 345,854	\$ 3,790,854	16,094,385	23.55%
1993	1,375,000	356,675	1,731,675	16,784,215	10.32%
1994	4,035,000	415,128	4,450,128	17,053,711	26.09%
1995	4,425,000	463,083	4,888,083	19,504,181	25.06%
1996	3,940,000	444,451	4,384,451	20,848,274	21.03%
1997	12,575,000	741,491	13,316,491	20,797,542	64.03%
1998	825,000	973,303	1,798,303	21,393,407	8.41%
1999	775,000	714,188	1,489,188	23,228,828	6.41%
2000	585,000	746,102	1,331,102	24,077,465	5.53%
2001	605,000	722,783	1,327,783	24,355,051	5.45%

Source: Annual audited financial statements of the City.

NOTE:

(1) Includes all general obligation notes and bonds except for State Issue II loans and debt intended to be paid from special assessments or enterprise fund revenues.

CITY OF ELYRIA, OHIO
WASTEWATER POLLUTION CONTROL
REVENUE LOAN COVERAGE
LAST TEN FISCAL YEARS

Fiscal Year	Gross Revenue (1)	Direct Operating Expenses (2)	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
1992	\$ 7,466,964	\$ 4,714,376	\$ 2,752,588	\$ 834,186	\$ 2,255,019	\$ 3,089,205	0.89
1993	8,665,393	4,700,155	3,965,238	702,974	2,208,371	2,911,345	1.36
1994	8,869,271	4,885,519	3,983,752	730,859	2,100,815	2,831,674	1.41
1995	9,466,744	5,075,414	4,391,330	790,484	2,099,111	2,889,595	1.52
1996	9,254,816	5,423,182	3,831,634	849,358	2,037,037	2,886,395	1.33
1997	9,739,476	6,048,454	3,691,022	917,815	1,970,329	2,888,144	1.28
1998	9,742,854	9,131,441	611,413	766,402	1,891,744	2,658,146	0.23
1999	9,960,677	5,306,248	4,654,429	944,858	1,921,282	2,866,140	1.62
2000	12,948,897	6,240,652	6,708,245	1,142,078	1,721,912	2,863,990	2.34
2001	9,934,251	5,981,175	3,953,076	1,236,880	1,629,409	2,866,289	1.38

Source: Annual audited financial statements of the City.

NOTES:

- (1) Gross revenue includes operating revenue plus interest income.
- (2) Direct operating expenses include total operating expenses exclusive of depreciation.
- (3) The large increase in gross revenue is due to settlement proceeds. See Note 4(C) in the accompanying notes to the financial statements.

CITY OF ELYRIA, OHIO
PROPERTY VALUE, CONSTRUCTION AND BANK DEPOSITS
LAST TEN FISCAL YEARS

Year	COMMERCIAL CONSTRUCTION		RESIDENTIAL CONSTRUCTION		BANK DEPOSITS (AMOUNTS IN 000'S)		PROPERTY VALUE (AMOUNTS IN 000'S)	
	Number of Permits (1)	Value (1)	Number of Permits (1)	Value (1)	Amount (2)	Industrial / Commercial (3)	Residential (3)	
1992	91	\$ 18,221,627	1,124	\$ 12,753,491	\$ 1,126,173	\$ 192,408	\$ 273,009	
1993	158	23,196,910	1,320	18,543,190	1,170,581	194,964	275,784	
1994	170	22,584,705	1,159	16,489,326	1,254,166	198,228	279,526	
1995	161	28,695,067	1,242	19,325,057	1,237,991	219,603	326,363	
1996	198	37,777,498	1,422	17,200,726	1,329,795	218,838	333,403	
1997	199	39,150,586	1,599	17,236,096	920,050	216,724	339,108	
1998	367	40,662,114	1,580	20,528,636	444,974	234,595	403,302	
1999	308	27,867,892	1,357	20,870,414	483,871	237,244	408,310	
2000	255	21,241,393	1,482	18,755,518	513,102	269,710	508,046	
2001	267	39,872,060	1,462	23,057,586	555,591	260,310	514,474	

NOTES:

(1) Source: City of Elyria, Building Department

(2) Source: Federal Reserve Bank, Cleveland, Ohio
for Lorain County

(3) Source: Lorain County Auditor's Office

**CITY OF ELYRIA, OHIO
 DEMOGRAPHIC STATISTICS
 LAST TEN FISCAL YEARS**

<u>Year</u>	<u>Population</u>	<u>School Enrollment (1)</u>	<u>Unemployment Rate (2)</u>
1992	56,746 (3)	9,210	11.0
1993	56,746 (3)	9,269	7.1
1994	56,746 (3)	9,110	6.3
1995	56,746 (3)	9,012	7.0
1996	56,746 (3)	8,746	6.9
1997	56,746 (3)	8,753	6.3
1998	56,746 (3)	8,257	5.4
1999	56,746 (3)	8,257	5.2
2000	55,953 (3)	8,361	5.5
2001	55,953 (3)	8,551	6.1

NOTES:

- (1) Source - City of Elyria Board of Education
- (2) Source - Ohio Bureau of Employment Services
- (3) Source - Bureau of Census

CITY OF ELYRIA, OHIO
 PRINCIPAL PROPERTY TAXPAYERS
 DECEMBER 31, 2001

Taxpayer	Type of Business	2001 Assessed Valuation	Percent of Total Assessed Valuation
Ohio Edison	Electric Utility	\$ 22,017,610	2.41%
Elyria Joint Venture	Property Management	13,491,880	1.48%
Alltel Ohio	Telephone Utility	9,771,260	1.07%
Columbia Gas	Gas Utility	7,001,160	0.77%
First Interstate	Retail Store	5,713,900	0.63%
West River Road	Retail Store	4,785,550	0.52%
Sears Roebuck & Company	Retail Store	3,925,060	0.43%
Invacare	Manufacturing	3,880,690	0.42%
Lorain Medical Investors	Medical	3,467,660	0.38%
Elyria United Methodist Village	Retirement/Assisted Living	3,011,230	0.33%
TOTAL		\$ 77,066,000	8.43%
TOTAL CITY ASSESSED VALUATION		\$ 914,011,190	

Source: Lorain County Treasurer's Office

CITY OF ELYRIA, OHIO
 MISCELLANEOUS STATISTICS
 DECEMBER 31, 2001

Date of incorporation.....	February 23, 1833	Municipal water department:	
Form of government.....	Mayor-Council	Active accounts.....	21,914
Current population.....	55,953	Average daily consumption.....	9,529,032 gallons
Area.....	20.12 square miles	Miles of water mains.....	219 miles (approximately)
Miles of streets	187.0	Sewers:	
Number of street lights.....	4,561	Miles of sanitary sewers... 172.0 miles (approximately)	
Fire protection:		Miles of storm sewers..... 111.0 miles (approximately)	
Number of stations.....	4	Building permits issued.....	1,729
Number of firefighters and officers.....	83	Recreation and culture:	
Police protection:		Number of parks.....	18
Number of stations.....	1	Number of libraries.....	2
Number of policepersons and officers.....	109	Number of library volumes.....	374,392 (approximately)
Education (elementary only):		Employees (full time):	
Attendance centers.....	14	Classified service.....	550
Number of classrooms.....	241	Exempt.....	6
Number of teachers.....	235		
Number of students.....	5,061		



STATE OF OHIO
OFFICE OF THE AUDITOR

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CITY OF ELYRIA

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 16, 2002