
CITY OF NORTH OLMSTED, OHIO



COMPREHENSIVE ANNUAL FINANCIAL REPORT

for the Year Ended December 31, 2001

Prepared by
The Department of Finance

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Honorable Mayor and Members of City Council
City of North Olmsted
5200 Dover Center Road
North Olmsted, Ohio 44070

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

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The City of North Olmsted is responsible for compliance with these laws and regulations.

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

JIM PETRO
Auditor of State

July 15, 2002

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City of North Olmsted

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June 21, 2002

Citizens of North Olmsted, Ohio
Honorable Mayor Norman T. Musial
And Members of City Council

We are pleased to present to you the Comprehensive Annual Financial Report of the City of North Olmsted (the "City") for the year ended December 31, 2001. We believe this report, prepared by the Department of Finance, presents comprehensive financial and operating information about the City's activities during 2001 which should be useful to citizens and taxpayers. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. We believe the data, as presented, is accurate in all material respects; presented in a manner designed to set forth fairly the financial position and the results of operations of the City; and, all disclosures necessary to enable the reader to gain an understanding of the City's financial activity have been included.

The Comprehensive Annual Financial Report is presented in three sections: Introductory, Financial and Statistical. The Introductory section includes a table of contents, the letter of transmittal, a list of principal elected and appointed officials and the City's organizational chart. The Financial section includes the Report of Independent Accountants on the financial statements and schedules, the general purpose financial statements, and the combining individual fund and account group statements and schedules. The Statistical section includes selected financial and demographic data that provide users a summarized history of information.

REPORTING ENTITY

The reporting entity consists of the primary government, organizations for which the primary government is financially accountable, and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading. This definition of reporting entity is found in Government Accounting Standards Board (GASB) Statement No. 14, "The Financial Reporting Entity."

The City of North Olmsted's primary government consists of all funds and departments, which are not legally separate from the City. These include a police force, firefighting force, street and sewer maintenance service, sewage treatment plant, municipal bus line, recreation department, senior center, golf course, planning and zoning committees, and staff to provide necessary support to these service providers.

Component units are legally separate organizations for which the City is financially accountable. In addition, a component unit can be another organization for which the nature and significance of its relationship with the primary government is such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization's resources, the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of or provide financial support to the organization; or the City is obligated in some manner for the debt of the organization.



Component units may also include organizations fiscally dependent on the City where the City approves the budget, the issuance of debt or the levying of taxes without approval by the other government.

In accordance with the above requirements, the North Olmsted Commission on Paratransit, Inc. (N.O.C.O.P.) has been presented as a discretely presented component unit of the primary government. N.O.C.O.P. provides transportation to residents of the City of North Olmsted, the City of Olmsted Falls and Olmsted Township who are 60 years of age or older or disabled. The commission was formed in 1992 and is governed by a board of trustees which consists of nine members. The following five members are automatic members of the Board of Trustees: the Mayor of the City of North Olmsted or designee, the Director of Finance for the City of North Olmsted or designee, a designee from the Advisory Board for the Department of Human Resources of the City of North Olmsted, a member of the Finance Committee of the North Olmsted City Council as designated by the Chairman of that committee, and the President of the North Olmsted City Council. The remaining four members of the Board of Trustees are elected by the membership as provided by law. Fares are collected based on the destination and frequency that the service is used. The three communities also share costs or deficits on a prorated arrangement based on each community's population. The current formula is as follows: the City of North Olmsted contributes 68.9 percent, the City of Olmsted Falls contributes 10.0 percent and Olmsted Township contributes 21.1 percent. N.O.C.O.P. is presented as a governmental fund type. Complete financial statements for N.O.C.O.P. may be obtained by writing to the North Olmsted Commission On Paratransit, Inc., 5200 Dover Center Road, North Olmsted, Ohio 44070 or by calling (440)716-4168.

COMMUNITY PROFILE

North Olmsted was once a part of the Connecticut Western Reserve, claimed by the state of Connecticut. Investors bought land from the state, sight unseen, and went west to divide it up and sell it to settlers. Aaron Olmstead was one of the early landowners, but he never lived here. His son, Charles Olmstead, owned much of the land along Butternut Ridge and sold plots to the pioneer settlers beginning in 1815. In 1820 Charles Olmstead offered his father's library of 500 books to the community, then called Lenox, if they would change the name to Olmstead. They agreed, and the books, brought by oxcart from Connecticut, were used as a circulating library. The remaining 153 books are on display in the City's library. Over the course of the years, the "a" was omitted and the city became known as "North Olmsted."

In 1908 the residents voted to incorporate becoming a village. In 1951 North Olmsted became a city because it had a population of over 5,000 people. The rapid growth was attributed to returning World War II veterans looking to provide a suburban living for their families. At one time the City was considered the fastest growing city in Ohio because it more than doubled in size from 1950 to 1960 and doubled again in 1970. Since the 1970 census, the population of North Olmsted has stayed relatively constant. The 2000 census was 34,113.

The City is a suburban community located in Cuyahoga County in Northeastern Ohio, approximately 13 miles southwest of the downtown area of the City of Cleveland and approximately 18 miles southeast of the City of Lorain. The City is served by diversified transportation facilities. There is immediate access to three State and U.S. highways and interstate highways I-80 (the Ohio Turnpike) and I-480, with access to interstate highways I-90 and I-71 within five miles of the City. The City is served by Cleveland Hopkins International Airport, located within five miles of the City, and is adjacent to areas served by Conrail and Amtrak railroads.

FORM OF GOVERNMENT

The City of North Olmsted operates under and is governed by its Charter, first adopted by the voters in 1959. The Charter has been and may be amended by the voters from time to time. The City is also subject to some general laws applicable to all cities. Under the Ohio Constitution, the City may exercise all powers of local self-government, and police powers to the extent not in conflict with applicable general laws. The Charter provides for a mayor-council form of government.

Legislative authority is vested in a seven-member Council, of whom three members are at-large and four members are from wards, all elected to four-year terms. The Council sets compensation of City officials and employees, and enacts ordinances and resolutions relating to City services, tax levies, appropriating and borrowing money, licensing and regulating businesses and trades, and other municipal purposes. The presiding officer is the President of Council, elected specifically to that office by the voters for a four-year term. The President of Council has no vote except in the event of a tie. The Charter establishes certain administrative departments and the Council may establish divisions of those departments or additional departments and has exercised that authority.

The City's chief executive and administrative officer is the Mayor, elected by the voters specifically to that office for a four-year term. The other elected City officials are the Director of Finance and the Director of Law, each elected to a four-year term. All elected officials, except the Mayor and Director of Finance, serve part-time.

The Mayor has authority to appoint the directors of Public Safety, Public Service, Human Resources, Personnel and Administrative Services, certain City employees and members of a number of City boards and commissions. The Mayor generally may remove, without the concurrence of Council and in accordance with civil service and collective bargaining agreement requirements, all officers and employees he has appointed, except that heads of departments and divisions created by the Charter may only be removed with the concurrence of two-thirds of the members of Council. The Mayor may not remove officers and employees of Council, or the Finance and Law departments.

The Mayor may veto any legislation passed by Council. A veto may be overridden by a two-thirds vote of all members of Council.

ECONOMIC CONDITION AND OUTLOOK

The City is a suburban residential community and a commercial center for the western portion of Cuyahoga County and adjacent Lorain County. The largest commercial development in the City includes the Great Northern Shopping Center and Mall, a 1.7 million square foot retail complex with approximately 225 stores, professional and medical offices and restaurants; the Great Northern Corporate Center phases I, II and III, a 267,000 square foot executive office complex; and the Great Northern Technology Center, a 144,000 square foot office complex, all located immediately adjacent to an interchange on interstate highway I-480. These properties have been developed in phases over the past 30 years. The businesses located in them now provide employment for approximately 6,500 persons.

Construction of a 219,000 square foot Dillard's Department Store as a fourth "anchor" store to the Great Northern mall began in 2001 with the store opening in February 2003. A 35,000 square foot addition, with a 73,000 square foot renovation of existing mall, will provide a connection to Dillard's and is scheduled for completion in December 2002. Many of the existing smaller retail complexes throughout the City have been renovated for aesthetic reasons as well as for retooling and revitalizing previously vacant retail space. Additionally in 2001 a national grocery chain, Tops Markets, LLC, razed an older vacant retail site and began construction on a 57,300 square foot state-of-the-art market to be completed in June 2002. The previous store is undersized and located in the shopping center region, where additional retail space can now be provided.

In 1992, to promote and encourage industrial and commercial development, the City established a citywide community reinvestment area and actively participated in the designation by the State of an enterprise zone covering approximately one-half of the City. This enterprise zone includes the industrial park, the Great Northern commercial complexes, and most of the undeveloped land in the City.

The City, on numerous occasions, has utilized its authority to offer both, or a combination of, community reinvestment area and enterprise zone tax abatements. Under the community reinvestment area program, the City may approve real property tax abatements of up to 100 percent for 15 years for improvements to commercial and industrial buildings. Improvements to residential property may qualify for tax abatement of up to 100 percent for 10 years. Under the enterprise zone program, the City, with

the approval of the County and the North Olmsted City School District (the School District), can grant real and personal property tax abatements for improvements to nonresidential property within the enterprise zone for a maximum of 100 percent of the value of the improvements and for a maximum period of 10 years. Under certain circumstances, the City has agreed (and is now required to agree) to share with the School District a portion of the payroll and corporate income taxes it receives to compensate the School District for a portion of the property taxes abated.

Limited residential development has continued in the City. A multifamily development is currently in the planning process. Residents of the City were eligible to participate in the Housing Enhancement Loan Program (HELP). This program provides a vehicle by which homeowners with single or multifamily houses valued at less than \$250,000 can borrow at a rate of three percent below their current lending rate to perform internal and external property improvements. Thirty-five homeowners have made improvements adding \$468,343 value to their property in 2001.

Construction was completed in 2001 on a 53,000 square foot 63-unit assisted living facility. Also, a 13,000 square foot day care facility was constructed in early 2001 on the eastern end of town at an abandoned site.

In 2000, the Northern Ohio Golf Association announced plans to locate a new headquarters building and museum in the City. Those plans have been approved by the requisite City boards and commissions, and construction is expected to begin in June 2002. The facility will be located across from the City-owned Springvale Golf Course and Ballroom.

The City's economic condition was stable during the economic downturn of 2001. Both the volume of building permits and the related value of the permits declined in 2001. However, in the first five months of 2002 these have exceeded prior years. Income tax collections increased 2.4 percent in 2001 and have remained at 2001 levels thus far in 2002. Fortunately for the City, its revenue base is strong because of its diversity of sources. Additionally, the City is not dependent on one significant taxpayer. No one taxpayer provided for more than five percent of the total assessed valuation in 2001.

MAJOR ACCOMPLISHMENTS

Governmental Fund Accomplishments

Safety

The Mayor, with the approval of Council, has made a concerted effort in 2001 to appropriate additional funds to improve the efficiency of our safety forces by hiring two additional full time 911 dispatchers, an additional School Resource Officer, and three additional firefighters. This is the first significant increase in manpower since the mid-1990s.

In accordance with policy and past practice, five replacement police cars were purchased for 2001. The funding source was the Hotel/Motel Tax Fund, which is dedicated to the purchase of safety equipment and safety related capital improvements. State-of-the-art firefighter turnout gear, an upgrade in the self-contained breathing apparatus (SCBA) for our firefighters and a fire utility pick-up truck were also purchased from the fund's resources. A new fire pumper truck was financed with these resources over three years. In 2002, resources are allocated to provide for normal police vehicle replacement, additional turnout gear, SCBA planned for replacement and note repayment on the fire pumper truck.

As one of the first fire department's in Cuyahoga County to combine fire fighting with emergency medical services, training is of paramount importance. In 2001 members of the department have developed expertise in the following areas: rope rescue, extrication, swift water rescue and juvenile fire setters. The City's Fire Department worked with University Health Systems Rainbow Babies and Children's Hospital on an educational program involving seat belt safety for elementary school-aged children. The Fire Department hosted over 200 free monthly Cardiac Pulmonary Resuscitation and Automatic External Defibrillator instruction classes for residents and groups requesting the training. The department is also part of a statewide network being trained on response techniques to weapons of mass destruction due to

the terrorist attacks of 2001. The State issued a \$4,185 grant to the department in 2001 for training with additional monies awarded in 2002.

A seven-officer Bicycle Patrol Unit was formed in 2001. This provides a more personal way to patrol bringing officers closer to the residents. Additionally in 2001, a canine unit was formed. The two dogs, Belgium Malinois, are trained in obedience, search, tracking, criminal apprehension and narcotics detection. The dogs and related supplies were purchased with many donations from the community. The police department received a \$64,000 federal bullet proof vest reimbursable grant in 2001 with an additional grant being awarded in 2002. Two traffic enforcement programs continued in 2001. The Safety Traffic Enforcement Program (STEP) was awarded a \$20,000 grant from the State of Ohio in 2001 to focus on traffic issues affecting our community, such as seat belt use. The monies were expended in 2002. The Safe Traffic Oriented Policing (STOP) program was funded from fine money paid by the violator to pay for the officer's overtime and benefits. This was intended to target high accident areas and high traffic complaint areas. These programs provide more officers on the street without using tax dollars. Excess funds can be used for police equipment. In 2001 the STOP fund purchased the bicycles for the newly formed Bicycle Patrol Unit and a speed monitor and trailer to use in neighborhoods. The Community Policing Department introduced two outreach programs in 2001: "Are You OK?" and the Citizen's Police Academy. "Are You OK?" is a computerized program that calls registered senior citizens and disabled persons once a day. If there is no answer after two calls, dispatch is notified and an officer is sent to the home. The Citizens Police Academy was an eight week program which provided interested residents insight into the workings of the police department via lectures and interactive demonstrations.

Service

The Service Department, while providing their normal city services of street and storm ditch maintenance and repair, beautification, snow plowing, grass cutting, cemetery maintenance, equipment maintenance and repair, building maintenance, resident complaint response, etc., continued building gabion-lined storm water channels aimed at eliminating infiltration of storm water into the sanitary sewer system, which optimizes efficiency of water processing, minimizes erosion, and therefore, requires less manpower to maintain clear channels. \$170,000 was expended for the year 2001 funded out of the Sewer Fund with \$110,000 earmarked for the year 2002 to complete the program. Three roads were asphalt overlaid and a portion of the bike path was repaved by in-house staff.

The Engineering Department managed a \$750,000 slab repair program for the year 2001. Council approved \$830,000 for 2002. Slab repair was funded through capital improvement bonds in 2001 and bond anticipation notes in 2002. The City received a CDBG grant in 2001 to clean, repair and reline aged water mains on four streets. The City's share of the \$450,000 project will be nearly \$300,000 which Council authorized the borrowing of in 2002. Also, the City received a \$1,130,000 Issue II grant to widen a busy intersection to improve traffic flow. Land acquisition began in 2001 with construction to be completed by fall of 2002.

The Engineering Department is also coordinating the completion of the Mayor's initiative to provide street lights on all City streets where homeowners desire lighting. Council authorized \$300,000 to install street lighting in 2001. All funds were part of the bonds issued for capital improvements in 2001. The administration expects completion in 2003.

Recreation

Continuing the Mayor and Council's commitment to recreation for the year 2001, Council authorized \$250,000 via capital improvement bonds to improve North Olmsted Park with the renovation of basketball and tennis courts. The improvements will be done in the summer of 2002. The lobby and adjacent space previously rented out at the Recreation complex, was renovated to better utilize space for increased programming. Additionally, a \$30,000 CDBG grant was awarded for 2001 to provide entrance access and restrooms in compliance with the Americans with Disabilities Act. Recreation received a \$9,000 grant for purchasing recycled products such as benches, picnic tables and waste receptacles for use at the skatepark.

Library

The residents of North Olmsted approved a 20 year 1.1 millage property tax levy in November 2000 to construct a new 30,000 square foot public library building that will be owned by the City and leased to the Cuyahoga County Public Library System. The library will be located adjacent to the School District Middle School campus and the City Hall complex. Land acquisition was completed in late 2001. Detailed plans and bidding documents are underway to begin construction in early 2003.

Enterprise Fund Accomplishments

Though the Sanitary Sewer Fund, the North Olmsted Municipal Bus Line and Springvale Golf Course and Ballroom are operated as self-supporting entities, they are an integral part of North Olmsted's city services and accomplishments.

The Sanitary Sewer System and Treatment Plant

The Sanitary Sewer System and Treatment Plant have both seen significant capital improvements, maintenance and repairs as part of an ongoing plan with the goal of eliminating storm water and sanitary sewer flooding in the City and becoming the lowest cost provider of sewer services. In 1996 sewer rates were raised to support a five year plan of stable rates through the year 2000 designed to accomplish the following objectives: meet debt service requirements; eliminate the January 1, 1995 cash deficit by January 1, 1997; and have adequate cash flow for operations, maintenance, and repair. With both capital and operational improvements made, the available funds at the current rate should allow operation of the system and plant through 2004 and possibly beyond. In 1996 the City was in the 90th percentile of sewer rates according to the Ohio Municipal League Water and Sewer Comparative Rate Survey. In 1999 that same study ranked the City's sewer rates in the 50th percentile.

A pilot test for the high speed, high solids, solid bowl dewatering centrifuge system was performed and was greatly successful; consequently, the equipment was purchased in early 2001. This technology replaced a high cost, sludge processing system. This has not only enabled 100 percent compliance under our current National Pollutant Discharge Elimination System permit, but also has reduced odors significantly for our area residents and allows the City to comply with new Ohio Environmental Protection Agency (EPA) sewage sludge rules. In 2002 the City purchased a spare rotating assembly for the centrifuge to be able to recondition the main component regularly. In 2001 a sludge composting pilot program began in partnership with another community and was authorized by the EPA. This pilot program was extended to 2002. Preliminary data shows this to be cost effective for both communities.

The City has settled with the EPA and was released from the 1995 U.S. EPA/State/City consent decree in May 2002. This culminates an effort that began in early 2000 and is a significant accomplishment since it is unusual for municipalities to be released from a Clean Water Act consent decree. This settlement reduced the \$328,250 in stipulated fines and penalties to \$75,000, along with the \$64,000 in outside legal expenses incurred to litigate this settlement and release.

North Olmsted Municipal Bus Line (NOMBL)

The North Olmsted Municipal Bus Line (NOMBL) is leased by the Regional Transit Authority (RTA) to provide local bus service for surrounding communities. This agreement is valid for another three years. This ensures NOMBL's continued success as a cost-effective provider of this important service.

RTA with support of the Mayor and City Council purchased land to build a large park and ride facility near the entrance ramp to Interstate 480 as the present lease with Great Northern Properties will expire in October 2002. The ground breaking was celebrated along with NOMBL's 70th anniversary in March 2001. This new site will make it convenient for more riders to utilize the express highway routes for their daily needs.

Springvale Golf Course and Ballroom

In 2001 Council authorized a \$2.4 million dollar bond issue for Springvale Golf Course and Ballroom, which repayment will be made through user charges. This is a comprehensive capital commitment necessary to the revitalization of Springvale to enable it to compete effectively in its market.

The majority of the funds were targeted to the golf course including a fully automated irrigation system, drainage system, renovation of various golf course features including tees, greens, fairways, water hazards, cart paths, and a new clubhouse. The golf course closed in October 2001 and is targeted, after a wet spring, to re-open in August 2002. For the historic ballroom, a new roof was completed in 2001. Modest renovation of the kitchen is under way with completion in the summer of 2002.

FINANCIAL INFORMATION

Internal Control

Management of the City is responsible for establishing and maintaining an internal control structure designed to ensure the assets of the government are protected from loss, theft or misuse and adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is 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 by management.

All internal controls are designed within the above framework. Accordingly, we believe the City's system of internal controls is adequate to safeguard assets and provide reasonable assurance of proper recording of transactions.

The Accounting System

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

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

Generally accepted accounting principles determine the type of funds used. Prudent financial administration determines the number of individual funds established.

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

A more detailed explanation of the basis of accounting for the various funds is included in the Notes to the General Purpose Financial Statements located in the Financial Section of this report.

Budgetary System

A temporary appropriation resolution to control expenditures may be passed on or around January 1 of each year for the period January 1 to March 31. An annual appropriation measure must be passed by April 1 of each year for the period January 1 to December 31. Appropriations by fund must be within the estimated resources as certified by the County Budget Commission, and the total of expenditures and encumbrances may not exceed the appropriations at any level of control. Any revisions that alter the appropriations at the legal level of budgetary control must first be approved by City Council. Council may

pass supplemental fund appropriations so long as the total appropriations by fund does not exceed the amounts set forth in the most recent Certificate of Estimated Resources.

The City maintains budgetary control on a cash basis by department for salaries, other expenditures and debt service. Estimated expenditure amounts must be encumbered prior to the release of purchase orders to vendors or finalization of other contracts. Encumbrances that would exceed the available appropriation level are identified on an ongoing basis and are not approved or recorded until City Council authorizes additional appropriations or transfers. Unencumbered appropriations lapse at the end of each calendar year.

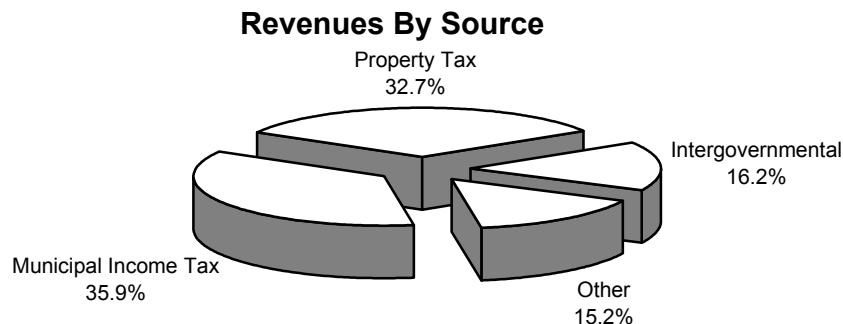
Formal budgetary integration is employed as a management control device during the year for all funds consistent with statutory provisions. Appropriation amounts are as originally adopted, or as amended by City Council throughout the year by supplemental appropriations, which either reallocate or increase the original appropriated amounts. During the year, supplemental appropriation measures were legally enacted; however, none of these amendments were significant. The budgetary figures, which appear in the statement of budgetary comparisons, represent the final appropriation amounts, including all amendments and modifications.

General Government Functions

Revenues

The following schedule represents a summary of revenues for the governmental fund types, which include general, special revenue, debt service and capital project funds for the year ended December 31, 2001 and comparisons to 2000. Revenues for these governmental fund type operations amounted to \$30,969,715 for 2001.

	<u>2001</u>	<u>Percent of Total</u>	<u>2000</u>	<u>Percent of Total</u>	<u>Percent of Increase (Decrease)</u>	<u>Amount of Increase (Decrease)</u>
Municipal Income Tax	\$11,121,341	35.9%	\$10,858,123	36.8%	2.42%	\$ 263,218
Property and Other Taxes	10,114,983	32.7%	8,607,246	29.2%	17.52%	1,507,737
Charges for Services	2,075,553	6.7%	2,110,397	7.2%	(1.65%)	(34,844)
Licenses and Permits	737,875	2.4%	668,900	2.3%	10.31%	68,975
Fines and Forfeitures	557,799	1.8%	417,260	1.4%	33.68%	140,539
Intergovernmental	5,003,181	16.2%	5,439,266	18.4%	(8.02%)	(436,085)
Special Assessments	102,808	0.3%	91,734	0.3%	12.07%	11,074
Investment Income	937,639	3.0%	684,382	2.3%	37.01%	253,257
Other	318,536	1.0%	611,619	2.1%	(47.92%)	(293,083)
Total	<u>\$30,969,715</u>	100.0%	<u>\$29,488,927</u>	100.0%	5.02%	<u>\$1,480,788</u>



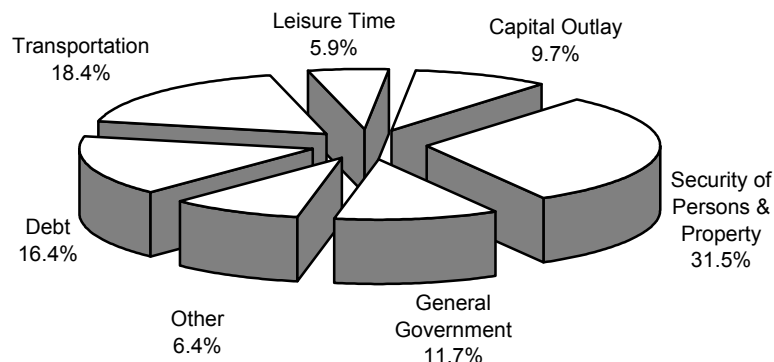
- Property taxes increased by 17 percent due to the sexennial reappraisal in 2000 for collection year 2001.
- A reduction in Intergovernmental revenues reflects lower Issue II grant payments in 2001 than in 2000 as the project was completed in early 2001.
- Investment Income increased in 2001 due to increased monies available to invest primarily from the Library Construction Fund.
- A reduction of \$293,000 in 2001 from Other Resources represents a decrease in the amount the Bureau of Workers Compensation refunded premiums in 2001 compared to 2000.

Expenditures

The following schedule represents a summary of all governmental expenditures of general, special revenue, debt service and capital project funds for the year ended December 31, 2001 and comparisons to 2000. Expenditures for these fund operations amounted to \$35,125,182 for 2001.

	<u>2001</u>	<u>Percent To Total</u>	<u>2000</u>	<u>Percent to Total</u>	<u>Amount of Increase (Decrease)</u>	<u>Percent of Increase (Decrease)</u>
Current:						
General Government	\$ 4,100,839	11.7%	\$ 4,991,317	16.5%	\$(890,478)	(17.84%)
Security of Persons and Property	11,046,278	31.5%	9,776,330	32.4%	1,269,948	12.99%
Public Health and Welfare	471,538	1.3%	103,558	0.3%	367,980	355.34%
Transportation	6,473,806	18.4%	5,970,202	19.8%	503,604	8.44%
Community Environment						
Basic Utility Services	1,603,503	4.6%	1,591,668	5.3%	11,835	0.74%
Leisure Time Activities	2,087,516	5.9%	2,063,492	6.8%	24,024	1.16%
Economic Development and Assistance	180,354	0.5%	100,606	0.3%	79,748	79.27%
Other	-	0.0%	3,256	0.0%	(3,256)	(100.00%)
Capital Outlay	3,421,177	9.7%	1,064,788	3.5%	2,356,389	221.30%
Debt Service:						
Principal Retirement	2,982,456	8.5%	2,219,605	7.3%	762,851	34.37%
Interest and Fiscal Charges	2,757,715	7.9%	2,317,332	7.7%	440,383	19.00%
Total	\$35,125,182	100.0%	\$30,202,154	100.0%	4,923,028	16.30%

Expenditures By Function



- General Government expenditures declined by the proper allocation of Division of Aging, Senior Center activities to Public, Health and Welfare in 2001.
- Security of Persons and Property expenditures increased in 2001 due to the additional positions of one police officer, three firefighters and two dispatchers; new union contract benefits being paid; and, having twelve months of special enforcement duty.
- Public, Health and Welfare increased by the proper allocation of Division of Aging, Senior Center activities from General Government in 2001.
- Transportation increased primarily from an increase in capital outlay for street maintenance and replacement.
- Debt Service principal reduction requirements increased over 2001. Interest charges also increased in 2001 due to debt service requirements that did not exist in the prior year.

Enterprise Funds

Enterprise funds are used to finance and account for the acquisition, operation and maintenance of City facilities and services which are intended to be self supporting primarily through user charges and operate similar to a private business enterprise. The City operates the Sewer Revenue Fund, North Olmsted Municipal Bus Line Fund and the Springvale Golf Course and Ballroom Fund as enterprise funds.

Total 2001 operating revenues for all enterprise funds were \$12,113,413 while operating expenses totaled \$11,501,573, resulting in an operating income of \$611,840. After consideration of all non-operating expenses and operating transfers for debt service requirements, the net loss for 2001 was \$433,540. The 2001 net loss was primarily attributable to higher interest and fiscal charges.

Internal Service Funds

Internal Service Funds are established to account for the financing of goods or services provided by one department of the City to other departments on a cost reimbursement basis. The City maintains a self-insurance fund for employee health benefits with excess insurance coverage for claims over a specified amount.

Debt Administration

The Debt Service fund type accounts for the accumulation of resources for the payment of general long-term obligations. Revenue sources for these funds include receipts from property taxes and transfers from other funds consisting of income taxes, hotel/motel taxes, sewer user charges and golf user charges.

In January 2001, \$8,000,000 in Bond Anticipation Notes (BANs) were issued for the remaining authorized library improvements. In May 2001, the City issued \$10,750,000 unlimited tax bonds retiring the library notes. Additionally, bonds were authorized for \$2,305,000 in capital improvements, \$2,500,000 self-supporting general obligation bonds for Springvale and \$7,625,000 to refund a portion of the 1992 outstanding bonds to obtain a lower rate of interest. In fall 2001 a \$300,000 fire pumper truck BAN was issued and is expected to be repaid from hotel/motel tax funds over three years.

The Mayor and his administration prioritize capital projects for which borrowings are required. City Council approves such borrowings for these purposes. For the last three years, both the Administration and Council have been committed to borrowing for the prioritized list of current capital needs at an amount less than the City is retiring each year in general obligation debt so that each year the City's total general obligation debt is declining. This is a general policy with the Mayor and City Council's consideration of the impact of voted tax issues and self-supporting enterprise fund debt that occurred in 2001.

The City of North Olmsted currently holds an A2 rating from Moody's Investor Service Inc. and an A+ rating from Fitch IBCA, both received in August 2000 and affirmed in March 2001.

Cash Management

All City cash is pooled for investment purposes in order to maximize yield while protecting principal through conservative investment choices. The City's investment policy designates what type of investments can be made and only permits investments that are in compliance with the Ohio Revised Code. Protection of the City's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, by surety company bonds deposited with the treasurer by the financial institution or by a single collateral pool established by the financial institution to secure the repayment of all public monies deposited with the institution.

The City plans for short and long term cash flow needs and attempts to match investment maturities accordingly. This is accomplished primarily with certificates of deposits, repurchase agreements, government securities, agency securities, mutual fund and sweep checking accounts.

Risk Management

The City is exposed to various risks of loss related to torts; theft, damage to or destruction of assets; errors and omissions; employee injuries; and natural disasters. By maintaining comprehensive insurance coverage with private carriers, the City has addressed these various types of risk.

The City provides health, dental and vision insurance to its employees through a self-insurance plan. The City funds the insurance plan by contributing the expected cost for single and family coverage out of the fund from which the employee's compensation is paid. Employees contribute a portion of this expected cost on a pre-tax basis through payroll withholding. Resources are accumulated in the internal service fund to meet current and future claims. The City has reinsurance for claims in excess of \$50,000 per individual and \$2,463,660 in the aggregate for plan year 2001. Claims in excess of this aggregate are insured by private carriers. The City expects to assume no additional risks in the near future. The City contracts with a third party administrator to process the claims in accordance with the plan. The City also offers a Health Maintenance Organization (HMO) which the City pays a premium per month with no additional assumption of risk.

OTHER INFORMATION

Independent Audit

Included in this report is an unqualified audit opinion regarding the City's financial statements for the year ended December 31, 2001. This year's audit was completed by Costin + Company, a private independent public accounting firm.

GFOA Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of North Olmsted for its comprehensive annual financial report for the fiscal year ended December 31, 2000. This was the second year that the city has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

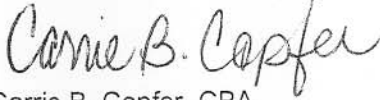
A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgments

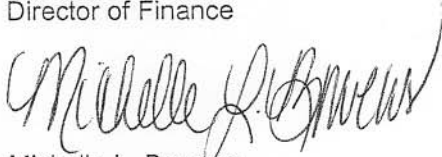
The 2001 Comprehensive Annual Financial Report was prepared by the Finance Department with cooperation from all city departments. We would also like to express our appreciation to Costin + Company, CPAs for their guidance in the preparation of this report.

We would like to thank the Mayor and members of City Council for supporting the preparation of this report, which expresses their commitment to financial integrity. In closing, we would like to thank the residents and taxpayers of the City of North Olmsted for entrusting us with the fiscal administration of their local government.

Respectfully submitted,



Carrie B. Copfer, CPA
Director of Finance



Michelle L. Bowens
Assistant Director of Finance

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of North Olmsted,
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.

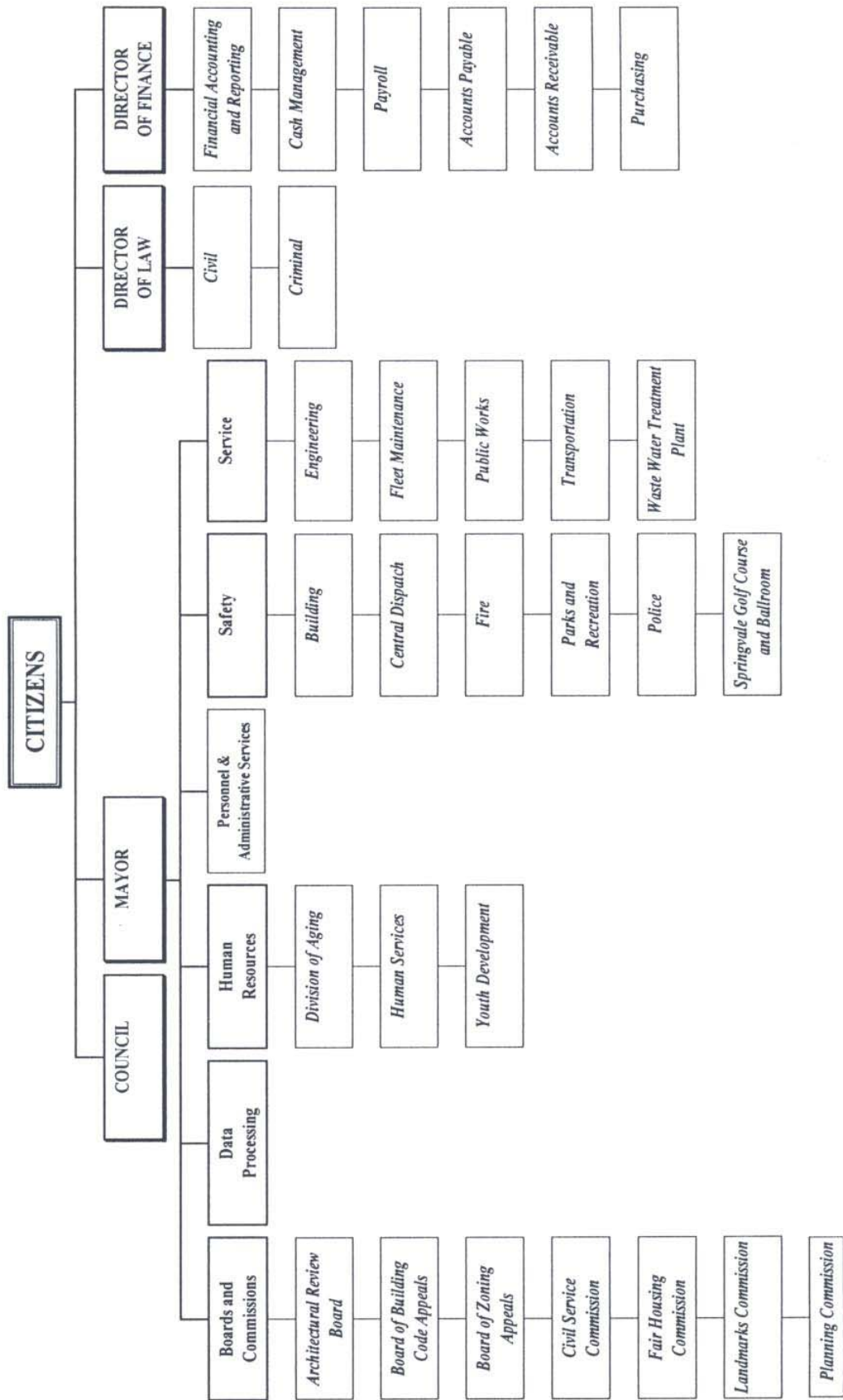


Imelda Aruete
President

Jeffrey L. Esser
Executive Director

CITY OF NORTH OLMSTED

Organizational Chart as of December 31, 2001



CITY OF NORTH OLMSTED

**PRINCIPAL CITY OFFICIALS
December 31, 2001**

Elected Officials

Norman T. MusialMayor
Michael R. Gareau Director of Law
Carrie B. Copfer Director of Finance
Janet A. Saringer President of Council
Duane K. Limpert Council Ward 1
John Dailey..... Council Ward 2
George M. Nashar..... Council Ward 3
Farrell Dean McKay Council Ward 4
Carolyn Kasler..... Council-At-Large
Paul D. Miller..... Council-At-Large
Thomas E. O'Grady Council-At-Large

Appointed Officials

Ralph Bohlmann..... Director of Public Service
Don Copeland Director of Human Resources
Thomas W. Jenkins..... Director of Public Safety
Janice Popa Director of Personnel and Administrative Services



COSTIN + COMPANY

Certified Public Accountants

35945 Center Ridge Road

North Ridgeville, OH 44039

INDEPENDENT AUDITOR'S REPORT

To the City Council
City of North Olmsted, Ohio

We have audited the accompanying general purpose financial statements of the City of North Olmsted, 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 general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

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

As stated in Note 4 to the general purpose financial statements, the City restated Enterprise Fund retained earnings and investment in General Fixed Assets during 2001.

In accordance with Government Auditing Standards, we have also issued our report dated June 14, 2002, on our consideration of the City of North Olmsted, Ohio's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

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

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

North Ridgeville, Ohio
June 14, 2002

CITY OF NORTH OLMSTED, OHIO
 COMBINED BALANCE SHEET -
 ALL FUND TYPES, ACCOUNT GROUPS, AND DISCRETELY PRESENTED COMPONENT UNIT
 DECEMBER 31, 2001

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
<u>Assets and other debits</u>				
<u>Assets</u>				
Equity in pooled cash and equivalents	\$ 1,367,452	\$ 2,732,067	\$ 1,876,156	\$ 8,533,601
Other funds on deposit	-	-	-	-
Receivables				
Taxes	7,826,618	2,462,115	3,650,600	-
Accounts	78,726	58,914	-	-
Due from other funds	98,010	231	-	-
Intergovernmental	1,033,257	607,562	217,900	-
Materials and supplies	250,482	48,524	-	-
Fixed assets	-	-	-	-
Accumulated depreciation	-	-	-	-
<u>Other debits</u>				
Amount available in debt service funds for retirement of general obligation bonds	-	-	-	-
Amount to be provided from general government resources	-	-	-	-
Amount to be provided from special assessments	-	-	-	-
Total assets and other debits	<u>\$ 10,654,545</u>	<u>\$ 5,909,413</u>	<u>\$ 5,744,656</u>	<u>\$ 8,533,601</u>
<u>Liabilities, fund equity and other credits</u>				
<u>Liabilities</u>				
Accounts payable	\$ 102,166	\$ 264,271	\$ -	\$ 6,850
Accrued wages and benefits	398,490	22,553	-	-
Compensated absences payable	151,158	6,026	-	-
Due to other funds	-	231	-	-
Retainage payable	-	75,413	-	-
Intergovernmental payable	54,076	32,680	-	-
Deferred revenue	7,551,689	2,418,344	3,868,500	-
Accrued interest payable	-	563	27,669	-
Notes payable	-	300,000	-	-
Claims and judgments payable	-	-	-	-
Refundable deposits	-	-	-	-
OPWC loans payable	-	-	-	-
Police/Fire past service cost	-	-	-	-
OWDA loans payable	-	-	-	-
Bonds payable				
General obligation	-	-	-	-
Special assessment	-	-	-	-
Total liabilities	<u>8,257,579</u>	<u>3,120,081</u>	<u>3,896,169</u>	<u>6,850</u>
<u>Fund equity and other credits</u>				
Investment in general fixed assets	-	-	-	-
Contributed capital	-	-	-	-
Retained earnings				
Unreserved	-	-	-	-
Fund balances				
Reserved for encumbrances	67,220	921,645	-	48,881
Reserved for inventories	250,482	48,524	-	-
Reserved for debt service	-	-	1,848,487	-
Reserved for budget stabilization	200,000	-	-	-
Unreserved	1,879,264	1,819,163	-	8,477,870
Total fund equity and other credits	<u>2,396,966</u>	<u>2,789,332</u>	<u>1,848,487</u>	<u>8,526,751</u>
Total liabilities, fund equity and other credits	<u>\$ 10,654,545</u>	<u>\$ 5,909,413</u>	<u>\$ 5,744,656</u>	<u>\$ 8,533,601</u>

The accompanying notes are an integral part of these financial statements.

Proprietary Fund Types		Fiduciary Fund Type	Account Groups		Totals Primary Government (Memorandum Only)	North Olmsted Commission on Paratransit, Inc.	Totals Reporting Entity (Memorandum Only)
Enterprise	Internal Service	Agency	General Fixed Assets	General Long-Term Debt			
\$ 2,827,969	\$ 680,809	\$ -	\$ -	\$ -	\$ 18,018,054	\$ 38,132	\$ 18,056,186
-	-	229,011	-	-	229,011	-	229,011
-	-	-	-	-	13,939,333	-	13,939,333
340	-	7,620	-	-	145,600	14,896	160,496
-	-	-	-	-	98,241	-	98,241
1,955,684	-	-	-	-	3,814,403	-	3,814,403
77,923	-	-	-	-	376,929	-	376,929
60,637,673	-	-	29,272,751	-	89,910,424	-	89,910,424
(29,339,079)	-	-	(15,042,150)	-	(44,381,229)	-	(44,381,229)
-	-	-	-	1,876,156	1,876,156	-	1,876,156
-	-	-	-	53,393,755	53,393,755	-	53,393,755
-	-	-	-	620,000	620,000	-	620,000
<u>\$ 36,160,510</u>	<u>\$ 680,809</u>	<u>\$ 236,631</u>	<u>\$ 14,230,601</u>	<u>\$ 55,889,911</u>	<u>\$ 138,040,677</u>	<u>\$ 53,028</u>	<u>\$ 138,093,705</u>
\$ 107,762	\$ 36,791	\$ -	\$ -	\$ -	\$ 517,840	\$ 5,596	\$ 523,436
173,657	-	-	-	-	594,700	5,883	600,583
1,028,511	-	-	-	3,200,283	4,385,978	-	4,385,978
98,010	-	-	-	-	98,241	-	98,241
45,328	-	-	-	-	120,741	-	120,741
272,312	-	-	-	696,306	1,055,374	-	1,055,374
-	-	-	-	-	13,838,533	-	13,838,533
86,237	-	-	-	-	114,469	-	114,469
-	-	-	-	-	300,000	-	300,000
75,000	255,891	-	-	-	330,891	-	330,891
-	-	236,631	-	-	236,631	-	236,631
-	-	-	-	1,988,016	1,988,016	-	1,988,016
-	-	-	-	116,421	116,421	-	116,421
-	-	-	-	1,224,985	1,224,985	-	1,224,985
21,186,100	-	-	-	48,043,900	69,230,000	-	69,230,000
-	-	-	-	620,000	620,000	-	620,000
<u>23,072,917</u>	<u>292,682</u>	<u>236,631</u>	<u>-</u>	<u>55,889,911</u>	<u>94,772,820</u>	<u>11,479</u>	<u>94,784,299</u>
-	-	-	14,230,601	-	14,230,601	-	14,230,601
9,946,047	-	-	-	-	9,946,047	-	9,946,047
3,141,546	388,127	-	-	-	3,529,673	-	3,529,673
-	-	-	-	-	1,037,746	-	1,037,746
-	-	-	-	-	299,006	-	299,006
-	-	-	-	-	1,848,487	-	1,848,487
-	-	-	-	-	200,000	-	200,000
-	-	-	-	-	12,176,297	41,549	12,217,846
<u>13,087,593</u>	<u>388,127</u>	<u>-</u>	<u>14,230,601</u>	<u>-</u>	<u>43,267,857</u>	<u>41,549</u>	<u>43,309,406</u>
<u>\$ 36,160,510</u>	<u>\$ 680,809</u>	<u>\$ 236,631</u>	<u>\$ 14,230,601</u>	<u>\$ 55,889,911</u>	<u>\$ 138,040,677</u>	<u>\$ 53,028</u>	<u>\$ 138,093,705</u>

CITY OF NORTH OLMSTED, OHIO
 COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
 ALL GOVERNMENTAL FUND TYPES AND DISCRETELY PRESENTED COMPONENT UNIT
 FOR THE YEAR ENDED DECEMBER 31, 2001

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
Revenues				
Municipal income tax	\$ 7,784,939	\$ 3,336,402	\$ -	\$ -
Property and other taxes	5,024,405	1,573,495	3,517,083	-
Charges for services	688,609	1,386,944	-	-
Licenses and permits	737,875	-	-	-
Fines and forfeitures	155,224	402,575	-	-
Intergovernmental	2,884,525	1,408,186	489,028	221,442
Special assessments	-	102,808	-	-
Investment income	421,022	1,281	163,552	351,784
Other	96,906	211,180	-	10,450
Total revenues	<u>17,793,505</u>	<u>8,422,871</u>	<u>4,169,663</u>	<u>583,676</u>
Expenditures				
Current				
General government	3,819,698	281,141	-	-
Security of persons and property	9,911,398	1,134,880	-	-
Public health and welfare	471,538	-	-	-
Transportation	3,641,802	2,832,004	-	-
Basic utility services	-	1,603,503	-	-
Leisure time activities	-	2,087,516	-	-
Economic development and assistance	-	180,354	-	-
Capital outlay	-	-	-	3,421,177
Debt service				
Principal retirement	-	50,000	2,932,456	-
Interest and fiscal charges	-	93,852	2,436,031	227,832
Total expenditures	<u>17,844,436</u>	<u>8,263,250</u>	<u>5,368,487</u>	<u>3,649,009</u>
Excess (deficiency) of revenues over expenditures	<u>(50,931)</u>	<u>159,621</u>	<u>(1,198,824)</u>	<u>(3,065,333)</u>
Other financing sources (uses)				
Bond proceeds	-	2,053,722	-	11,114,902
Sale of fixed assets	12,404	-	-	-
Operating transfers-in	-	197,000	1,696,621	-
Proceeds of refunding bonds	-	-	7,669,402	-
Payment to bond escrow agent	-	-	(7,518,674)	-
Operating transfers-out	(197,000)	(1,696,621)	-	-
Total other financing sources (uses)	<u>(184,596)</u>	<u>554,101</u>	<u>1,847,349</u>	<u>11,114,902</u>
Excess (deficiency) of revenues over expenditures and other sources (uses)	<u>(235,527)</u>	<u>713,722</u>	<u>648,525</u>	<u>8,049,569</u>
Fund balances, beginning of year	2,639,604	2,078,145	1,199,962	477,182
Decrease in reserve for inventories	(7,111)	(2,535)	-	-
Fund balances, end of year	<u>\$ 2,396,966</u>	<u>\$ 2,789,332</u>	<u>\$ 1,848,487</u>	<u>\$ 8,526,751</u>

The accompanying notes are an integral part of these financial statements.

Totals Primary Government (Memorandum Only)		North Olmsted Commission on Paratransit, Inc.	Totals Reporting Entity (Memorandum Only)		
\$	11,121,341	\$	-	\$	11,121,341
	10,114,983		-		10,114,983
	2,075,553	225,427			2,300,980
	737,875		-		737,875
	557,799		-		557,799
	5,003,181		-		5,003,181
	102,808		-		102,808
	937,639		-		937,639
	318,536		-		318,536
	<u>30,969,715</u>	<u>225,427</u>			<u>31,195,142</u>
	4,100,839		-		4,100,839
	11,046,278		-		11,046,278
	471,538		-		471,538
	6,473,806	215,219			6,689,025
	1,603,503		-		1,603,503
	2,087,516		-		2,087,516
	180,354		-		180,354
	3,421,177		-		3,421,177
	2,982,456		-		2,982,456
	2,757,715		-		2,757,715
	<u>35,125,182</u>	<u>215,219</u>			<u>35,340,401</u>
	<u>(4,155,467)</u>	<u>10,208</u>			<u>(4,145,259)</u>
	13,168,624		-		13,168,624
	12,404		-		12,404
	1,893,621		-		1,893,621
	7,669,402		-		7,669,402
	(7,518,674)		-		(7,518,674)
	(1,893,621)		-		(1,893,621)
	<u>13,331,756</u>	<u>-</u>			<u>13,331,756</u>
	9,176,289	10,208			9,186,497
	6,394,893	31,341			6,426,234
	<u>(9,646)</u>	<u>-</u>			<u>(9,646)</u>
\$	<u>15,561,536</u>	\$	<u>41,549</u>	\$	<u>15,603,085</u>

CITY OF NORTH OLMSTED, 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		Variance Favorable (Unfavorable)
	Budget	Actual	
Revenues			
Municipal income tax	\$ 7,596,529	\$ 7,679,881	\$ 83,352
Property and other taxes	5,025,419	5,024,405	(1,014)
Charges for services	741,516	668,029	(73,487)
Licenses and permits	705,352	678,266	(27,086)
Fines and forfeitures	192,516	155,113	(37,403)
Intergovernmental	2,382,114	2,999,503	617,389
Special assessments	-	-	-
Investment income	400,000	421,022	21,022
Other	209,200	320,140	110,940
Total revenues	<u>17,252,646</u>	<u>17,946,359</u>	<u>693,713</u>
Expenditures			
Current			
General government	4,104,557	3,986,744	117,813
Security of persons and property	10,023,472	9,884,428	139,044
Public health and welfare	453,324	447,419	5,905
Transportation	3,822,670	3,715,198	107,472
Basic utility services	-	-	-
Leisure time activities	-	-	-
Economic development and assistance	-	-	-
Debt service			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
Total expenditures	<u>18,404,023</u>	<u>18,033,789</u>	<u>370,234</u>
Excess (deficiency) of revenues over expenditures	<u>(1,151,377)</u>	<u>(87,430)</u>	<u>1,063,947</u>
Other financing sources (uses)			
Note proceeds	-	-	-
Bond proceeds	-	-	-
Sale of fixed assets	20,000	12,404	(7,596)
Operating transfers-in	-	-	-
Advances in	150,000	150,000	-
Operating transfers-out	(197,000)	(197,000)	-
Advances out	(150,000)	(150,000)	-
Total other financing sources (uses)	<u>(177,000)</u>	<u>(184,596)</u>	<u>(7,596)</u>
Excess (deficiency) of revenues over expenditures and other sources (uses)	<u>(1,328,377)</u>	<u>(272,026)</u>	<u>1,056,351</u>
Prior year encumbrances	339,138	339,138	-
Fund balances, beginning of year	<u>1,198,818</u>	<u>1,198,818</u>	<u>-</u>
Fund balances, end of year	<u>\$ 209,579</u>	<u>\$ 1,265,930</u>	<u>\$ 1,056,351</u>

The accompanying notes are an integral part of these financial statements.

Special Revenue			Debt Service		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$ 3,255,656	\$ 3,291,378	\$ 35,722	\$ -	\$ -	\$ -
1,602,501	1,569,938	(32,563)	3,518,595	3,517,084	(1,511)
1,302,129	1,384,195	82,066	45,000	94,357	49,357
-	-	-	-	-	-
423,000	417,225	(5,775)	-	-	-
1,400,570	1,406,496	5,926	437,632	442,951	5,319
100,250	102,807	2,557	-	-	-
1,300	1,281	(19)	165,000	163,551	(1,449)
180,700	204,437	23,737	-	-	-
<u>8,266,106</u>	<u>8,377,757</u>	<u>111,651</u>	<u>4,166,227</u>	<u>4,217,943</u>	<u>51,716</u>
377,485	289,278	88,207	-	-	-
1,612,287	1,559,675	52,612	-	-	-
100	-	100	-	-	-
3,959,614	3,343,204	616,410	-	-	-
1,609,399	1,603,642	5,757	-	-	-
2,468,714	2,249,362	219,352	-	-	-
201,635	180,336	21,299	-	-	-
50,000	50,000	-	21,943,062	21,900,030	43,032
93,293	93,289	4	3,976,856	3,973,081	3,775
<u>10,372,527</u>	<u>9,368,786</u>	<u>1,003,741</u>	<u>25,919,918</u>	<u>25,873,111</u>	<u>46,807</u>
(2,106,421)	(991,029)	1,115,392	(21,753,691)	(21,655,168)	98,523
300,000	300,000	-	-	-	-
2,060,000	2,053,722	(6,278)	18,623,393	18,561,828	(61,565)
-	-	-	-	-	-
197,000	197,000	-	3,626,204	3,702,939	76,735
150,000	150,000	-	-	-	-
(1,696,621)	(1,696,621)	-	-	-	-
(150,000)	(150,000)	-	-	-	-
<u>860,379</u>	<u>854,101</u>	<u>(6,278)</u>	<u>22,249,597</u>	<u>22,264,767</u>	<u>15,170</u>
(1,246,042)	(136,928)	1,109,114	495,906	609,599	113,693
690,602	690,602	-	-	-	-
1,046,620	1,046,620	-	1,151,682	1,151,682	-
<u>\$ 491,180</u>	<u>\$ 1,600,294</u>	<u>\$ 1,109,114</u>	<u>\$ 1,647,588</u>	<u>\$ 1,761,281</u>	<u>\$ 113,693</u>

(Continued)

CITY OF NORTH OLMSTED, 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

(Concluded)

	Capital Projects		
	Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Municipal income tax	\$ -	\$ -	\$ -
Property and other taxes	-	-	-
Charges for services	-	-	-
Licenses and permits	-	-	-
Fines and forfeitures	-	-	-
Intergovernmental	1,352,661	221,442	(1,131,219)
Special assessments	-	-	-
Investment income	-	351,784	351,784
Other	367	10,450	10,083
Total revenues	<u>1,353,028</u>	<u>583,676</u>	<u>(769,352)</u>
Expenditures			
Current			
General government	1,352,853	221,442	1,131,411
Security of persons and property	23,656	6,591	17,065
Public health and welfare	-	-	-
Transportation	-	-	-
Basic utility services	-	-	-
Leisure time activities	812,823	707,828	104,995
Economic development and assistance	10,750,000	2,615,115	8,134,885
Debt service			
Principal retirement	-	-	-
Interest and fiscal charges	10,000	4,549	5,451
Total expenditures	<u>12,949,332</u>	<u>3,555,525</u>	<u>9,393,807</u>
Excess (deficiency) of revenues over expenditures	<u>(11,596,304)</u>	<u>(2,971,849)</u>	<u>8,624,455</u>
Other financing sources (uses)			
Note proceeds	8,000,000	8,000,000	-
Bond proceeds	255,000	255,382	382
Sale of fixed assets	-	-	-
Operating transfers-in	-	-	-
Advances in	-	-	-
Operating transfers-out	-	-	-
Advances out	-	-	-
Total other financing sources (uses)	<u>8,255,000</u>	<u>8,255,382</u>	<u>382</u>
Excess (deficiency) of revenues over expenditures and other sources (uses)	<u>(3,341,304)</u>	<u>5,283,533</u>	<u>8,624,837</u>
Prior year encumbrances	400,779	400,779	-
Fund balances, beginning of year	<u>2,913,669</u>	<u>2,913,669</u>	<u>-</u>
Fund balances, end of year	<u>\$ (26,856)</u>	<u>\$ 8,597,981</u>	<u>\$ 8,624,837</u>

The accompanying notes are an integral part of these financial statements.

Totals
(Memorandum Only)

Budget	Actual	Variance Favorable (Unfavorable)
\$ 10,852,185	\$ 10,971,259	\$ 119,074
10,146,515	10,111,427	(35,088)
2,088,645	2,146,581	57,936
705,352	678,266	(27,086)
615,516	572,338	(43,178)
5,572,977	5,070,392	(502,585)
100,250	102,807	2,557
566,300	937,638	371,338
390,267	535,027	144,760
<u>31,038,007</u>	<u>31,125,735</u>	<u>87,728</u>
5,834,895	4,497,464	1,337,431
11,659,415	11,450,694	208,721
453,424	447,419	6,005
7,782,284	7,058,402	723,882
1,609,399	1,603,642	5,757
3,281,537	2,957,190	324,347
10,951,635	2,795,451	8,156,184
21,993,062	21,950,030	43,032
4,080,149	4,070,919	9,230
<u>67,645,800</u>	<u>56,831,211</u>	<u>10,814,589</u>
<u>(36,607,793)</u>	<u>(25,705,476)</u>	<u>10,902,317</u>
8,300,000	8,300,000	-
20,938,393	20,870,932	(67,461)
20,000	12,404	(7,596)
3,823,204	3,899,939	76,735
300,000	300,000	-
(1,893,621)	(1,893,621)	-
(300,000)	(300,000)	-
<u>31,187,976</u>	<u>31,189,654</u>	<u>1,678</u>
(5,419,817)	5,484,178	10,903,995
1,430,519	1,430,519	-
<u>6,310,789</u>	<u>6,310,789</u>	<u>-</u>
<u>\$ 2,321,491</u>	<u>\$ 13,225,486</u>	<u>\$ 10,903,995</u>

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CITY OF NORTH OLMSTED, OHIO
 COMBINED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS -
 ALL PROPRIETARY FUND TYPES
 FOR THE YEAR ENDED DECEMBER 31, 2001

	Enterprise	Internal Service	Totals (Memorandum Only)
Operating revenues			
Charges for services	\$ 11,608,936	\$ 2,482,422	\$ 14,091,358
Tap-in fees	322,119	-	322,119
Other	182,358	-	182,358
Total operating revenues	<u>12,113,413</u>	<u>2,482,422</u>	<u>14,595,835</u>
Operating expenses			
Wages	5,090,801	-	5,090,801
Personnel costs	1,576,281	-	1,576,281
Claims and judgments	-	2,261,229	2,261,229
Cost of sales	2,180,437	-	2,180,437
Repairs and maintenance	451,809	-	451,809
Other operating expenses	824,376	20,593	844,969
Depreciation	1,377,869	-	1,377,869
Total operating expenses	<u>11,501,573</u>	<u>2,281,822</u>	<u>13,783,395</u>
Operating income	<u>611,840</u>	<u>200,600</u>	<u>812,440</u>
Nonoperating revenues (expenses)			
Investment income	41,249	-	41,249
Other	263,000	-	263,000
Interest and fiscal charges	(1,349,629)	-	(1,349,629)
Total nonoperating revenues (expenses)	<u>(1,045,380)</u>	<u>-</u>	<u>(1,045,380)</u>
Net income (loss)	(433,540)	200,600	(232,940)
Retained earnings, beginning of year, as restated	<u>3,575,086</u>	<u>187,527</u>	<u>3,762,613</u>
Retained earnings, end of year	<u>\$ 3,141,546</u>	<u>\$ 388,127</u>	<u>\$ 3,529,673</u>

The accompanying notes are an integral part of these financial statements.

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CITY OF NORTH OLMSTED, OHIO
 COMBINED STATEMENT OF CASH FLOWS -
 ALL PROPRIETARY FUND TYPES
 FOR THE YEAR ENDED DECEMBER 31, 2001

	Enterprise	Internal Service	Totals (Memorandum Only)
Cash flows from operating activities:			
Operating income	\$ 611,840	\$ 200,600	\$ 812,440
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	1,377,869	-	1,377,869
Changes in net assets (increase) decrease and liabilities increase (decrease):			
Accounts receivable	(219)	-	(219)
Intergovernmental receivable	(29,701)	-	(29,701)
Materials and supplies	2,574	-	2,574
Accounts and contracts payable	(168,955)	20,593	(148,362)
Accrued salaries and benefits	(13,311)	-	(13,311)
Compensated absences	24,741	-	24,741
Retainage payable	41,266	-	41,266
Intergovernmental payable	51,955	-	51,955
Accrued interest payable	(8,763)	-	(8,763)
Claims and judgements payable	-	(64,635)	(64,635)
Total adjustments	1,277,456	(44,042)	1,233,414
Net cash provided by operating activities	1,889,296	156,558	2,045,854
Cash flows from investing activities:			
Interest income	41,249	-	41,249
Net cash provided by investing activities	41,249	-	41,249
Cash flows from capital and related financing activities:			
Acquisition of fixed assets	(1,488,648)	-	(1,488,648)
Proceeds from bonds payable	2,500,000	-	2,500,000
Principal payment of bonds	(698,900)	-	(698,900)
Interest and fiscal charges	(1,349,629)	-	(1,349,629)
Net cash (used in) capital and related financing activities	(1,037,177)	-	(1,037,177)
Net increase in cash and cash equivalents	893,368	156,558	1,049,926
Equity in pooled cash and equivalents, beginning of year	1,934,601	524,251	2,458,852
Equity in pooled cash and equivalents, end of year	\$ 2,827,969	\$ 680,809	\$ 3,508,778
Non-cash transactions:			
Reduction of claims and judgments payable	\$ 263,000	\$ -	\$ 263,000

The accompanying notes are an integral part of these financial statements.

CITY OF NORTH OLMSTED, OHIO
 COMBINED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) – ALL PROPRIETARY FUND TYPES
 FOR THE YEAR ENDED DECEMBER 31, 2001

	Enterprise		Variance Favorable (Unfavorable)
	Budget	Actual	
Revenues			
Charges for services	\$ 12,401,050	\$ 11,595,522	\$ (805,528)
Tap-in fees	-	322,119	322,119
Other	60,000	165,852	105,852
Total operating revenues	<u>12,461,050</u>	<u>12,083,493</u>	<u>(377,557)</u>
Expenses			
Wages	5,388,986	5,090,801	298,185
Personnel costs	1,707,962	1,585,798	122,164
Claims and judgments	-	-	-
Cost of sales	1,234,483	982,362	252,121
Repairs and maintenance	231,950	207,433	24,517
Other operating expenses	2,717,848	2,497,962	219,886
Capital outlay	2,928,810	2,075,553	853,257
Total operating expenses	<u>14,210,039</u>	<u>12,439,909</u>	<u>1,770,130</u>
Excess (deficiency) of revenues over expenses	<u>(1,748,989)</u>	<u>(356,416)</u>	<u>1,392,573</u>
Other financing sources (uses)			
Interest income	40,500	41,249	749
Bond proceeds	2,500,000	2,489,562	(10,438)
Interest and fiscal charges	(50,000)	(45,773)	4,227
Operating transfers-out	(2,014,318)	(2,006,318)	8,000
Total other financing sources (uses)	<u>476,182</u>	<u>478,720</u>	<u>2,538</u>
Excess (deficiency) of revenues over expenses and other sources (uses)	<u>(1,272,807)</u>	<u>122,304</u>	<u>1,395,111</u>
Prior year encumbrances	407,255	407,255	-
Fund balances, beginning of year	<u>1,527,346</u>	<u>1,527,346</u>	<u>-</u>
Fund balances, end of year	<u>\$ 661,794</u>	<u>\$ 2,056,905</u>	<u>\$ 1,395,111</u>

The accompanying notes are an integral part of these financial statements.

Internal Service			Totals (Memorandum Only)		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$ 2,449,872	\$ 2,482,422	\$ 32,550	\$ 14,850,922	\$ 14,077,944	\$ (772,978)
-	-	-	-	322,119	322,119
-	-	-	60,000	165,852	105,852
<u>2,449,872</u>	<u>2,482,422</u>	<u>32,550</u>	<u>14,910,922</u>	<u>14,565,915</u>	<u>(345,007)</u>
-	-	-	5,388,986	5,090,801	298,185
-	-	-	1,707,962	1,585,798	122,164
2,375,020	2,325,864	49,156	2,375,020	2,325,864	49,156
-	-	-	1,234,483	982,362	252,121
-	-	-	231,950	207,433	24,517
-	-	-	2,717,848	2,497,962	219,886
-	-	-	2,928,810	2,075,553	853,257
<u>2,375,020</u>	<u>2,325,864</u>	<u>49,156</u>	<u>16,585,059</u>	<u>14,765,773</u>	<u>1,819,286</u>
74,852	156,558	81,706	(1,674,137)	(199,858)	1,474,279
-	-	-	40,500	41,249	749
-	-	-	2,500,000	2,489,562	(10,438)
-	-	-	(50,000)	(45,773)	4,227
-	-	-	(2,014,318)	(2,006,318)	8,000
-	-	-	<u>476,182</u>	<u>478,720</u>	<u>2,538</u>
74,852	156,558	81,706	(1,197,955)	278,862	1,476,817
-	-	-	407,255	407,255	-
570,226	570,226	-	2,097,572	2,097,572	-
<u>\$ 645,078</u>	<u>\$ 726,784</u>	<u>\$ 81,706</u>	<u>\$ 1,306,872</u>	<u>\$ 2,783,689</u>	<u>\$ 1,476,817</u>

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CITY OF NORTH OLMSTED, OHIO
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS
DECEMBER 31, 2001

NOTE 1 – REPORTING ENTITY AND BASIS OF PRESENTATION

A. Description of the Entity

The City of North Olmsted, Ohio was chartered in 1959 under the laws of the State of Ohio. The City operates under the Mayor-Council form of government.

For financial reporting purposes, the City's general purpose financial statements include all funds, account groups, agencies, boards, commissions, and departments for which the City is financially accountable. Financial accountability, as defined by the Governmental Accounting Standards Board (GASB) Statement No. 14 "The Financial Reporting Entity", exists if the City appoints a voting majority of an organization's governing board and is either able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or impose specific burdens on the City. The City may also be financially accountable for governmental organizations with a separately elected governing board, a governing board appointed by another government, or a jointly appointed board that is fiscally dependent on the City. The City also considers other organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the City's general purpose financial statements to be misleading or incomplete.

The City provides various services and consists of many different activities and smaller accounting entities. These include police and firefighting forces, a sewage treatment plant, a municipal bus line, a golf course, a street maintenance service, planning and zoning, and a staff to provide necessary support to these service providers. These service departments are included as part of the reporting entity. Furthermore, a discretely presented component unit is reported in a separate column in the combined financial statements to emphasize it is legally separate from the government. The discretely presented component unit has a December 31 year end.

Discretely Presented Component Unit – The North Olmsted Commission On Paratransit, Inc. (N.O.C.O.P.) provides transportation to the residents of the City of North Olmsted, the City of Olmsted Falls and Olmsted Township who are 60 years of age or older or disabled. The Commission was formed in 1992 and is governed by a Board of Trustees, which consists of nine members. The following five members are automatic members of the Board of Trustees: The Mayor of the City of North Olmsted or designee, the Finance Director of the City of North Olmsted or designee, a designee from the Advisory Board for the Department of Human Resources of the City of North Olmsted, a member of the Finance Committee of the North Olmsted City Council as designated by the Chairman of the Committee, and the President of the North Olmsted City Council. The remaining four members of the Board of Trustees are elected by the membership as provided in its by-laws. Fares are collected based on the destination and frequency that the service is used. The three communities also share costs or deficits on a prorated arrangement based on each community's population. The current formula is as follows: the City of North Olmsted contributes 68.9%, the City of Olmsted Falls contributes 10.0%, and Olmsted Township contributes 21.1%. N.O.C.O.P. is presented as a governmental fund type. Complete financial statements for N.O.C.O.P. may be obtained by writing the North Olmsted Commission On Paratransit, Inc., 5200 Dover Center Road, North Olmsted, Ohio 44070.

B. Basis of Presentation – Fund Accounting

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

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

CITY OF NORTH OLMSTED, OHIO
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS
DECEMBER 31, 2001

NOTE 1 – REPORTING ENTITY AND BASIS OF PRESENTATION (continued)

B. Basis of Presentation – Fund Accounting (continued)

Funds are classified into three categories: governmental, proprietary, and fiduciary. Each category is then divided into various fund types. The following are the fund types and account groups utilized by the City:

GOVERNMENTAL FUNDS

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

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

Special Revenue Funds – These funds are used to account for proceeds of specific revenue sources (other than for major capital projects) 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, interest and related costs and special assessment long-term debt principal, interest and related costs.

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

PROPRIETARY FUNDS

Proprietary funds are used to account for the City's ongoing activities similar to those found in the private sector. The following are the City's proprietary fund types:

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

Internal Service Fund – This fund is used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City on a cost-reimbursement basis.

FIDUCIARY FUNDS

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

Agency Fund – This fund is purely custodial (assets equal liabilities) and thus does not involve measurement of results of operations.

CITY OF NORTH OLMSTED, OHIO
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS
DECEMBER 31, 2001

NOTE 1 – REPORTING ENTITY AND BASIS OF PRESENTATION (continued)

B. Basis of Presentation – Fund Accounting (continued)

ACCOUNT GROUPS

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

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

General Long-Term Debt Account Group – The General Long-Term Debt Account Group is used to account for all long-term obligations of the City, except those accounted for in the proprietary funds.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies followed in the preparation of these general purpose financial statements are summarized below. These policies conform to generally accepted accounting principles for local governmental units as prescribed in the statements issued by the Governmental Accounting Standards Board (GASB) and other recognized authoritative sources.

The City applies Financial Accounting Standards Board Statements and Interpretations issued prior to November 30, 1989 to proprietary activity provided they do not conflict with Governmental Accounting Standards Board Statements and Interpretations.

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

A. Measurement Focus and Basis of Accounting

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

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

The modified accrual basis of accounting is followed for governmental and agency funds. Under this basis, revenues are recognized in the accounting period when they become both measurable and available. “Measurable” means the amount of the transaction can be determined. “Available” means collectible within the current year or soon enough thereafter to be used to pay liabilities of the current year. The available period for the City is considered to be 60 days after year end.

In applying the susceptible to accrual concept under the modified accrual basis, the following revenue sources are deemed both measurable and available: earnings on investments, income taxes, federal and state grants, certain entitlements and shared revenues, and charges for current services. Major revenue sources not susceptible to accrual include licenses and permits, and fines and forfeitures, which are not considered measurable until received.

CITY OF NORTH OLMSTED, OHIO
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS
DECEMBER 31, 2001

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

A. Measurement Focus and Basis of Accounting (continued)

The City reports deferred revenue on its Combined Balance Sheet. Deferred revenues arise when a potential revenue does not meet both the measurable and available criteria for recognition in the current period. In subsequent periods, when both revenue recognition criteria are met, the liability for deferred revenue is removed from the Combined Balance Sheet and revenue is recognized. Property taxes available as of December 31, 2001 and delinquent property taxes, whose availability is indeterminable and which are not intended to finance the current year operations, have been recorded as deferred revenue.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than on expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Principal and interest on general long-term obligations are recorded as fund liabilities when due or when amounts have been accumulated in the Debt Service Funds for payments to be made early in the following year. The costs of accumulated unpaid vacation and sick leave are reported as fund liabilities in the period in which they will be liquidated with available financial resources rather than in the period earned by employees. Allocation of costs, such as depreciation and amortization, are not recognized in the governmental funds.

Proprietary funds are reported using the accrual basis of accounting. Revenues are recognized when they are earned and become measurable, and expenses are recognized when they are incurred, if measurable. Unbilled service charge receivables are recognized as revenue at year end.

B. Budgetary Process

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

Tax Budget

A budget of estimated revenue and expenditures is submitted to the County Auditor, as secretary of the County Budget Commission, by July 20 of each year, for the period January 1 to December 31 of the following year. The budget includes proposed expenditures and the means of financing all funds. Public hearings are publicized and conducted to obtain taxpayers' comments. The express purpose of this budget document is to reflect the need for existing (or increased) tax rates.

Estimated Resources

The County Budget Commission reviews estimated revenue and determines if the budget substantiates a need to levy all or part of previously authorized taxes. The Commission certifies its actions to the City by September 1. As part of this certification, the City receives the official Certificate of Estimated Resources, which states the projected revenue of each fund.

CITY OF NORTH OLMSTED, OHIO
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS
DECEMBER 31, 2001

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Budgetary Process (continued)

Prior to December 31, the City must revise its budget so that the total contemplated expenditures from any fund during the ensuing year will not exceed the amount available as stated in the Certificate of Estimated Resources. The revised budget then serves as the basis for the Annual Appropriation Measure. On or about January 1, the Certificate of Estimated Resources is amended to include any unencumbered balances from the preceding year. The Certificate may be amended further during the year if it is determined by the City, and the Budget Commission agrees, that an estimate needs either to be increased or decreased. The amounts reported on the budgetary statement reflect the amounts in the final amended official Certificate of Estimated Resources issued during the year.

Appropriations

A temporary appropriation resolution to control expenditures may be passed on or around January 1 of each year for the period January 1 to March 31. The Annual Appropriation Measure must be passed by April 1 of each year for the period January 1 to December 31. Appropriations by fund must be within the estimated resources as certified by the County Budget Commission, and the total of expenditures and encumbrances may not exceed the appropriations at any level of control. Any revisions that alter the appropriations of the legal level of budgetary control must first be approved by City Council. Council may pass supplemental fund appropriations so long as the total appropriations by fund does not exceed the amounts set forth in the most recent Certificate of Estimated Resources.

Formal budgetary integration is employed as a management control device during the year for all funds consistent with statutory provisions. Appropriation amounts are as originally adopted, or as amended by City Council, throughout the year by supplemental appropriations which either reallocate or increase the original appropriated amounts. During the year, supplemental appropriation measures were legally enacted; however, none of these amendments were significant. The budgetary figures which appear in the statement of budgetary comparisons represents the final appropriation amounts, including all amendments and modifications.

Encumbrances

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

Lapsing of Appropriations

At the close of each year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriations. The encumbered appropriation balance is carried forward to the succeeding year and need not be reappropriated.

CITY OF NORTH OLMSTED, OHIO
 NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS
 DECEMBER 31, 2001

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Cash and Investments

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

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

Following Ohio statutes, the City has, by resolution, specified the funds to receive an allocation of interest earnings. The following funds received more interest earnings during the year than they would have received based on their average share of investments:

	Actual Interest Credited	Amount Assigned From Other City Funds
General	\$ 421,022	\$ 327,258
Debt Service		
General Obligation Bond Retirement	126,504	60,869
	\$ 547,526	\$ 388,127

For purposes of the Combined Statement of Cash Flows and for presentation on the Combined Balance Sheet, investments of the cash management pool and investments with original maturities of three months or less at the time they are purchased by the City are considered to be cash equivalents. Investments with an initial maturity of more than three months are reported as investments.

D. Inventory of Supplies

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

E. Interfund Assets and Liabilities

Amounts owed to a particular fund by another fund in the City for goods or services rendered, and amounts to be distributed by the Agency Fund to other funds of the City, are classified as "Due From Other Funds/Due to Other Funds".

CITY OF NORTH OLMSTED, OHIO
 NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS
 DECEMBER 31, 2001

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

F. Property, Plant, Equipment and Depreciation

1. General Fixed Assets Account Group

General fixed assets are not capitalized in the governmental funds used to acquire or construct them. Instead, capital acquisitions and construction are reflected as expenditures in governmental funds, and the related assets are reported in the General Fixed Assets Account Group at historical cost or estimated historical cost net of depreciation. Depreciation is calculated on a straight-line basis over the estimated life. Estimated useful lives for general fixed assets are the same as proprietary fund fixed assets listed below. Donated fixed assets are recorded at their estimated fair value at the date of donation. Interest incurred during construction is not capitalized on general fixed assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements which extend the useful life or increase the capacity or operating efficiency of the asset are capitalized at cost.

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

2. Proprietary Fund Fixed Assets

Property, plant and equipment reflected in the Enterprise Funds are stated at historical cost or estimated historical cost and are updated for the cost of additions and retirements during the year. Donated fixed assets are recorded at their estimated fair value at the date of donation. Interest incurred during the construction phase is reflected in the capitalized value of the asset constructed, net of interest earned on the invested proceeds in the same period. Depreciation has been provided on a straight-line basis over the following estimated useful lives:

Description	Estimated Lives
Buildings	30 years
Equipment	5 to 10 years
Computers	2 years
Furniture and Fixtures	10 to 15 years
Vehicles	4 to 15 years
Sewer Lines	20 years

3. Valuation

The City's fixed asset values initially were determined using original acquisition costs when such information was available. In cases when original costs were not practicably determinable, estimates were arrived at by indexing estimated current costs back to the estimated year of acquisition. Donated fixed assets are capitalized at estimated fair market value on the date donated.

CITY OF NORTH OLMSTED, OHIO
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS
DECEMBER 31, 2001

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

G. Compensated Absences

Governmental Accounting Standards Board Statement No. 16, "Accounting for Compensated Absences", specifies the methods used to accrue liabilities for leave benefits. Vacation and personal leave benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate employees for the benefits through paid time off or some other means. Sick leave benefits are accrued as a liability using the vesting method. An accrual for sick leave is made to the extent that it is probable that benefits will result in separation payments. The liability is an estimate based on the City's employees' leave balances.

For governmental funds, the current portion of unpaid compensated absences is the amount expected to be paid using expendable available resources. These amounts are recorded in the account "Compensated Absences Payable" in the fund from which the employees who have accumulated unpaid leave are paid. The remainder is recorded in the General Long-Term Debt Account Group. In proprietary funds, the entire amount of compensated absences is reported as a fund liability.

H. Intergovernmental Revenues

For governmental funds, intergovernmental revenues, such as grants awarded on a nonreimbursement basis, shared revenues, and entitlements are recorded as receivables and revenues when measurable and available. Nonreimbursement type grants are recorded as receivables and revenues when measurable and available. Reimbursement-type grants are recorded as receivables and revenues when the related expenditures are incurred. Grants, entitlements, or shared revenues received for proprietary fund operating purposes are recognized as non-operating revenues in the accounting period in which they are earned and become measurable. Such resources restricted for the construction of capital assets are recorded as contributed capital.

I. Long-Term Obligations

In general, governmental fund payables and accrued liabilities are reported as obligations of the funds regardless of whether they will be liquidated with current resources. However, compensated absences and contractually required pension contributions are reported as a liability in the General Long-Term Debt Account Group to the extent that they will not be paid with current expendable available resources. In general, payments made more than sixty days after year end are considered not to have been made with current available financial resources. Bonds, long-term past service costs, special assessment debt and long-term loans are recognized as a liability of the General Long-Term Debt Account Group until due.

Long-term obligations expected to be financed from Proprietary Fund operations are accounted for in those funds.

J. Contributed Capital

Contributed capital represents resources from other funds, other governments and private sources provided to Enterprise Funds that is not subject to repayment. These private sources are recorded at their fair market value on the date contributed. Depreciation on those assets acquired or constructed with contributed resources is expended and closed to unreserved retained earnings at year end.

CITY OF NORTH OLMSTED, OHIO
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS
DECEMBER 31, 2001

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

K. Reserves of Fund Equity

The City records reservations for portions of fund balances which are legally segregated for specific future use or which do not represent available, spendable resources and, therefore, are not available for appropriations for expenditures. Undesignated fund balance indicates that portion of fund equity which is available for appropriation in future periods. Fund balance reserves have been established for encumbrances, inventory, budget stabilization and debt service principal payments.

L. Interfund Transactions

During the course of normal operations, the City makes numerous transactions between funds. The most significant include operating transfers and reimbursements.

1. Transfers of resources from one fund to another fund through which resources are to be expended are recorded as operating transfers.
2. Reimbursements from one fund to another fund are treated as expenditures/expenses in the reimbursing fund and a reduction in expenditures/expenses in the reimbursed fund except for the Internal Service Fund which treats reimbursements as revenue.

M. Estimates

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

N. Total Columns on General Purpose Financial Statements

Total columns on the general purpose financial statements are captioned “(Memorandum Only)” to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or cash flows in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data. When the title of a statement indicates that a component unit is included, two total columns are presented. The first is captioned “Primary Government” to indicate that only those activities that comprise the City’s legal entity have been included. The second is captioned “Reporting Entity” and includes the activity and operations of the City’s legally separate discretely presented component unit. (See Note 1.) The total column on statements which do not include a component unit have no additional caption.

CITY OF NORTH OLMSTED, OHIO
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS
DECEMBER 31, 2001

NOTE 3 – BUDGETARY BASIS OF ACCOUNTING

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

The Combined Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual (Non-GAAP Budgetary Basis), All Governmental Fund Types and the Combined Statement of Revenues, Expenses and Changes in Fund Equity – Budget and Actual (Non-GAAP Budgetary Basis) – All Proprietary Fund Types are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are that:

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

Adjustments necessary to convert the results of operations at the end of the year on the GAAP basis to the budget basis are as follows:

	Excess (deficiency) of revenues over expenditures and other sources (uses) - reconciliation of budget basis to GAAP basis			
	General Fund	Special Revenue Funds	Debt Service Funds	Capital Projects Funds
GAAP basis, as reported (deficit)	\$ (235,527)	\$ 713,722	\$ 648,525	\$ 8,049,569
Adjustments, increase (decrease)				
Revenue accruals	302,854	409,386	12,947,024	(2,859,520)
Expenditure accruals	(339,353)	(1,260,036)	(12,985,950)	93,484
Budget basis	<u>\$ (272,026)</u>	<u>\$ (136,928)</u>	<u>\$ 609,599</u>	<u>\$ 5,283,533</u>

CITY OF NORTH OLMSTED, OHIO
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS
DECEMBER 31, 2001

NOTE 3 – BUDGETARY BASIS OF ACCOUNTING (continued)

	Excess (deficiency) of revenues over expenditures and other sources (uses) - reconciliation of budget basis to GAAP basis	
	Enterprise Fund	Internal Service Funds
GAAP basis, as reported (deficit)	\$ (433,540)	\$ 200,600
Adjustments, increase (decrease)		
Revenue accruals	2,196,642	-
Expenditure accruals	(1,640,798)	(44,042)
Budget basis	\$ 122,304	\$ 156,558

NOTE 4 – PRIOR PERIOD ADJUSTMENT

Retained earnings in the Enterprise Funds and Investment in General Fixed Assets, as previously reported have been restated. Fixed assets and accumulated depreciation have been adjusted based on information obtained during a physical inventory of the City's fixed assets. Balances as of December 31, 2000 have been restated as follows:

	Balance January 1, as previously reported	Adjustment	Balance January 1, as restated
General Fixed Assets Account Group			
Investment in general fixed assets	\$ 11,161,925	\$ 58,072	\$ 11,219,997
Enterprise Funds, Retained earnings			
NOMBL Fund	\$ 929,020	\$ (33,173)	\$ 895,847
Springvale Golf Course Fund	(113,700)	200,369	86,669
Sewer Revenue Fund	(1,034,754)	3,627,324	2,592,570
Total Enterprise Funds, as restated	\$ (219,434)	\$ 3,794,520	\$ 3,575,086

CITY OF NORTH OLMSTED, OHIO
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS
DECEMBER 31, 2001

NOTE 5 – DEPOSITS AND INVESTMENTS

A. Primary Government

Deposits and investments are restricted by provisions of the Ohio Revised Code. State statutes classify monies held by the City into three categories.

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

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

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

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

Interim monies are permitted to be deposited or invested in the following securities:

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

CITY OF NORTH OLMSTED, OHIO
 NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS
 DECEMBER 31, 2001

NOTE 5 – DEPOSITS AND INVESTMENTS (continued)

A. Primary Government (continued)

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

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

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the City, and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the treasurer or qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

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

Deposits – At year-end, the carrying amount of the City's deposits was \$ 10,084,957 and the bank balance was \$ 10,797,976. Federal depository insurance covered \$ 346,725, of the bank balance. \$ 10,451,251 was uninsured and uncollateralized. Although all state statutory requirements for the deposit of money had been followed, noncompliance with federal requirements could potentially subject the City to a successful claim by the FDIC.

Cash on hand - At December 31, 2001, cash on hand amounted to \$ 4,150.

Investments - The City's investments are required to be categorized to give an indication of the level of custodial credit risk assumed by the City at year end. Category 1 includes investments that are insured or registered or for which the securities are held by the City or its agent in the City's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the counterparty's trust department or agent in the City's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty, or by its trust department or agent but not in the City's name.

At year end, the City's investment balances were as follows:

Category	Category		Category	Fair Value
	1	2	3	
Repurchase Agreements	\$ -	\$ -	\$ 4,794,011	\$ 4,794,011
Investments not subject to categorization:				
Mutual Funds				3,363,947
Total investments				<u>\$ 8,157,958</u>

CITY OF NORTH OLMSTED, OHIO
 NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS
 DECEMBER 31, 2001

NOTE 5 – DEPOSITS AND INVESTMENTS (continued)

A. Primary Government (continued)

The classification of cash and cash equivalents and investments on the combined financial statements is based on criteria set forth in GASB Statement No. 9, "Reporting Cash Flows of Proprietary and Non-Expendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting". A reconciliation between the classifications of cash and investments on the combined financial statements and the classifications of deposits and investments presented above per GASB Statement No. 3 is as follows:

	Cash and Cash Equivalents / Deposits	Investments
GASB Statement No. 9	\$ 18,247,065	\$ -
Investments of Cash Management Pool:		
Repurchase Agreements	(4,794,011)	4,794,011
Mutual Funds	(3,363,947)	3,363,947
GASB Statement No. 3	\$ 10,089,107	\$ 8,157,958

B. Component Unit

At year end, that carrying amount of N.O.C.O.P.'s deposits was \$ 38,132 and the bank balance was \$ 38,587. Federal depository insurance covered all of the bank balance. There are no statutory guidelines regarding the deposit and investment of funds by the not-for-profit corporation.

NOTE 6 – PROPERTY TAXES

Property taxes include amounts levied against all real, public utility and tangible personal property located in the City. Taxes collected on real property (other than public utility) in one calendar year are levied 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 percent of appraised market value.

All property is required to be revalued every six years. The last revaluation was completed in 2000. Real property taxes are payable annually or semiannually. If paid annually, payment is due January 20; if paid semiannually, the first payment is due January 20, with the remainder payable June 20, unless extended.

Taxes collected from tangible personal property (other than public utility) in one calendar year are levied in the prior calendar year on assessed values during and at the close of the most recent fiscal year of the taxpayer that ended on or before March 31 of that calendar year, and at the tax rates determined in the preceding year. Tangible personal property used in business (except for public utilities) is currently assessed for ad valorem taxation purposes at 25 percent of its true value. Amounts paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semiannually. If paid annually, payment is due April 30; if paid semiannually, the first payment is due April 30, with the remainder payable by September 20.

Public utility, real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31, of the year preceding the tax collection year, the lien date. Certain public utility tangible personal property is currently assessed at 80 percent of its true value. Public utility property taxes are payable on the same dates as real property taxes described previously.

The County Treasurer collects property tax on behalf of all districts within the County. The County Auditor periodically remits to the taxing districts their portions of the taxes collected.

CITY OF NORTH OLMSTED, OHIO
 NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS
 DECEMBER 31, 2001

NOTE 6 – PROPERTY TAXES (continued)

Accrued property taxes receivable represent delinquent taxes outstanding and real, tangible personal and public utility taxes which were measurable as of December 31, 2001. Although total property tax collections for the next year are measurable, amounts to be received during the available period are not subject to reasonable estimation at December 31, 2001, and are not intended to finance 2001 operations. The receivable is therefore offset by a credit to deferred revenue.

The full tax rate for all City operations for the year ended December 31, 2001, was 13.70 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2001 property tax receipts were based are as follows:

Category	Total Assessed Value	Percent
Real Property Valuation:		
Residential/Agriculture	\$ 527,449,000	64.75 %
Commercial/Industrial/Mineral	218,012,810	26.76
Tangible Personal Property Valuation:		
General	48,393,017	5.94
Public Utilities	20,789,070	2.55
Total Valuation	<u>\$ 814,643,897</u>	<u>100.00 %</u>

NOTE 7 – INCOME TAX

The City levies and collects an income tax of 2% on all income earned within the City as well as on income of residents earned outside the City. In the latter case, the City allows a credit of 100% of the tax paid to another municipality, not to exceed the amount owed. Employers within the City are required to withhold income tax on employee earnings and remit the tax to the City at least quarterly.

Corporations and other individual taxpayers are also required to pay their estimated taxes at least quarterly and to file a return annually.

Income tax revenues are distributed by a 1991 vote of the people as follows: 70% to the General Fund; 15% for solid waste management, recycling and disposal (Solid Waste Management Fund); and 15% for maintaining and equipping streets, storm water drainage systems and other permanent improvements (including debt charges on obligations issued after 1990 for those purposes).

CITY OF NORTH OLMSTED, OHIO
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS
DECEMBER 31, 2001

NOTE 8 – RECEIVABLES

Receivables at December 31, 2001, consisted of taxes, accounts (which include billed and unbilled charged services), and intergovernmental receivables arising from grants, entitlements, and shared revenues. All receivables are considered collectible in full. Certain delinquent accounts receivable may be certified and collected as a special assessment, subject to foreclosure for nonpayment.

A summary of the items of intergovernmental receivables follows:

	2001
General Fund	\$ 1,033,257
Special Revenue Funds	
CDBG	4,500
Alcohol Education	287
Motor Vehicle License	15,323
Recreation	54,500
State Highway	36,414
Street Maintenance	447,611
Fire Pension	13,600
Stop Program	21,727
Police Pension	13,600
Total Special Revenue Funds	607,562
Debt Service Funds	
G.O. Bond Retirement	136,200
Library Bond Retirement	49,900
Sewer Bond Retirement	31,800
Total Debt Service Funds	217,900
Enterprise	
NOMBL	762,751
Sewer	1,192,933
Total Enterprise Funds	1,955,684
Total due from other governments	\$ 3,814,403

NOTE 9 – SPECIAL ASSESSMENTS

Special assessments include annually assessed service assessments. Service type special assessments are levied against all property owners which benefit from the provided service. Special assessments are payable by the time and in the manner stipulated in the assessing ordinance and are a lien from the date of the passage of the ordinance.

The City's special assessments are billed by the County Auditor and collected by the County Treasurer. The County Auditor periodically remits these collections to the City. Special assessments collected in one calendar year are levied and certified in the preceding calendar year.

CITY OF NORTH OLMSTED, OHIO
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS
DECEMBER 31, 2001

NOTE 10 – FIXED ASSETS

A summary of the changes in general fixed assets during 2001 are as follows:

	Balance January 1, as restated	Additions	Disposals	Balance December 31,
Land and improvements	\$ 1,189,975	\$ 3,091,992	\$ -	\$ 4,281,967
Buildings and improvements	16,458,153	433,286	-	16,891,439
Machinery and equipment	7,395,751	413,599	277,650	7,531,700
Furniture and fixtures	340,520	154,497	5,396	489,621
Construction in progress	271,762	661,383	855,121	78,024
	<u>\$25,656,161</u>	<u>\$ 4,754,757</u>	<u>\$ 1,138,167</u>	<u>\$ 29,272,751</u>
Less: accumulated depreciation	(14,436,164)			(15,042,150)
Net fixed assets	<u>\$11,219,997</u>			<u>\$ 14,230,601</u>

A summary of the Enterprise Funds fixed assets at December 31, 2001 follows:

Land and improvements	\$ 2,913,579
Building and improvements	41,290,022
Machinery and equipment	15,059,781
Furniture and fixtures	62,115
Construction in progress	1,312,176
	<u>60,637,673</u>
Less: accumulated depreciation	(29,339,079)
Net fixed assets	<u>\$31,298,594</u>

NOTE 11 – DEFINED BENEFIT PENSION PLANS

A. Public Employees Retirement System (PERS)

All employees of the City, excluding City police officers and firefighters, participate in the Public Employees Retirement System of Ohio (PERS), a cost-sharing, multiple-employer defined benefit public employee pension plan administered by the Public Employees Retirement Board. The PERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by state statute per Chapter 145 of the Ohio Revised Code. The PERS issues a publicly available stand-alone financial report that includes financial statements and required supplementary information for the plan. Interested parties may obtain that report by writing to the Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 466-2085 or 1-800-222-7377.

CITY OF NORTH OLMSTED, OHIO
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS
DECEMBER 31, 2001

NOTE 11 – DEFINED BENEFIT PENSION PLANS (continued)

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

The Ohio Revised Code provides statutory authority for employee and employer contributions. Plan members are required to contribute 8.5% of their annual covered salary and the City is required to contribute at an actuarially determined rate. For local government employer units, the rate was 13.55% of covered payroll. The City's contributions for pension obligations to the PERS for the years ending December 31, 2001, 2000 and 1999 were \$ 1,545,300, \$ 1,204,700 and \$ 1,041,400, respectively, equal to the required contributions for each year. The full amount has been contributed for 2000 and 1999. For 2001, \$ 1,099,600 (71.2%) has been contributed in 2001 with the remainder being reported as a liability within the respective funds and the General Long-Term Debt Account Group.

B. Ohio Police and Fire Pension Fund (OP&F)

All City police officers and firefighters are required to be members of the Ohio Police and Fire Pension Fund (OP&F), a cost-sharing, multiple-employer defined benefit pension plan administered by its Board of Trustees. The 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 stand-alone financial report that includes financial information and required supplementary information for the plan. That report may be obtained by writing to the OP&F, 140 East Town Street, Columbus, Ohio 43215-5164.

Plan members are required to contribute 10.0% of their annual covered salary, while employers are required to contribute 19.5% and 24.0%, respectively, for police officers and firefighters. The City's contributions to the OP&F for the years ending December 31, 2001, 2000 and 1999 were \$ 1,297,300, 1,206,800, and \$ 780,100 respectively, equal to the required contributions for each year. The full amount has been contributed for 2000 and 1999. For 2001, \$ 936,000 (72.1%) has been contributed in 2001 with the remainder being reported as a liability in the respective funds and the General Long-Term Debt Account Group.

NOTE 12 – POSTEMPLOYMENT BENEFITS

A. Public Employees Retirement System (PERS)

The Public Employees Retirement System of Ohio (PERS) provides postretirement health care coverage to age and service retirees with ten or more years of qualifying Ohio service credit and to primary survivor recipients of such retirees. Health care coverage for disability recipients is available. The health care coverage provided by the retirement system is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 12, "Disclosure of Information on Postemployment Benefits Other Than Pension Benefits by State and Local Governmental Employers". A portion of each employer's contribution to the PERS is set aside for the funding of postretirement health care. The Ohio Revised Code provides statutory authority for employer contributions. The 2001 employer contribution rate was 13.55% of covered payroll; 4.3% was the portion that was used to fund health care for the year 2001.

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

Certain assumptions and calculations were used to base the System's latest Actuarial Review performed as of December 31, 2000:

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

CITY OF NORTH OLMSTED, OHIO
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS
DECEMBER 31, 2001

NOTE 12 – POSTEMPLOYMENT BENEFITS (continued)

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

Assets Valuation Method - All investments are carried at market value. For actuarial valuation purposes, a smoothed market approach is used. Under this approach assets are adjusted annually to reflect 25% of unrealized market appreciation or depreciation on investment assets.

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

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

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

OPEBs are advanced-funded on an actuarially determined basis. The number of active contributing participants was 411,076. The rates stated above are the actuarially determined contribution requirement for PERS. The portion of the City's contributions that were used to fund postemployment benefits was \$ 490,300. \$ 11,735.9 million represents the actuarial value of the Retirement System's net assets available for OPEB at December 31, 2000, the latest information available. The actuarially accrued liability and the unfunded actuarial accrued liability, based on the actuarial cost method used, were \$ 14,364.60 million and \$ 2,628.7 million, respectively.

B. Ohio Police and Fire Pension Fund

The Ohio Police and Fire Pension Fund (OP&F) provides postretirement health care coverage to any person who receives or is eligible to receive a monthly benefit check or is a spouse or eligible dependent child of such person. An eligible dependent child is any child under the age of 18 whether or not the child is attending school or under the age of 22 if attending school full-time or on a 2/3 basis. The health care coverage provided by the retirement system is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 12. The Ohio Revised Code provides that health care cost paid from the funds of the OP&F shall be included in the employer's contribution rate. The total police employer contribution rate is 19.5% of covered payroll and the total firefighter employer contribution rate is 24% of covered payroll. The City's actual contributions for 2001 which were used to fund postemployment benefits for police and firefighters was \$ 256,700 and \$ 197,300, respectively.

The Ohio Revised Code provides the statutory authority allowing the OP&F's Board of Trustees to provide health care coverage to all eligible individuals. Health care funding and accounting is on a pay-as-you-go basis. A percentage of covered payroll, as defined by the Board, is used to pay retiree health care expenses. The Board defined allocation was 7.25% and 7.50% of covered payroll in 2000 and 2001, respectively. The allocation is 7.75% in 2002. In addition, since July 1, 1992, most retirees have been required to contribute a portion of the cost of their health care coverage through a deduction from their monthly benefit payment. The number of participants eligible statewide to receive health care benefits as of December 31, 2000, the date of the last actuarial valuation available, are 12,853 for police officers and 10,037 for firefighters. The OP&F's total health care expense for the year ending December 31, 2000, the date of the last actuarial valuation available, was \$ 106,160,054, which was net of member contributions of \$ 5,657,431.

CITY OF NORTH OLMSTED, OHIO
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS
DECEMBER 31, 2001

NOTE 13 – COMPENSATED ABSENCES

City employees earn vacation and sick leave at varying rates depending on length of service, union contract specifications or City ordinances. All accumulated, unused vacation time is paid upon separation if the employee has acquired at least one year of service with the City. Accumulated, unused sick leave and compensatory time is paid to an employee at varying rates depending on length of service, union contract specifications or City ordinances upon retirement, disability or death of an employee. The City uses the vesting method to calculate this liability. As of December 31, 2001, the City's liability for compensated absences was \$ 4,385,978.

NOTE 14 – OPERATING LEASES

The City is obligated under certain leases accounted for as operating leases. Operating leases do not give rise to property rights or lease obligations, and therefore the results of the lease agreements are not reflected in the City's account groups. Total lease expense for the year ended December 31, 2001 was \$ 45,867. Future minimum rental payments required under operating leases as of December 31, 2001 are as follows:

<u>Year ending December, 31</u>	<u>Amount</u>
2002	\$ 45,867
2003	44,470
2004	16,172
2005	8,668
	<u>\$ 115,177</u>

NOTE 15 – RISK MANAGEMENT

The City is exposed to various risks of loss related to torts: theft, damage to or destruction of assets; errors and omissions; employee injuries; and natural disasters. By maintaining comprehensive insurance coverage with private carriers, the City has addressed these various types of risk. There were no reductions in insurance coverage from the previous year, nor have settlements exceeded insurance coverage in any of the prior three years.

The City provides health, dental and vision insurance to its employees through a self-insurance plan. The City pays the monthly premium for the self-insurance plan. The City contracts with a third party administrator to direct this program. During 2001, self-insurance was in effect for claims up to \$ 50,000 per covered individual and \$ 2,463,660 in the aggregate. This aggregate includes both medical and drug coverage. Claims in excess of this aggregate are insured by private carriers.

CITY OF NORTH OLMSTED, OHIO
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS
DECEMBER 31, 2001

NOTE 15 – RISK MANAGEMENT (continued)

The claims liability of \$ 255,891 reported in the Self-Insurance Internal Service Fund at December 31, 2001 is based on the requirements of Governmental Accounting Standards Board Statement No. 10 “Accounting and Financial Reporting for Risk Financing and Related Insurance Issues”, which requires that a liability for unpaid claim costs, including estimates of costs relating to incurred but not reported claims, be reported. The claims liability is based on an estimate supplied by the City’s third party administrator. A summary of the Fund’s claims liability during the past two years are as follows:

Year	Beginning of Year Liability	Current Year Claims and Changes in Estimates	Claim Payments	End of Year Liability
2000	\$ 253,130	\$ 2,189,773	\$ (2,122,377)	\$ 320,526
2001	\$ 320,526	\$ 2,261,229	\$ (2,325,864)	\$ 255,891

NOTE 16 – DEBT OBLIGATIONS

Debt outstanding at December 31, 2001, consisted of the following issues:

	Balance, January 1	Additions	Retirements	Balance, December 31
<u>General Obligation Bonds</u>				
<u>Governmental type - General Long</u>				
<u>- Term Debt Account Group</u>				
Municipal Building				
9.25%, Due through 2005	\$ 775,000	\$ -	\$ 155,000	\$ 620,000
Sanitary Sewer #2				
5.375%, Due through 2001	40,000	-	40,000	-
Sanitary Sewer #3				
6.75%, Due through 2004	240,000	-	60,000	180,000
Wastewater Treatment Plant				
4.635%, Due through 2005	1,000,000	-	200,000	800,000
Various Purpose, Series 1992				
3.00%-6.20%, Due through 2012	7,985,000	-	7,480,000	505,000
Various Purpose, Series 1996				
3.70%-6.20%, Due through 2021	20,455,000	-	718,150	19,736,850
Recreational Facility Refunding				
3.00%-5.70%, Due through 2002	815,000	-	395,000	420,000
Various Purpose Series 2000				
4.5%-5.375%, Due through 2020	5,650,000	-	302,950	5,347,050
Library Improvements				
5.08 %, Due through 2020	-	10,750,000	10,000	10,740,000
Various Purpose Series 2001				
4.614, Due through 2020	-	2,305,000	-	2,305,000
Refunding,				
4.393%, Due through 2020	-	7,625,000	235,000	7,390,000
Total general long-term debt account group	<u>\$36,960,000</u>	<u>\$20,680,000</u>	<u>\$ 9,596,100</u>	<u>\$48,043,900</u>

CITY OF NORTH OLMSTED, OHIO
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS
DECEMBER 31, 2001

NOTE 16 – DEBT OBLIGATIONS (continued)

	Balance, January 1	Additions	Retirements	Balance, December 31
<u>General Obligation Bonds - (continued)</u>				
<u>Proprietary Fund Type</u>				
Various Purpose, Series 1996 3.70%-6.20%, Due through 2021	\$18,190,000	\$ -	\$ 636,850	\$17,553,150
Various Purpose Series 2000 4.5%-5.375%, Due through 2020	1,195,000	-	62,050	1,132,950
Various Purpose Series 2001 4.614, Due through 2020	-	2,500,000	-	2,500,000
Total proprietary fund type	<u>19,385,000</u>	<u>2,500,000</u>	<u>698,900</u>	<u>21,186,100</u>
Total general obligation bonds	<u>56,345,000</u>	<u>23,180,000</u>	<u>10,295,000</u>	<u>69,230,000</u>
Special Assessment Bonds				
Industrial Park Road 6.10%-7.50%, Due through 2010	670,000	-	50,000	620,000
Ohio Water Development Authority Loans				
6.25%, Due through 2003	485,695	-	152,009	333,686
4.12%, Due through 2017	931,700	-	40,401	891,299
Total Ohio Water Development Authority Loans	<u>1,417,395</u>	<u>-</u>	<u>192,410</u>	<u>1,224,985</u>
Ohio Public Works Commission Loans				
Street 0.00%, Due through 2013	176,962	-	13,613	163,349
Sewer 0.00%, Due through 2015	1,955,000	-	130,333	1,824,667
Total Ohio Public Works Commission Loans	<u>2,131,962</u>	<u>-</u>	<u>143,946</u>	<u>1,988,016</u>
Total All Long-Term Obligations	<u>\$60,564,357</u>	<u>\$23,180,000</u>	<u>\$10,681,356</u>	<u>\$73,063,001</u>

The general obligation bonds are direct obligations of the City for which its full faith, credit and resources are pledged and are payable from taxes levied on all taxable property in the City, sewer user charges, golf course revenues, hotel motel tax and income tax monies.

The special assessment bonds will be paid from the proceeds of special assessments levied against benefited property owners. In the event of default by property owners, the City is responsible for making the debt payment.

The Ohio Water Development Authority loans and the Ohio Public Works Commission loans have been received for improvement to the City's streets and sewer system. Taxes levied on all taxable property in the City, sewer user charge and income tax monies will be used to repay the loans.

CITY OF NORTH OLMSTED, OHIO
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS
DECEMBER 31, 2001

NOTE 16 – DEBT OBLIGATIONS (continued)

The annual requirements to amortize all long-term debt outstanding as of December 31, 2001, including interest payments of \$ 33,150,937 for the general obligation bonds, \$ 245,413 for the special assessment bonds and \$ 445,493 for the Ohio Water Development Authority loans are as follows:

Year Ending	General Obligation Bonds	Special Assessment Bonds	OWDA Loans	OPWC Loans	Total
2002	\$ 7,433,241	\$ 94,950	\$ 266,620	\$ 143,946	\$ 7,938,757
2003	7,243,904	96,325	266,620	143,946	7,750,795
2004	7,321,987	97,337	84,254	143,946	7,647,524
2005	7,525,847	97,988	84,254	143,946	7,852,035
2006	7,278,376	98,275	84,254	143,946	7,604,851
Thereafter	65,577,582	380,538	884,476	1,268,286	68,110,882
Total	\$ 102,380,937	\$ 865,413	\$ 1,670,478	\$ 1,988,016	\$ 106,904,844

The City's note activity, including amounts outstanding, interest rates and maturity dates is as follows:

	Balance, January 1	Additions	Retirements	Balance, December 31,
Fire truck 2.25% due 11/19/02	\$ -	\$ 300,000	\$ -	\$ 300,000
Library improvement 4.55%, due 7/31/01	2,750,000	-	2,750,000	-
Library improvement 3.75%, due 7/31/01	-	8,000,000	8,000,000	-
Total	\$ 2,750,000	\$ 8,300,000	\$10,750,000	\$ 300,000

All notes are backed by the full faith and credit of the City and mature within one year. The note liability is reflected in the fund which received the proceeds. The notes are generally issued in anticipation of long-term bond financing and are refinanced until such bonds are issued.

NOTE 17 - ADVANCE REFUNDING

During 2001, the City advance refunded \$ 7,000,000 of certain general long term debt account group general obligation bonds. The City issued \$ 7,625,000 of general obligation refunding bonds to provide resources to purchase U.S. government securities that were placed in an irrevocable trust for the purpose of generating resources for all future debt service payments of the refunded debt. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the general long term debt account group. This advance refunding was undertaken to reduce total debt service payments over the next eleven years by \$ 486,758 and to obtain an economic gain (difference between the present value of the debt service payments of the refunded and refunding bonds) of \$ 363,779. At December 31, 2001, outstanding general obligation bonds (including prior year's refunding) of \$ 7,420,000 are considered to be defeased.

CITY OF NORTH OLMSTED, OHIO
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS
DECEMBER 31, 2001

NOTE 18 – SEWER DEBT

The debt service for the sanitary sewer and wastewater facility debt issued prior to 1987 are paid out of the Sewer Bond Retirement Fund. The assets financed by the debt are carried in the Enterprise Funds while the debt is being paid out of the Debt Service Funds. Proceeds from an up to three mill property tax, sewer user charges and contractual payments by the City of Fairview Park for their proportionate share of the improvements related to that portion of the system located within Fairview Park fund the debt service requirements. Property taxes are the primary funding source for this fund; therefore, the Sewer Bond Retirement Fund is included with the Debt Service Fund Type within the Governmental Fund Type category.

NOTE 19 – CHANGES IN GENERAL LONG-TERM LIABILITIES

A summary of changes in general long-term liabilities included in the General Long-Term Debt Account Group is as follows:

	Balance, January 1	Additions	Reductions	Balance, December 31
Compensated absences payable	\$ 3,235,815	\$ -	\$ 35,532	\$ 3,200,283
Intergovernmental payable	625,250	606,100	535,044	696,306
OPWC loans payable	2,131,962	-	143,946	1,988,016
Police and fire past service costs	117,379	-	958	116,421
OWDA loans payable	1,417,395	-	192,410	1,224,985
General obligation bonds	36,960,000	20,680,000	9,596,100	48,043,900
Special assessment bonds	670,000	-	50,000	620,000
Total	<u>\$ 45,157,801</u>	<u>\$ 21,286,100</u>	<u>\$ 10,553,990</u>	<u>\$ 55,889,911</u>

The liability for police and fire past service costs relates to the City's liability to certain employees incurred prior to the establishment of the Ohio Police and Fire Pension Fund. The City is required to make payment of \$ 6,905, including interest, annually through the year 2031. The liability for police and fire past service costs will be repaid with taxes levied on all taxable property in the City.

Intergovernmental payable consists of the City's liability to the County Auditor and contributions due to defined benefit pension plans.

The amount due to the County Auditor results from an erroneous payment by the county Auditor to the City of hotel/motel tax revenues during the period July 5, 1990 through June 2, 1997. The City is required to make payments of \$ 45,103 annually through the year 2003. The liability to the County Auditor will be repaid with current hotel/motel tax revenues.

The contributions due to defined benefit pension plans and Compensated Absences Payable will be repaid from the funds from which the employees are paid.

CITY OF NORTH OLMSTED, OHIO
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS
DECEMBER 31, 2001

NOTE 20 – INTERFUND RECEIVABLES / PAYABLES

“Due from Other Funds” and “Due to Other Funds” at December 31, 2001, consist of the following individual balances:

	<u>Receivable</u>	<u>Payable</u>
General Fund	\$ 98,010	\$ -
Special Revenue Funds		
Endowment and Grant	231	-
Law Enforcement	-	231
Enterprise Fund		
Sewer	-	98,010
Total transactions	<u>\$ 98,241</u>	<u>\$ 98,241</u>

NOTE 21 – SEGMENT INFORMATION FOR ENTERPRISE FUNDS

The government maintains three enterprise funds which are intended to be self-supported through user fees charged for services provided to consumers. Financial information, as of and for the year ended December 31, 2001, is as follows:

	<u>NOMBL</u>	<u>Springvale Golf Course</u>	<u>Sewer</u>	<u>Total Enterprise Funds</u>
Operating statement				
Operating revenues	<u>\$ 4,624,152</u>	<u>\$ 1,233,775</u>	<u>\$ 6,255,486</u>	<u>\$12,113,413</u>
Operating expenses before depreciation	4,615,276	954,850	4,553,578	10,123,704
Depreciation	11,842	79,265	1,286,762	1,377,869
	<u>4,627,118</u>	<u>1,034,115</u>	<u>5,840,340</u>	<u>11,501,573</u>
Operating income (loss)	<u>(2,966)</u>	<u>199,660</u>	<u>415,146</u>	<u>611,840</u>
Nonoperating expenses	<u>-</u>	<u>(246,025)</u>	<u>(799,355)</u>	<u>(1,045,380)</u>
Net income (loss)	<u>\$ (2,966)</u>	<u>\$ (46,365)</u>	<u>\$ (384,209)</u>	<u>\$ (433,540)</u>
Other information				
Net working capital	<u>\$ 991,847</u>	<u>\$ 1,132,888</u>	<u>\$ 1,878,875</u>	<u>\$ 4,003,610</u>
Fixed assets, additions	<u>\$ -</u>	<u>\$ 1,335,580</u>	<u>\$ 153,068</u>	<u>\$ 1,488,648</u>
Total assets	<u>\$ 1,764,444</u>	<u>\$ 6,764,563</u>	<u>\$27,631,503</u>	<u>\$36,160,510</u>
Bonds payable	<u>\$ -</u>	<u>\$ 6,504,900</u>	<u>\$14,681,200</u>	<u>\$21,186,100</u>
Contributed capital	<u>\$ -</u>	<u>\$ 96,000</u>	<u>\$ 9,850,047</u>	<u>\$ 9,946,047</u>
Total equity	<u>\$ 892,881</u>	<u>\$ 136,304</u>	<u>\$12,058,408</u>	<u>\$13,087,593</u>

CITY OF NORTH OLMSTED, OHIO
 NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS
 DECEMBER 31, 2001

NOTE 22 – JOINTLY-GOVERNED ORGANIZATIONS

A. Westshore Council of Governments

The Westshore Council of Governments helps foster cooperation between municipalities in areas affecting health, safety, welfare, education, economic conditions and regional development. The Board is comprised of one member from each of the six participating entities. The Board exercises total control over the operation of the Council including budgeting, appropriating, contracting and designating management. Budgets are adopted by the Board. Each city's degree of control is limited to its representations on the Board. Financial information can be obtained by contacting Steve Presley, Treasurer, P.O. Box 40056, Bay Village, Ohio 44140.

The Council has established two subsidiary organizations, the Westshore Hazardous Materials Committee ("HASMAT") which provides hazardous material protection and assistance, and the Westshore Enforcement Bureau (WEB) which provides extra assistance to cities in the form of a SWAT team.

B. 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 over 90 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. Financial information can be obtained by contacting NOPEC, Treasurer, 35150 Lakeshore Boulevard, Eastlake, Ohio 44095.

NOTE 23 – CONTINGENT LIABILITIES

The City has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies or their designee. These audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under terms of the grant. Based on prior experience, the City's management believes such disallowances, if any, would be immaterial.

The City is involved in various litigation, for which it is not possible at this time to make a judgment as to whether there is a reasonable possibility of an unfavorable outcome which could result in a material judgment against the City. It is management's opinion that the ultimate liability will be covered by insurance, and/or will not have a material effect on the general purpose financial statements.

NOTE 24 – CONTRIBUTED CAPITAL

The changes in the City's contributed capital accounts for its enterprise funds were as follows:

	NOMBL	Golf Course	Sewer	Total
Beginning balances, 12/31/00	\$ -	\$ 96,000	\$ 9,850,047	\$ 9,946,047
Contributing sources:	-			
Capital Improvement Fund	-	-	-	-
Ending balance, 12/31/01	<u>\$ -</u>	<u>\$ 96,000</u>	<u>\$ 9,850,047</u>	<u>\$ 9,946,047</u>

CITY OF NORTH OLMSTED, OHIO
 NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS
 DECEMBER 31, 2001

NOTE 25 – CONTRACTUAL COMMITMENTS

As of December 31, 2001 the City had contractual commitments as follows:

	Project Authorization	Outstanding Commitments
Street improvements	\$ 2,009,400	\$ 342,900
Recreation center improvements	101,100	12,600
Springvale improvements	647,900	252,300
Street lighting	530,700	74,900
	<u>\$ 3,289,100</u>	<u>\$ 682,700</u>

NOTE 26 – SUBSEQUENT EVENTS

In June 2002, the City issued \$ 1,665,000 of capital improvement bond anticipation notes (BAN's) at an interest rate of 2.15%. Of that amount, \$ 1,375,000 is to pay costs of improving certain designated streets in the city. The remaining \$ 290,000 of the BAN's are to pay costs of improving the municipal water distribution system. The BAN's were dated June 18, 2002 and will mature June 18, 2003.

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

GENERAL FUND

The general fund accounts for financial resources and expenses associated with general governmental operations of the city that are not required to be accounted for in another fund.

CITY OF NORTH OLMSTED, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2001

	General		Variance Favorable (Unfavorable)
	Budget	Actual	
Revenues			
Municipal income tax	\$ 7,596,529	\$ 7,679,881	\$ 83,352
Property and other taxes	5,025,419	5,024,405	(1,014)
Charges for services	741,516	668,029	(73,487)
Licenses and permits	705,352	678,266	(27,086)
Fines and forfeitures	192,516	155,113	(37,403)
Intergovernmental	2,382,114	2,999,503	617,389
Investment income	400,000	421,022	21,022
Other	209,200	320,140	110,940
Total revenues	17,252,646	17,946,359	693,713
Expenditures			
Current			
General government - legislative and executive			
Council			
Personal services	172,923	168,082	4,841
Materials and supplies	858	852	6
Other	13,169	9,877	3,292
Total council	186,950	178,811	8,139
Mayor			
Personal services	182,641	182,244	397
Other	7,889	4,444	3,445
Total mayor	190,530	186,688	3,842
Finance department			
Personal services	395,550	393,440	2,110
Capital outlay	8,000	6,782	1,218
Other	50,799	45,825	4,974
Total finance department	454,349	446,047	8,302
Law department			
Personal services	254,419	253,326	1,093
Materials and supplies	309	96	213
Capital outlay	2,600	2,296	304
Other	33,141	32,760	381
Total law department	290,469	288,478	1,991
Data processing			
Personal services	119,706	114,162	5,544
Materials and supplies	24,785	24,684	101
Contractual services	3,494	3,493	1
Capital outlay	2,983	2,974	9
Other	7,246	6,030	1,216
Total data processing	158,214	151,343	6,871
Personnel and administrative department			
Personal services	199,684	199,438	246
Capital outlay	5,000	4,560	440
Other	1,000	495	505
Total personnel and administrative department	205,684	204,493	1,191

(Continued)

CITY OF NORTH OLMSTED, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2001

	General (continued)		Variance Favorable (Unfavorable)
	Budget	Actual	
Service director			
Personal services	\$ 115,720	\$ 115,505	\$ 215
Other	508	508	-
Total service director	<u>116,228</u>	<u>116,013</u>	<u>215</u>
Public works			
Personal services	113,744	113,586	158
Total public works	<u>113,744</u>	<u>113,586</u>	<u>158</u>
Civil service department			
Personal services	120,306	104,776	15,530
Materials and supplies	100	28	72
Capital outlay	4,116	4,116	-
Other	1,300	1,145	155
Total civil service department	<u>125,822</u>	<u>110,065</u>	<u>15,757</u>
General government			
Personal services	51,742	48,591	3,151
Materials and supplies	28,963	28,352	611
Contractual services	260,277	214,311	45,966
Capital outlay	43,678	41,430	2,248
Other	487,953	484,407	3,546
Total general government	<u>872,613</u>	<u>817,091</u>	<u>55,522</u>
Building department			
Personal services	678,621	671,698	6,923
Materials and supplies	15,829	15,796	33
Capital outlay	20,950	20,833	117
Other	4,300	3,994	306
Total building department	<u>719,700</u>	<u>712,321</u>	<u>7,379</u>
Engineering department			
Personal services	571,919	567,204	4,715
Materials and supplies	2,862	2,485	377
Contractual services	26,150	25,523	627
Capital outlay	60,625	59,151	1,474
Other	8,698	7,445	1,253
Total engineering department	<u>670,254</u>	<u>661,808</u>	<u>8,446</u>
Total general government - legislative and executive	<u>4,104,557</u>	<u>3,986,744</u>	<u>117,813</u>
Security of persons and property			
Safety director			
Personal services	174,975	174,753	222
Other	1,999	1,867	132
Total safety director	<u>176,974</u>	<u>176,620</u>	<u>354</u>
Fire department			
Personal services	3,799,179	3,765,058	34,121
Materials and supplies	19,336	18,246	1,090
Contractual services	102,914	100,043	2,871
Capital outlay	36,684	35,299	1,385
Other	91,882	90,192	1,690
Total fire department	<u>4,049,995</u>	<u>4,008,838</u>	<u>41,157</u>

(Continued)

CITY OF NORTH OLMSTED, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2001

	General (continued)		
	Budget	Actual	Variance Favorable (Unfavorable)
Central dispatch			
Personal services	\$ 473,807	\$ 473,310	\$ 497
Capital outlay	7,200	5,879	1,321
Other	10,000	7,398	2,602
Total central dispatch	<u>491,007</u>	<u>486,587</u>	<u>4,420</u>
Police department			
Personal services	4,780,109	4,734,519	45,590
Materials and supplies	28,236	26,883	1,353
Contractual services	155,253	139,169	16,084
Capital outlay	84,523	82,969	1,554
Other	257,375	228,843	28,532
Total police department	<u>5,305,496</u>	<u>5,212,383</u>	<u>93,113</u>
Total security of persons and property	<u>10,023,472</u>	<u>9,884,428</u>	<u>139,044</u>
Public health and welfare			
Human resources department			
Personal services	291,588	290,985	603
Materials and supplies	5,450	4,916	534
Contractual services	17,124	15,526	1,598
Capital outlay	135,088	132,531	2,557
Other	4,074	3,461	613
Total human resources department	<u>453,324</u>	<u>447,419</u>	<u>5,905</u>
Total public health and welfare	<u>453,324</u>	<u>447,419</u>	<u>5,905</u>
Transportation			
Service department			
Personal services	1,532,337	1,530,821	1,516
Materials and supplies	332,368	309,962	22,406
Contractual services	258,096	243,136	14,960
Capital outlay	552,609	514,134	38,475
Other	98,374	95,243	3,131
Total service department	<u>2,773,784</u>	<u>2,693,296</u>	<u>80,488</u>
Fleet maintenance department			
Personal services	531,201	526,381	4,820
Materials and supplies	247,000	237,499	9,501
Contractual services	21,825	21,256	569
Capital outlay	117,454	107,454	10,000
Other	131,406	129,312	2,094
Total fleet maintenance department	<u>1,048,886</u>	<u>1,021,902</u>	<u>26,984</u>
Total transportation	<u>3,822,670</u>	<u>3,715,198</u>	<u>107,472</u>
Total expenditures	<u>18,404,023</u>	<u>18,033,789</u>	<u>370,234</u>
Excess (deficiency) of revenues over expenditures	<u>(1,151,377)</u>	<u>(87,430)</u>	<u>1,063,947</u>

(Continued)

CITY OF NORTH OLMSTED, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2001

	General (Concluded)		Variance Favorable (Unfavorable)
	Budget	Actual	
Other financing sources (uses)			
Sale of fixed assets	\$ 20,000	\$ 12,404	\$ (7,596)
Advances in	150,000	150,000	-
Operating transfers-out	(197,000)	(197,000)	-
Advances out	(150,000)	(150,000)	-
Total other financing sources (uses)	<u>(177,000)</u>	<u>(184,596)</u>	<u>(7,596)</u>
Excess (deficiency) of revenues over expenditures and other sources (uses)	(1,328,377)	(272,026)	1,056,351
Prior year encumbrances	339,138	339,138	-
Fund balances, beginning of year	<u>1,198,818</u>	<u>1,198,818</u>	<u>-</u>
Fund balances, end of year	<u>\$ 209,579</u>	<u>\$ 1,265,930</u>	<u>\$ 1,056,351</u>

SPECIAL REVENUE FUNDS

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

Casualty Loss Fund – Accounts for resources designated to pay for property damages that are not covered by insurance.

Community Development Block Grant Fund (CDBG)– Accounts for block grants received and grant reimbursement expenditures.

Alcohol Education Fund – Accounts for court fees obtained from DUI cases and approved alcohol education related expenditures.

Economic Development Fund – Accounts for the revenues generated from annual fees paid by new development agreements through tax abatement and community reinvestment incentives and expenditures in promoting economic development and compliance.

Motor Vehicle License Tax Fund – Accounts for the additional motor vehicle registration fees designated for maintenance and repair of streets within the City.

Recreation Fund – Accounts for real and personal property taxes and program revenues and expenditures for the operation and maintenance of recreation programs, services, parks and the recreation center facility.

Clague Park Fund – Accounts for the receipt of a sale of land proceeds and Clague Park wireless communication tower upfront proceeds and the expenditures related to revitalizing and improving Clague Park.

Hotel / Motel Tax Fund – Accounts for the three percent Hotel Motel Tax Levy and emergency medical service nonresident ambulance receipts. Expenditures are restricted to safety equipment and up to 15% for capital improvements or building maintenance for safety use.

State Highway Fund – Accounts for the portion of the State gasoline tax and motor vehicle registration fees designated for maintenance and repair of State highways within the City.

Street Maintenance Fund – Accounts for the portion of State gasoline tax and motor vehicle registration fees designated for maintenance and repair of streets within the City.

Solid Waste Management Fund – Accounts for 15% of the municipal income tax receipts and expenditures associated with tax collection, solid waste removal, and costs of recycling services provided to residents.

Permanent Improvement Street and Storm Fund – Accounts for 15% of the municipal income tax receipts and expenditures for the permanent improvement of streets and the storm sewer system.

Special Assessment Bond Retirement Fund – Accounts for the collected taxes levied by special assessment where specified improvements were levied to specific taxpayers and expenditures to pay the related applicable debt payments and the costs associated with collection and payment.

Community Diversion Fund – Accounts for the federal grant receipts, County and local program fees and expenditures related to the youth community diversion program contracted with the County juvenile court system.

Drug Enforcement Fund – Accounts for fines and forfeitures from drug court cases and expenditures for use in drug enforcement.

Endowment and Grant Fund – Accounts for donations restricted for a specific purpose and expenditures for those specific restricted uses.

Fire Pension Fund – Accounts for property taxes levied for the payment of current employer contributions for fire disability and pension benefits.

Law Enforcement Fund – Accounts for other monies seized from criminals by law enforcement officers or the sale of contraband in the course of their work restricted for expenditures that would enhance the police services.

Stop Program Fund – Accounts for fines on traffic violations restricted to paying overtime wages and benefits to officers issuing tickets under this program.

Police Pension Fund – Accounts for property taxes levied for the payment of current employer contributions for police disability and pension benefits.

Senior Center Fund – Accounts for the daily operations of the senior center and its programs and the services provided on a cost reimbursement basis to senior citizens.

CITY OF NORTH OLMSTED, OHIO

COMBINING BALANCE SHEET
ALL SPECIAL REVENUE FUNDS

DECEMBER 31, 2001

	Casualty Loss	CDBG	Alcohol Education	Economic Development	Motor Vehicle License Tax
<u>Assets</u>					
Equity in pooled cash and equivalents	\$ 116,139	\$ 1,549	\$ 7,082	\$ 44,903	\$ 30,582
Receivables					
Taxes	-	-	-	-	-
Accounts	563	-	-	9,500	-
Due from other funds	-	-	-	-	-
Intergovernmental	-	4,500	287	-	15,323
Materials and supplies	-	-	-	-	-
Total assets	<u>\$ 116,702</u>	<u>\$ 6,049</u>	<u>\$ 7,369</u>	<u>\$ 54,403</u>	<u>\$ 45,905</u>
<u>Liabilities and fund balances</u>					
<u>Liabilities</u>					
Accounts payable	\$ -	\$ -	\$ 30	\$ -	\$ -
Accrued wages and benefits	-	-	-	-	-
Compensated absences payable	-	-	-	-	-
Due to other funds	-	-	-	-	-
Retainage payable	-	-	-	-	-
Intergovernmental payable	-	-	-	18	311
Deferred revenue	-	-	-	-	-
Accrued interest payable	-	-	-	-	-
Notes payable	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>30</u>	<u>18</u>	<u>311</u>
<u>Fund balances</u>					
Reserved for encumbrances	885	-	15	-	-
Reserved for inventories	-	-	-	-	-
Unreserved	115,817	6,049	7,324	54,385	45,594
Total fund balances	<u>116,702</u>	<u>6,049</u>	<u>7,339</u>	<u>54,385</u>	<u>45,594</u>
Total liabilities and fund balances	<u>\$ 116,702</u>	<u>\$ 6,049</u>	<u>\$ 7,369</u>	<u>\$ 54,403</u>	<u>\$ 45,905</u>

Recreation	Clague Park	Hotel / Motel Tax	State Highway	Street Maintenance	Solid Waste Management
\$ 365,156	\$ 21,265	\$ 523,329	\$ 7,357	\$ 37,259	\$ 56,366
911,634	-	18,959	-	-	537,854
3,262	-	40,631	-	-	-
-	-	-	-	-	-
54,500	-	-	36,414	447,611	-
48,524	-	-	-	-	-
<u>\$ 1,383,076</u>	<u>\$ 21,265</u>	<u>\$ 582,919</u>	<u>\$ 43,771</u>	<u>\$ 484,870</u>	<u>\$ 594,220</u>

\$ 43,776	\$ -	\$ 12,946	\$ -	\$ 468	\$ 60
22,553	-	-	-	-	-
6,026	-	-	-	-	-
-	-	-	-	-	-
8,801	-	-	-	-	-
5,900	-	214	-	2,197	-
966,134	-	-	31,500	387,000	275,348
-	-	563	-	-	-
-	-	300,000	-	-	-
<u>1,053,190</u>	<u>-</u>	<u>313,723</u>	<u>31,500</u>	<u>389,665</u>	<u>275,408</u>

83,512	-	443,203	-	4,432	200
48,524	-	-	-	-	-
197,850	21,265	(174,007)	12,271	90,773	318,612
<u>329,886</u>	<u>21,265</u>	<u>269,196</u>	<u>12,271</u>	<u>95,205</u>	<u>318,812</u>
<u>\$ 1,383,076</u>	<u>\$ 21,265</u>	<u>\$ 582,919</u>	<u>\$ 43,771</u>	<u>\$ 484,870</u>	<u>\$ 594,220</u>

(Continued)

CITY OF NORTH OLMSTED, OHIO

COMBINING BALANCE SHEET
ALL SPECIAL REVENUE FUNDS

DECEMBER 31, 2001

(Concluded)

	Permanent Improvement Street and Storm	Special Assessment Bond Retirement	Community Diversion	Drug Enforcement	Endowment and Grant
<u>Assets</u>					
Equity in pooled cash and equivalents	\$ 1,185,941	\$ 64,016	\$ 21,403	\$ 8,709	\$ 86,878
Receivables					
Taxes	537,854	-	-	-	-
Accounts	-	-	-	-	4,010
Due from other funds	-	-	-	-	231
Intergovernmental	-	-	-	-	-
Materials and supplies	-	-	-	-	-
Total assets	<u>\$ 1,723,795</u>	<u>\$ 64,016</u>	<u>\$ 21,403</u>	<u>\$ 8,709</u>	<u>\$ 91,119</u>
 <u>Liabilities and fund balances</u>					
<u>Liabilities</u>					
Accounts payable	\$ 204,070	\$ -	\$ -	\$ -	\$ 94
Accrued wages and benefits	-	-	-	-	-
Compensated absences payable	-	-	-	-	-
Due to other funds	-	-	-	-	-
Retainage payable	66,612	-	-	-	-
Intergovernmental payable	22,956	-	32	-	-
Deferred revenue	275,348	-	-	-	-
Accrued interest payable	-	-	-	-	-
Notes payable	-	-	-	-	-
Total liabilities	<u>568,986</u>	<u>-</u>	<u>32</u>	<u>-</u>	<u>94</u>
 <u>Fund balances</u>					
Reserved for encumbrances	411,400	-	-	-	529
Reserved for inventories	-	-	-	-	-
Unreserved	743,409	64,016	21,371	8,709	90,496
Total fund balances	<u>1,154,809</u>	<u>64,016</u>	<u>21,371</u>	<u>8,709</u>	<u>91,025</u>
Total liabilities and fund balances	<u>\$ 1,723,795</u>	<u>\$ 64,016</u>	<u>\$ 21,403</u>	<u>\$ 8,709</u>	<u>\$ 91,119</u>

Fire Pension	Law Enforcement	Stop Program	Police Pension	Senior Center	Totals
\$ 1,615	\$ 27,423	\$ 57,387	\$ 1,733	\$ 65,975	\$ 2,732,067
227,907	-	-	227,907	-	2,462,115
-	-	-	-	948	58,914
-	-	-	-	-	231
13,600	-	21,727	13,600	-	607,562
-	-	-	-	-	48,524
<u>\$ 243,122</u>	<u>\$ 27,423</u>	<u>\$ 79,114</u>	<u>\$ 243,240</u>	<u>\$ 66,923</u>	<u>\$ 5,909,413</u>

\$ -	\$ -	\$ -	\$ -	\$ 2,827	\$ 264,271
-	-	-	-	-	22,553
-	-	-	-	-	6,026
-	231	-	-	-	231
-	-	-	-	-	75,413
-	-	1,052	-	-	32,680
241,507	-	-	241,507	-	2,418,344
-	-	-	-	-	563
-	-	-	-	-	300,000
<u>241,507</u>	<u>231</u>	<u>1,052</u>	<u>241,507</u>	<u>2,827</u>	<u>3,120,081</u>

-	-	-	-	55	921,645
-	-	-	-	-	48,524
1,615	27,192	78,062	1,733	64,041	1,819,163
<u>1,615</u>	<u>27,192</u>	<u>78,062</u>	<u>1,733</u>	<u>64,096</u>	<u>2,789,332</u>
<u>\$ 243,122</u>	<u>\$ 27,423</u>	<u>\$ 79,114</u>	<u>\$ 243,240</u>	<u>\$ 66,923</u>	<u>\$ 5,909,413</u>

CITY OF NORTH OLMSTED, OHIO

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

FOR THE YEAR ENDED DECEMBER 31, 2001

	Casualty Loss	CDBG	Alcohol Education	Economic Development	Motor Vehicle License Tax
Revenues					
Municipal income tax	\$ -	\$ -	\$ -	\$ -	\$ -
Property and other taxes	-	-	-	-	-
Charges for services	-	-	-	10,100	-
Fines and forfeitures	-	-	4,192	-	-
Intergovernmental	-	154,500	-	-	227,307
Special assessments	-	-	-	-	-
Investment income	-	-	-	-	-
Other	53,743	-	-	-	-
Total revenues	53,743	154,500	4,192	10,100	227,307
Expenditures					
Current					
General government	70,124	-	-	-	-
Security of persons and property	-	-	2,724	-	-
Transportation	11,328	-	-	-	213,422
Basic utility services	-	-	-	-	-
Leisure time activities	5,132	-	-	-	-
Economic development and assistance	-	175,451	-	4,903	-
Debt service					
Principal retirement	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Total expenditures	86,584	175,451	2,724	4,903	213,422
Excess revenues over expenditures	(32,841)	(20,951)	1,468	5,197	13,885
Other financing sources (uses)					
Bond proceeds	-	-	-	-	-
Operating transfers-in	30,000	27,000	-	-	-
Operating transfers-out	-	-	-	-	-
Total other financing sources (uses)	30,000	27,000	-	-	-
Excess (deficiency) of revenues over expenditures and other sources (uses)	(2,841)	6,049	1,468	5,197	13,885
Fund balances, beginning of year	119,543	-	5,871	49,188	31,709
Decrease in reserve for inventories	-	-	-	-	-
Fund balances, end of year	\$ 116,702	\$ 6,049	\$ 7,339	\$ 54,385	\$ 45,594

Recreation	Clague Park	Hotel / Motel Tax	State Highway	Street Maintenance	Solid Waste Management
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,668,201
861,327	-	281,504	-	-	-
1,214,525	-	97,403	-	-	-
-	-	-	-	-	-
108,478	-	2,944	63,618	784,634	-
-	-	-	-	-	-
-	-	-	-	-	-
3,262	-	2,624	-	-	-
<u>2,187,592</u>	<u>-</u>	<u>384,475</u>	<u>63,618</u>	<u>784,634</u>	<u>1,668,201</u>
-	-	45,102	-	-	22,068
-	-	224,264	-	-	-
-	-	-	59,777	801,903	-
-	-	-	-	-	1,603,503
2,040,173	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	4,559	-	-	-
<u>2,040,173</u>	<u>-</u>	<u>273,925</u>	<u>59,777</u>	<u>801,903</u>	<u>1,625,571</u>
<u>147,419</u>	<u>-</u>	<u>110,550</u>	<u>3,841</u>	<u>(17,269)</u>	<u>42,630</u>
-	-	-	-	-	-
140,000	-	-	-	-	-
(80,513)	-	(18,528)	-	-	-
<u>59,487</u>	<u>-</u>	<u>(18,528)</u>	<u>-</u>	<u>-</u>	<u>-</u>
206,906	-	92,022	3,841	(17,269)	42,630
125,515	21,265	177,174	8,430	112,474	276,182
(2,535)	-	-	-	-	-
<u>\$ 329,886</u>	<u>\$ 21,265</u>	<u>\$ 269,196</u>	<u>\$ 12,271</u>	<u>\$ 95,205</u>	<u>\$ 318,812</u>

(Continued)

CITY OF NORTH OLMSTED, OHIO

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

FOR THE YEAR ENDED DECEMBER 31, 2001

(Concluded)

	Permanent Improvement Street and Storm	Special Assessment Bond Retirement	Community Diversion	Drug Enforcement	Endowment and Grant
Revenues					
Municipal income tax	\$ 1,668,201	\$ -	\$ -	\$ -	\$ -
Property and other taxes	-	-	-	-	-
Charges for services	-	-	23,310	-	-
Fines and forfeitures	-	-	-	517	-
Intergovernmental	10,788	-	1,677	-	-
Special assessments	-	102,808	-	-	-
Investment income	-	-	-	-	45
Other	-	-	-	-	98,317
Total revenues	<u>1,678,989</u>	<u>102,808</u>	<u>24,987</u>	<u>517</u>	<u>98,362</u>
Expenditures					
Current					
General government	22,068	-	16,006	-	17,160
Security of persons and property	-	-	-	379	41,342
Transportation	1,745,574	-	-	-	-
Basic utility services	-	-	-	-	-
Leisure time activities	-	-	-	-	42,211
Economic development and assistance	-	-	-	-	-
Debt service					
Principal retirement	-	50,000	-	-	-
Interest and fiscal charges	37,250	52,043	-	-	-
Total expenditures	<u>1,804,892</u>	<u>102,043</u>	<u>16,006</u>	<u>379</u>	<u>100,713</u>
Excess revenues over expenditures	<u>(125,903)</u>	<u>765</u>	<u>8,981</u>	<u>138</u>	<u>(2,351)</u>
Other financing sources (uses)					
Bond proceeds	2,053,722	-	-	-	-
Operating transfers-in	-	-	-	-	-
Operating transfers-out	(1,597,580)	-	-	-	-
Total other financing sources (uses)	<u>456,142</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other sources (uses)	330,239	765	8,981	138	(2,351)
Fund balances, beginning of year	824,570	63,251	12,390	8,571	93,376
Decrease in reserve for inventories	-	-	-	-	-
Fund balances, end of year	<u>\$ 1,154,809</u>	<u>\$ 64,016</u>	<u>\$ 21,371</u>	<u>\$ 8,709</u>	<u>\$ 91,025</u>

Fire Pension	Law Enforcement	Stop Program	Police Pension	Senior Center	Totals
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,336,402
215,332	-	-	215,332	-	1,573,495
-	-	-	-	41,606	1,386,944
-	7,834	390,032	-	-	402,575
27,120	-	-	27,120	-	1,408,186
-	-	-	-	-	102,808
-	-	-	-	1,236	1,281
-	-	-	-	53,234	211,180
<u>242,452</u>	<u>7,834</u>	<u>390,032</u>	<u>242,452</u>	<u>96,076</u>	<u>8,422,871</u>
-	-	-	-	88,613	281,141
240,837	11,050	373,565	240,719	-	1,134,880
-	-	-	-	-	2,832,004
-	-	-	-	-	1,603,503
-	-	-	-	-	2,087,516
-	-	-	-	-	180,354
-	-	-	-	-	50,000
-	-	-	-	-	93,852
<u>240,837</u>	<u>11,050</u>	<u>373,565</u>	<u>240,719</u>	<u>88,613</u>	<u>8,263,250</u>
<u>1,615</u>	<u>(3,216)</u>	<u>16,467</u>	<u>1,733</u>	<u>7,463</u>	<u>159,621</u>
-	-	-	-	-	2,053,722
-	-	-	-	-	197,000
-	-	-	-	-	(1,696,621)
-	-	-	-	-	554,101
1,615	(3,216)	16,467	1,733	7,463	713,722
-	30,408	61,595	-	56,633	2,078,145
-	-	-	-	-	(2,535)
<u>\$ 1,615</u>	<u>\$ 27,192</u>	<u>\$ 78,062</u>	<u>\$ 1,733</u>	<u>\$ 64,096</u>	<u>\$ 2,789,332</u>

CITY OF NORTH OLMSTED, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2001

	Casualty Loss		Variance Favorable (Unfavorable)
	Budget	Actual	
Revenues			
Fines and forfeitures	\$ -	\$ -	\$ -
Intergovernmental	-	-	-
Other	23,000	53,769	30,769
Total revenues	<u>23,000</u>	<u>53,769</u>	<u>30,769</u>
Expenditures			
Current			
General government - legislative and executive			
Law department			
Other	14,500	11,235	3,265
Total law department	<u>14,500</u>	<u>11,235</u>	<u>3,265</u>
General government			
Capital outlay	65,174	63,826	1,348
Total general government	<u>65,174</u>	<u>63,826</u>	<u>1,348</u>
Total general government - legislative and executive	<u>79,674</u>	<u>75,061</u>	<u>4,613</u>
Transportation			
Engineering department			
Capital outlay	29,797	16,329	13,468
Total transportation	<u>29,797</u>	<u>16,329</u>	<u>13,468</u>
Leisure time activities			
Recreation department			
Capital outlay	5,243	5,132	111
Total leisure time activities	<u>5,243</u>	<u>5,132</u>	<u>111</u>
Total expenditures	<u>114,714</u>	<u>96,522</u>	<u>18,192</u>
Excess (deficiency) of revenues over expenditures	<u>(91,714)</u>	<u>(42,753)</u>	<u>48,961</u>
Other financing sources (uses)			
Operating transfers-in	30,000	30,000	-
Operating transfers-out	-	-	-
Total other financing sources (uses)	<u>30,000</u>	<u>30,000</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other sources (uses)	<u>(61,714)</u>	<u>(12,753)</u>	<u>48,961</u>
Prior year encumbrances	9,714	9,714	-
Fund balances, beginning of year	<u>118,293</u>	<u>118,293</u>	<u>-</u>
Fund balances, end of year	<u>\$ 66,293</u>	<u>\$ 115,254</u>	<u>\$ 48,961</u>

CITY OF NORTH OLMSTED, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2001

	CDBG		Variance Favorable (Unfavorable)
	Budget	Actual	
Revenues			
Fines and forfeitures	\$ -	\$ -	\$ -
Intergovernmental	150,000	150,000	-
Other	-	-	-
Total revenues	<u>150,000</u>	<u>150,000</u>	<u>-</u>
Expenditures			
Current			
Economic development and assistance			
Engineering department			
Capital outlay	177,000	175,451	1,549
Total expenditures	<u>177,000</u>	<u>175,451</u>	<u>1,549</u>
Excess (deficiency) of revenues over expenditures	<u>(27,000)</u>	<u>(25,451)</u>	<u>1,549</u>
Other financing sources (uses)			
Operating transfers-in	27,000	27,000	-
Advances in	150,000	150,000	-
Advances out	(150,000)	(150,000)	-
Total other financing sources (uses)	<u>27,000</u>	<u>27,000</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other sources (uses)	-	1,549	1,549
Prior year encumbrances	-	-	-
Fund balances, beginning of year	-	-	-
Fund balances, end of year	<u>\$ -</u>	<u>\$ 1,549</u>	<u>\$ 1,549</u>

CITY OF NORTH OLMSTED, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –
 BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 FOR THE YEAR ENDED DECEMBER 31, 2001

	Alcohol Education		Variance Favorable (Unfavorable)
	Budget	Actual	
Revenues			
Fines and forfeitures	\$ 3,000	\$ 4,228	\$ 1,228
Intergovernmental	-	-	-
Other	-	-	-
Total revenues	<u>3,000</u>	<u>4,228</u>	<u>1,228</u>
Expenditures			
Current			
Security of persons and property			
Police department			
Materials and supplies	4,992	2,739	2,253
Total expenditures	<u>4,992</u>	<u>2,739</u>	<u>2,253</u>
Excess (deficiency) of revenues over expenditures	<u>(1,992)</u>	<u>1,489</u>	<u>3,481</u>
Other financing sources (uses)			
Operating transfers-in	-	-	-
Operating transfers-out	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other sources (uses)	(1,992)	1,489	3,481
Prior year encumbrances	-	-	-
Fund balances, beginning of year	<u>5,548</u>	<u>5,548</u>	<u>-</u>
Fund balances, end of year	<u>\$ 3,556</u>	<u>\$ 7,037</u>	<u>\$ 3,481</u>

CITY OF NORTH OLMSTED, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –
 BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 FOR THE YEAR ENDED DECEMBER 31, 2001

	Economic Development		
	Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Charges for services	\$ 10,000	\$ 10,100	\$ 100
Total revenues	<u>10,000</u>	<u>10,100</u>	<u>100</u>
Expenditures			
Current			
Economic development and assistance			
Mayor			
Personal services	24,635	4,885	19,750
Total expenditures	<u>24,635</u>	<u>4,885</u>	<u>19,750</u>
Excess (deficiency) of revenues over expenditures	(14,635)	5,215	19,850
Prior year encumbrances	-	-	-
Fund balances, beginning of year	<u>39,688</u>	<u>39,688</u>	<u>-</u>
Fund balances, end of year	<u>\$ 25,053</u>	<u>\$ 44,903</u>	<u>\$ 19,850</u>

CITY OF NORTH OLMSTED, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2001

	Motor Vehicle License Tax		
	Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Intergovernmental	\$ 223,000	\$ 227,674	\$ 4,674
Total revenues	223,000	227,674	4,674
Expenditures			
Current			
Transportation			
Service department			
Personal services	78,000	78,000	-
Contractual services	85,000	82,368	2,632
Total service department	163,000	160,368	2,632
Fleet maintenance department			
Capital outlay	89,876	66,600	23,276
Total fleet maintenance department	89,876	66,600	23,276
Total transportation	252,876	226,968	25,908
Total expenditures	252,876	226,968	25,908
Excess (deficiency) of revenues over expenditures	(29,876)	706	30,582
Prior year encumbrances	22,116	22,116	-
Fund balances, beginning of year	7,760	7,760	-
Fund balances, end of year	\$ -	\$ 30,582	\$ 30,582

CITY OF NORTH OLMSTED, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2001

	Recreation		Variance Favorable (Unfavorable)
	Budget	Actual	
Revenues			
Property and other taxes	\$ 861,749	\$ 861,327	\$ (422)
Charges for services	1,172,629	1,214,525	41,896
Intergovernmental	107,383	108,478	1,095
Total revenues	<u>2,141,761</u>	<u>2,184,330</u>	<u>42,569</u>
Expenditures			
Current			
Leisure time activities			
Recreation department			
Personal services	1,148,264	1,047,924	100,340
Materials and supplies	249,620	236,062	13,558
Contractual services	490,258	485,817	4,441
Capital outlay	271,190	222,891	48,299
Other	228,730	201,451	27,279
Total expenditures	<u>2,388,062</u>	<u>2,194,145</u>	<u>193,917</u>
Excess (deficiency) of revenues over expenditures	<u>(246,301)</u>	<u>(9,815)</u>	<u>236,486</u>
Other financing sources (uses)			
Operating transfers-in	140,000	140,000	-
Operating transfers-out	(80,513)	(80,513)	-
Total other financing sources (uses)	<u>59,487</u>	<u>59,487</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other sources (uses)	(186,814)	49,672	236,486
Prior year encumbrances	37,258	37,258	-
Fund balances, beginning of year	<u>180,842</u>	<u>180,842</u>	<u>-</u>
Fund balances, end of year	<u>\$ 31,286</u>	<u>\$ 267,772</u>	<u>\$ 236,486</u>

CITY OF NORTH OLMDSTED, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –
 BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 FOR THE YEAR ENDED DECEMBER 31, 2001

	Clague Park		Variance Favorable (Unfavorable)
	Budget	Actual	
Expenditures			
Current			
Leisure time activities			
Recreation department			
Capital outlay	\$ 21,265	\$ -	\$ 21,265
Total expenditures	<u>21,265</u>	<u>-</u>	<u>21,265</u>
Excess (deficiency) of revenues over expenditures	<u>(21,265)</u>	<u>-</u>	<u>21,265</u>
Prior year encumbrances	-	-	-
Fund balances, beginning of year	<u>21,265</u>	<u>21,265</u>	<u>-</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ 21,265</u>	<u>\$ 21,265</u>

CITY OF NORTH OLMSTED, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2001

	Hotel / Motel Tax		Variance Favorable (Unfavorable)
	Budget	Actual	
Revenues			
Property and other taxes	\$ 310,000	\$ 277,947	\$ (32,053)
Charges for services	50,000	93,602	43,602
Intergovernmental	-	2,944	2,944
Other	-	2,624	2,624
Total revenues	<u>360,000</u>	<u>377,117</u>	<u>17,117</u>
Expenditures			
Current			
General government			
- legislative and executive			
Finance department			
Other	45,103	45,103	-
Total general government			
- legislative and executive	<u>45,103</u>	<u>45,103</u>	<u>-</u>
Security of persons and property			
Fire department			
Capital outlay	457,717	457,712	5
Other	11,800	11,308	492
Total fire department	<u>469,517</u>	<u>469,020</u>	<u>497</u>
Police department			
Capital outlay	177,563	177,162	401
Total police department	<u>177,563</u>	<u>177,162</u>	<u>401</u>
Total security of persons and property	<u>647,080</u>	<u>646,182</u>	<u>898</u>
Debt service			
Interest and fiscal charges	4,000	3,996	4
Total expenditures	<u>696,183</u>	<u>695,281</u>	<u>902</u>
Excess (deficiency) of revenues over expenditures	<u>(336,183)</u>	<u>(318,164)</u>	<u>18,019</u>
Other financing sources (uses)			
Note proceeds	300,000	300,000	-
Operating transfers-out	(18,528)	(18,528)	-
Total other financing sources (uses)	<u>281,472</u>	<u>281,472</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other sources (uses)	(54,711)	(36,692)	18,019
Prior year encumbrances	5,883	5,883	-
Fund balances, beginning of year	<u>120,595</u>	<u>120,595</u>	<u>-</u>
Fund balances, end of year	<u>\$ 71,767</u>	<u>\$ 89,786</u>	<u>\$ 18,019</u>

CITY OF NORTH OLMSTED, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –
 BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 FOR THE YEAR ENDED DECEMBER 31, 2001

	State Highway		Variance Favorable (Unfavorable)
	Budget	Actual	
Revenues			
Intergovernmental	\$ 65,000	\$ 63,802	\$ (1,198)
Total revenues	<u>65,000</u>	<u>63,802</u>	<u>(1,198)</u>
Expenditures			
Current			
Transportation			
Service department			
Materials and supplies	105,562	100,105	5,457
Total expenditures	<u>105,562</u>	<u>100,105</u>	<u>5,457</u>
Excess (deficiency) of revenues over expenditures	(40,562)	(36,303)	4,259
Prior year encumbrances	42,300	42,300	-
Fund balances, beginning of year	<u>1,360</u>	<u>1,360</u>	<u>-</u>
Fund balances, end of year	<u>\$ 3,098</u>	<u>\$ 7,357</u>	<u>\$ 4,259</u>

CITY OF NORTH OLMSTED, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2001

	Street Maintenance		
	Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Intergovernmental	\$ 783,000	\$ 786,894	\$ 3,894
Total revenues	<u>783,000</u>	<u>786,894</u>	<u>3,894</u>
Expenditures			
Current			
Transportation			
Service department			
Personal services	552,500	551,670	830
Capital outlay	182,454	175,610	6,844
Total service department	<u>734,954</u>	<u>727,280</u>	<u>7,674</u>
Fleet maintenance department			
Capital outlay	81,209	79,167	2,042
Total fleet maintenance department	<u>81,209</u>	<u>79,167</u>	<u>2,042</u>
Total transportation	<u>816,163</u>	<u>806,447</u>	<u>9,716</u>
Total expenditures	<u>816,163</u>	<u>806,447</u>	<u>9,716</u>
Excess (deficiency) of revenues over expenditures	(33,163)	(19,553)	13,610
Prior year encumbrances	5,924	5,924	-
Fund balances, beginning of year	<u>45,988</u>	<u>45,988</u>	<u>-</u>
Fund balances, end of year	<u>\$ 18,749</u>	<u>\$ 32,359</u>	<u>\$ 13,610</u>

CITY OF NORTH OLMSTED, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2001

	Solid Waste Management		
	Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Municipal income tax	\$ 1,627,828	\$ 1,645,689	\$ 17,861
Total revenues	<u>1,627,828</u>	<u>1,645,689</u>	<u>17,861</u>
Expenditures			
Current			
General government - legislative and executive			
General government			
Other	48,835	22,068	26,767
Total general government - legislative and executive	<u>48,835</u>	<u>22,068</u>	<u>26,767</u>
Basic utility services			
Service department			
Contractual services	1,609,399	1,603,642	5,757
Total basic utility services	<u>1,609,399</u>	<u>1,603,642</u>	<u>5,757</u>
Total expenditures	<u>1,658,234</u>	<u>1,625,710</u>	<u>32,524</u>
Excess (deficiency) of revenues over expenditures	(30,406)	19,979	50,385
Prior year encumbrances	399	399	-
Fund balances, beginning of year	<u>35,789</u>	<u>35,789</u>	-
Fund balances, end of year	<u>\$ 5,782</u>	<u>\$ 56,167</u>	<u>\$ 50,385</u>

CITY OF NORTH OLMSTED, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2001

	Permanent Improvement Street and Storm		Variance Favorable (Unfavorable)
	Budget	Actual	
Revenues			
Municipal income tax	\$ 1,627,828	\$ 1,645,689	\$ 17,861
Intergovernmental	18,500	10,788	(7,712)
Total revenues	<u>1,646,328</u>	<u>1,656,477</u>	<u>10,149</u>
Expenditures			
Current			
General government - legislative and executive			
General government			
Other	48,835	22,068	26,767
Total general government - legislative and executive	<u>48,835</u>	<u>22,068</u>	<u>26,767</u>
Transportation			
Service department			
Capital outlay	2,710,216	2,148,355	561,861
Total service department	<u>2,710,216</u>	<u>2,148,355</u>	<u>561,861</u>
Fleet maintenance department			
Capital outlay	45,000	45,000	-
Total fleet maintenance department	<u>45,000</u>	<u>45,000</u>	<u>-</u>
Total transportation	<u>2,755,216</u>	<u>2,193,355</u>	<u>561,861</u>
Debt service			
Interest and fiscal charges	37,250	37,250	-
Total expenditures	<u>2,841,301</u>	<u>2,252,673</u>	<u>588,628</u>
Excess (deficiency) of revenues over expenditures	<u>(1,194,973)</u>	<u>(596,196)</u>	<u>598,777</u>
Other financing sources (uses)			
Bond proceeds	2,060,000	2,053,722	(6,278)
Operating transfers-out	(1,597,580)	(1,597,580)	-
Total other financing sources (uses)	<u>462,420</u>	<u>456,142</u>	<u>(6,278)</u>
Excess (deficiency) of revenues over expenditures and other sources (uses)	(732,553)	(140,054)	592,499
Prior year encumbrances	541,194	541,194	-
Fund balances, beginning of year	191,558	191,558	-
Fund balances, end of year	<u>\$ 199</u>	<u>\$ 592,698</u>	<u>\$ 592,499</u>

CITY OF NORTH OLMSTED, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –
 BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 FOR THE YEAR ENDED DECEMBER 31, 2001

	Special Assessment Bond Retirement		Variance Favorable (Unfavorable)
	Budget	Actual	
Revenues			
Special assessments	\$ 100,250	\$ 102,807	\$ 2,557
Total revenues	<u>100,250</u>	<u>102,807</u>	<u>2,557</u>
Expenditures			
Debt Service			
Principal retirement	50,000	50,000	-
Interest and fiscal charges	52,043	52,043	-
Total expenditures	<u>102,043</u>	<u>102,043</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	(1,793)	764	2,557
Prior year encumbrances	-	-	-
Fund balances, beginning of year	<u>63,251</u>	<u>63,251</u>	<u>-</u>
Fund balances, end of year	<u>\$ 61,458</u>	<u>\$ 64,015</u>	<u>\$ 2,557</u>

CITY OF NORTH OLMSTED, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2001

	Community Diversion		
	Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Charges for services	\$ 24,500	\$ 25,310	\$ 810
Intergovernmental	-	1,677	1,677
Total revenues	<u>24,500</u>	<u>26,987</u>	<u>2,487</u>
Expenditures			
Current			
General government - legislative and executive			
Human resources department			
Personal services	16,760	8,741	8,019
Materials and supplies	425	395	30
Capital outlay	2,300	2,275	25
Other	8,482	4,981	3,501
Total expenditures	<u>27,967</u>	<u>16,392</u>	<u>11,575</u>
Excess (deficiency) of revenues over expenditures	(3,467)	10,595	14,062
Prior year encumbrances	75	75	-
Fund balances, beginning of year	<u>10,733</u>	<u>10,733</u>	<u>-</u>
Fund balances, end of year	<u>\$ 7,341</u>	<u>\$ 21,403</u>	<u>\$ 14,062</u>

CITY OF NORTH OLMSTED, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –
 BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 FOR THE YEAR ENDED DECEMBER 31, 2001

	Drug Enforcement		Variance Favorable (Unfavorable)
	Budget	Actual	
Revenues			
Fines and forfeitures	\$ -	\$ 517	\$ 517
Total revenues	<u>-</u>	<u>517</u>	<u>517</u>
Expenditures			
Current			
Security of persons and property			
Police department			
Materials and supplies	8,571	379	8,192
Total expenditures	<u>8,571</u>	<u>379</u>	<u>8,192</u>
Excess (deficiency) of revenues over expenditures	(8,571)	138	8,709
Prior year encumbrances	-	-	-
Fund balances, beginning of year	<u>8,571</u>	<u>8,571</u>	<u>-</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ 8,709</u>	<u>\$ 8,709</u>

CITY OF NORTH OLMSTED, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2001

	Endowment and Grant		
	Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Investment income	\$ -	\$ 45	\$ 45
Other	98,000	94,810	(3,190)
Total revenues	<u>98,000</u>	<u>94,855</u>	<u>(3,145)</u>
Expenditures			
Current			
General government - legislative and executive			
Human resources department			
Contractual services	565	565	-
Other	16,820	16,781	39
General government - legislative and executive	<u>17,385</u>	<u>17,346</u>	<u>39</u>
Security of persons and property			
Fire department			
Capital outlay	4,318	4,281	37
Total fire department	<u>4,318</u>	<u>4,281</u>	<u>37</u>
Police department			
Other	42,937	40,976	1,961
Total police department	<u>42,937</u>	<u>40,976</u>	<u>1,961</u>
Total security of persons and property	<u>47,255</u>	<u>45,257</u>	<u>1,998</u>
Public health and welfare			
Service department			
Other	100	-	100
Total public health and welfare	<u>100</u>	<u>-</u>	<u>100</u>
Leisure time activities			
Recreation department			
Other	54,144	50,085	4,059
Total leisure time activities	<u>54,144</u>	<u>50,085</u>	<u>4,059</u>
Total expenditures	<u>118,884</u>	<u>112,688</u>	<u>6,196</u>
Excess (deficiency) of revenues over expenditures	(20,884)	(17,833)	3,051
Prior year encumbrances	15,936	15,936	-
Fund balances, beginning of year	<u>88,152</u>	<u>88,152</u>	<u>-</u>
Fund balances, end of year	<u>\$ 83,204</u>	<u>\$ 86,255</u>	<u>\$ 3,051</u>

CITY OF NORTH OLMSTED, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –
 BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 FOR THE YEAR ENDED DECEMBER 31, 2001

	Fire Pension		Variance Favorable (Unfavorable)
	Budget	Actual	
Revenues			
Property and other taxes	\$ 215,376	\$ 215,332	\$ (44)
Intergovernmental	26,843	27,119	276
Total revenues	<u>242,219</u>	<u>242,451</u>	<u>232</u>
Expenditures			
Current			
Security of persons and property			
Fire department			
Personal services	242,219	240,836	1,383
Total expenditures	<u>242,219</u>	<u>240,836</u>	<u>1,383</u>
Excess (deficiency) of revenues over expenditures	-	1,615	1,615
Prior year encumbrances	-	-	-
Fund balances, beginning of year	-	-	-
Fund balances, end of year	<u>\$ -</u>	<u>\$ 1,615</u>	<u>\$ 1,615</u>

CITY OF NORTH OLMSTED, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –
 BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 FOR THE YEAR ENDED DECEMBER 31, 2001

	Law Enforcement		Variance Favorable (Unfavorable)
	Budget	Actual	
Revenues			
Fines and forfeitures	\$ -	\$ 7,924	\$ 7,924
Total revenues	<u>-</u>	<u>7,924</u>	<u>7,924</u>
Expenditures			
Current			
Security of persons and property			
Police department			
Materials and supplies	12,500	5,013	7,487
Capital outlay	16,500	4,500	12,000
Other	1,549	1,537	12
Total expenditures	<u>30,549</u>	<u>11,050</u>	<u>19,499</u>
Excess (deficiency) of revenues over expenditures	(30,549)	(3,126)	27,423
Prior year encumbrances	5,600	5,600	-
Fund balances, beginning of year	<u>24,949</u>	<u>24,949</u>	<u>-</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ 27,423</u>	<u>\$ 27,423</u>

CITY OF NORTH OLMSTED, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –
 BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 FOR THE YEAR ENDED DECEMBER 31, 2001

	Stop Program		Variance Favorable (Unfavorable)
	Budget	Actual	
Revenues			
Fines and forfeitures	\$ 420,000	\$ 404,556	\$ (15,444)
Total revenues	<u>420,000</u>	<u>404,556</u>	<u>(15,444)</u>
Expenditures			
Current			
Security of persons and property			
Police department			
Personal services	328,401	325,882	2,519
Materials and supplies	61,000	46,631	14,369
Total expenditures	<u>389,401</u>	<u>372,513</u>	<u>16,888</u>
Excess (deficiency) of revenues over expenditures	<u>30,599</u>	<u>32,043</u>	<u>1,444</u>
Prior year encumbrances	-	-	-
Fund balances, beginning of year	<u>25,344</u>	<u>25,344</u>	-
Fund balances, end of year	<u>\$ 55,943</u>	<u>\$ 57,387</u>	<u>\$ 1,444</u>

CITY OF NORTH OLMSTED, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –
 BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 FOR THE YEAR ENDED DECEMBER 31, 2001

	Police Pension		Variance Favorable (Unfavorable)
	Budget	Actual	
Revenues			
Property and other taxes	\$ 215,376	\$ 215,332	\$ (44)
Intergovernmental	26,844	27,120	276
Total revenues	<u>242,220</u>	<u>242,452</u>	<u>232</u>
Expenditures			
Current			
Security of persons and property			
Police department			
Personal services	242,220	240,719	1,501
Total expenditures	<u>242,220</u>	<u>240,719</u>	<u>1,501</u>
Excess (deficiency) of revenues over expenditures	-	1,733	1,733
Prior year encumbrances	-	-	-
Fund balances, beginning of year	-	-	-
Fund balances, end of year	<u>\$ -</u>	<u>\$ 1,733</u>	<u>\$ 1,733</u>

CITY OF NORTH OLMSTED, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2001

	Senior Center		Variance Favorable (Unfavorable)
	Budget	Actual	
Revenues			
Charges for services	\$ 45,000	\$ 40,658	\$ (4,342)
Investment income	1,300	1,236	(64)
Other	59,700	53,234	(6,466)
Total revenues	<u>106,000</u>	<u>95,128</u>	<u>(10,872)</u>
Expenditures			
Current			
General government - legislative and executive			
Human resources department			
Materials and supplies	685	451	234
Other	109,001	90,789	18,212
Total expenditures	<u>109,686</u>	<u>91,240</u>	<u>18,446</u>
Excess (deficiency) of revenues over expenditures	(3,686)	3,888	7,574
Prior year encumbrances	4,203	4,203	-
Fund balances, beginning of year	<u>56,934</u>	<u>56,934</u>	-
Fund balances, end of year	<u>\$ 57,451</u>	<u>\$ 65,025</u>	<u>\$ 7,574</u>

CITY OF NORTH OLMSTED, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2001

	Special Revenue Fund Type		
	Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Municipal income tax	\$ 3,255,656	\$ 3,291,378	\$ 35,722
Property and other taxes	1,602,501	1,569,938	(32,563)
Charges for services	1,302,129	1,384,195	82,066
Fines and forfeitures	423,000	417,225	(5,775)
Intergovernmental	1,400,570	1,406,496	5,926
Special assessments	100,250	102,807	2,557
Investment income	1,300	1,281	(19)
Other	180,700	204,437	23,737
Total revenues	8,266,106	8,377,757	111,651
Expenditures			
Current			
General government - executive and legislative			
Finance department			
Other	45,103	45,103	-
Total finance department	45,103	45,103	-
Law department			
Other	14,500	11,235	3,265
Total law department	14,500	11,235	3,265
Human resources department			
Personal services	16,760	8,741	8,019
Materials and supplies	1,110	846	264
Contractual services	565	565	-
Capital outlay	2,300	2,275	25
Other	134,303	112,551	21,752
Total human resources department	155,038	124,978	30,060
General government			
Capital outlay	65,174	63,826	1,348
Other	97,670	44,136	53,534
Total general government	162,844	107,962	54,882
Total general government			
- executive and legislative	377,485	289,278	88,207
Security of persons and property			
Fire department			
Personal services	242,219	240,836	1,383
Capital outlay	462,035	461,993	42
Other	11,800	11,308	492
Total fire department	716,054	714,137	1,917
Police department			
Personal services	570,621	566,601	4,020
Materials and supplies	87,063	54,762	32,301
Capital outlay	194,063	181,662	12,401
Other	44,486	42,513	1,973
Total police department	896,233	845,538	50,695
Total security of persons and property	1,612,287	1,559,675	52,612

(Continued)

CITY OF NORTH OLMSTED, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2001

	Special Revenue Fund Type (Continued)		
	Budget	Actual	Variance Favorable (Unfavorable)
Public health and welfare			
Service department			
Other	\$ 100	\$ -	\$ 100
Total service department	100	-	100
Total public health and welfare	100	-	100
Transportation			
Engineering department			
Capital outlay	29,797	16,329	13,468
Total engineering department	29,797	16,329	13,468
Service department			
Personal services	630,500	629,670	830
Materials and supplies	105,562	100,105	5,457
Contractual services	85,000	82,368	2,632
Capital outlay	2,892,670	2,323,965	568,705
Total service department	3,713,732	3,136,108	577,624
Fleet maintenance department			
Capital outlay	216,085	190,767	25,318
Total fleet maintenance department	216,085	190,767	25,318
Total transportation	3,959,614	3,343,204	616,410
Basic utility services			
Service department			
Contractual services	1,609,399	1,603,642	5,757
Total service department	1,609,399	1,603,642	5,757
Total basic utility services	1,609,399	1,603,642	5,757
Leisure time activities			
Recreation department			
Personal services	1,148,264	1,047,924	100,340
Materials and supplies	249,620	236,062	13,558
Contractual services	490,258	485,817	4,441
Capital outlay	297,698	228,023	69,675
Other	282,874	251,536	31,338
Total recreation department	2,468,714	2,249,362	219,352
Total leisure time activities	2,468,714	2,249,362	219,352
Economic development and assistance			
Mayor			
Personal services	24,635	4,885	19,750
Total mayor	24,635	4,885	19,750
Engineering department			
Capital outlay	177,000	175,451	1,549
Total engineering department	177,000	175,451	1,549
Total economic development and assistance	201,635	180,336	21,299

(Continued)

CITY OF NORTH OLMSTED, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2001

	Special Revenue Fund Type (Concluded)		
	Budget	Actual	Variance Favorable (Unfavorable)
Debt service			
Principal retirement	\$ 50,000	\$ 50,000	\$ -
Interest and fiscal charges	93,293	93,289	4
Total expenditures	<u>10,372,527</u>	<u>9,368,786</u>	<u>1,003,741</u>
Excess (deficiency) of revenues over expenditures	<u>(2,106,421)</u>	<u>(991,029)</u>	<u>1,115,392</u>
Other financing sources (uses)			
Note proceeds	300,000	300,000	-
Bond proceeds	2,060,000	2,053,722	(6,278)
Operating transfers-in	197,000	197,000	-
Advances in	150,000	150,000	-
Operating transfers-out	(1,696,621)	(1,696,621)	-
Advances out	(150,000)	(150,000)	-
Total other financing sources (uses)	<u>860,379</u>	<u>854,101</u>	<u>(6,278)</u>
Excess (deficiency) of revenues over expenditures and other sources (uses)	<u>(1,246,042)</u>	<u>(136,928)</u>	<u>1,109,114</u>
Prior year encumbrances	690,602	690,602	-
Fund balances, beginning of year	<u>1,046,620</u>	<u>1,046,620</u>	<u>-</u>
Fund balances, end of year	<u>\$ 491,180</u>	<u>\$ 1,600,294</u>	<u>\$ 1,109,114</u>

DEBT SERVICE FUNDS

Debt Service Funds are established to account for the accumulation of resources for and the payment of general long term principal and interest obligations and related costs.

General Obligation Bond Retirement Fund – Accounts for resources that are used for payment of principal, interest, and fiscal charges on general obligation debt.

Library Bond Retirement Fund – Accounts for resources that are restricted to pay the principal, interest, and related fiscal charges on the bonds issued for the purpose of constructing a free and public library in May 2001.

Sewer Bond Retirement Fund – Accounts for resources restricted to pay the principal, interest, and related fiscal charges on pre-1987 sanitary sewer improvements.

CITY OF NORTH OLMSTED, OHIO

COMBINING BALANCE SHEET
ALL DEBT SERVICE FUNDS

DECEMBER 31, 2001

	General Obligation Bond Retirement	Library Bond Retirement	Sewer Bond Retirement	Totals
<u>Assets</u>				
Equity in pooled cash and equivalents	\$ 1,011,605	\$ 440,526	\$ 424,025	\$ 1,876,156
Receivables				
Taxes	2,324,651	790,071	535,878	3,650,600
Intergovernmental	136,200	49,900	31,800	217,900
Total assets	<u>\$ 3,472,456</u>	<u>\$ 1,280,497</u>	<u>\$ 991,703</u>	<u>\$ 5,744,656</u>
<u>Liabilities and fund balances</u>				
<u>Liabilities</u>				
Deferred revenue	\$ 2,460,851	\$ 839,971	\$ 567,678	\$ 3,868,500
Accrued interest payable	4,620	23,049	-	27,669
Total liabilities	<u>2,465,471</u>	<u>863,020</u>	<u>567,678</u>	<u>3,896,169</u>
<u>Fund balances</u>				
Reserved for debt service	1,006,985	417,477	424,025	1,848,487
Total fund balances	<u>1,006,985</u>	<u>417,477</u>	<u>424,025</u>	<u>1,848,487</u>
Total liabilities and fund balances	<u>\$ 3,472,456</u>	<u>\$ 1,280,497</u>	<u>\$ 991,703</u>	<u>\$ 5,744,656</u>

CITY OF NORTH OLMSTED, OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
ALL DEBT SERVICE FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2001

	General Obligation Bond Retirement	Library Bond Retirement	Sewer Bond Retirement	Totals
Revenues				
Property and other taxes	\$ 2,158,214	\$ 784,651	\$ 574,218	\$ 3,517,083
Intergovernmental	271,195	99,438	118,395	489,028
Investment income	126,504	37,048	-	163,552
Total revenues	2,555,913	921,137	692,613	4,169,663
Expenditures				
Debt service				
Principal retirement	2,470,447	10,000	452,009	2,932,456
Interest and fiscal charges	1,800,088	493,660	142,283	2,436,031
Total expenditures	4,270,535	503,660	594,292	5,368,487
Excess revenues over expenditures	(1,714,622)	417,477	98,321	(1,198,824)
Other financing sources (uses)				
Operating transfers-in	1,696,621	-	-	1,696,621
Proceeds of refunding bonds	7,669,402	-	-	7,669,402
Payment to bond escrow agent	(7,518,674)	-	-	(7,518,674)
Total other financing sources (uses)	1,847,349	-	-	1,847,349
Excess (deficiency) of revenues over expenditures and other sources (uses)	132,727	417,477	98,321	648,525
Fund balances, beginning of year	874,258	-	325,704	1,199,962
Fund balances, end of year	\$ 1,006,985	\$ 417,477	\$ 424,025	\$ 1,848,487

CITY OF NORTH OLMSTED, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2001

	General Obligation Bond Retirement		
	Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Property and other taxes	\$ 2,154,011	\$ 2,158,214	\$ 4,203
Intergovernmental	267,930	271,195	3,265
Investment income	130,000	126,504	(3,496)
Total revenues	<u>2,551,941</u>	<u>2,555,913</u>	<u>3,972</u>
Expenditures			
Debt service			
Principal retirement	10,691,053	10,688,021	3,032
Interest and fiscal charges	3,110,355	3,107,506	2,849
Total expenditures	<u>13,801,408</u>	<u>13,795,527</u>	<u>5,881</u>
Excess (deficiency) of revenues over expenditures	<u>(11,249,467)</u>	<u>(11,239,614)</u>	<u>9,853</u>
Other financing sources (uses)			
Bond proceeds	7,643,760	7,679,259	35,499
Operating transfers-in	3,621,204	3,702,939	81,735
Total other financing sources (uses)	<u>11,264,964</u>	<u>11,382,198</u>	<u>117,234</u>
Excess (deficiency) of revenues over expenditures and other sources (uses)	15,497	142,584	127,087
Prior year encumbrances	-	-	-
Fund balances, beginning of year	<u>874,258</u>	<u>874,258</u>	-
Fund balances, end of year	<u>\$ 889,755</u>	<u>\$ 1,016,842</u>	<u>\$ 127,087</u>

CITY OF NORTH OLMSTED, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2001

	Library Bond Retirement		
	Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Property and other taxes	\$ 790,652	\$ 784,652	\$ (6,000)
Intergovernmental	97,720	99,438	1,718
Investment income	35,000	37,047	2,047
Total revenues	923,372	921,137	(2,235)
Expenditures			
Debt service			
Principal retirement	10,800,000	10,760,000	40,000
Interest and fiscal charges	723,295	723,292	3
Total expenditures	11,523,295	11,483,292	40,003
Excess (deficiency) of revenues over expenditures	(10,599,923)	(10,562,155)	37,768
Other financing sources (uses)			
Bond proceeds	10,979,633	10,882,569	(97,064)
Total other financing sources (uses)	10,979,633	10,882,569	(97,064)
Excess (deficiency) of revenues over expenditures and other sources (uses)	379,710	320,414	(59,296)
Prior year encumbrances	-	-	-
Fund balances, beginning of year	-	-	-
Fund balances, end of year	\$ 379,710	\$ 320,414	\$ (59,296)

CITY OF NORTH OLMSTED, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2001

	Sewer Bond Retirement		
	Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Property and other taxes	\$ 573,932	\$ 574,218	\$ 286
Charges for services	45,000	94,357	49,357
Intergovernmental	71,982	72,318	336
Total revenues	<u>690,914</u>	<u>740,893</u>	<u>49,979</u>
Expenditures			
Debt service			
Principal retirement	452,009	452,009	-
Interest and fiscal charges	143,206	142,283	923
Total expenditures	<u>595,215</u>	<u>594,292</u>	<u>923</u>
Excess (deficiency) of revenues over expenditures	<u>95,699</u>	<u>146,601</u>	<u>50,902</u>
Other financing sources (uses)			
Operating transfers-in	5,000	-	(5,000)
Total other financing sources (uses)	<u>5,000</u>	<u>-</u>	<u>(5,000)</u>
Excess (deficiency) of revenues over expenditures and other sources (uses)	100,699	146,601	45,902
Prior year encumbrances	-	-	-
Fund balances, beginning of year	<u>277,424</u>	<u>277,424</u>	<u>-</u>
Fund balances, end of year	<u>\$ 378,123</u>	<u>\$ 424,025</u>	<u>\$ 45,902</u>

CITY OF NORTH OLMSTED, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2001

	Debt Service Fund Type		
	Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Property and other taxes	\$ 3,518,595	\$ 3,517,084	\$ (1,511)
Charges for services	45,000	94,357	49,357
Intergovernmental	437,632	442,951	5,319
Investment income	165,000	163,551	(1,449)
Total revenues	<u>4,166,227</u>	<u>4,217,943</u>	<u>51,716</u>
Expenditures			
Debt service			
Principal retirement	21,943,062	21,900,030	43,032
Interest and fiscal charges	3,976,856	3,973,081	3,775
Total expenditures	<u>25,919,918</u>	<u>25,873,111</u>	<u>46,807</u>
Excess (deficiency) of revenues over expenditures	<u>(21,753,691)</u>	<u>(21,655,168)</u>	<u>98,523</u>
Other financing sources (uses)			
Bond proceeds	18,623,393	18,561,828	(61,565)
Operating transfers-in	3,626,204	3,702,939	76,735
Total other financing sources (uses)	<u>22,249,597</u>	<u>22,264,767</u>	<u>15,170</u>
Excess (deficiency) of revenues over expenditures and other sources (uses)	495,906	609,599	113,693
Prior year encumbrances	-	-	-
Fund balances, beginning of year	<u>1,151,682</u>	<u>1,151,682</u>	-
Fund balances, end of year	<u>\$ 1,647,588</u>	<u>\$ 1,761,281</u>	<u>\$ 113,693</u>

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CAPITAL PROJECTS FUNDS

Capital improvement funds are provided to account for financial resources used for the construction or acquisition of major capital improvements.

Capital Improvement Project Fund – Accounts for resources allocated for specific major capital improvements and the related expenditures.

Library Construction Fund – Accounts for the financial resources designated to construct a free and public library and the related expenditures.

Issue II Fund – Accounts for Issue II grant monies received and the related expenditures paid directly to the contractors on our behalf.

CITY OF NORTH OLMSTED, OHIO

COMBINING BALANCE SHEET
ALL CAPITAL PROJECTS FUNDS

DECEMBER 31, 2001

	Capital Improvement Project	Library Construction	Issue II	Totals
<u>Assets</u>				
Equity in pooled cash and equivalents	\$ 166,544	\$ 8,367,057	\$ -	\$ 8,533,601
Total assets	<u>\$ 166,544</u>	<u>\$ 8,367,057</u>	<u>\$ -</u>	<u>\$ 8,533,601</u>
<u>Liabilities and fund balances</u>				
<u>Liabilities</u>				
Accounts payable	\$ 6,850	\$ -	\$ -	\$ 6,850
Total liabilities	<u>6,850</u>	<u>-</u>	<u>-</u>	<u>6,850</u>
<u>Fund balances</u>				
Reserved for encumbrances	48,881	-	-	48,881
Unreserved	110,813	8,367,057	-	8,477,870
Total fund balances	<u>159,694</u>	<u>8,367,057</u>	<u>-</u>	<u>8,526,751</u>
Total liabilities and fund balances	<u>\$ 166,544</u>	<u>\$ 8,367,057</u>	<u>\$ -</u>	<u>\$ 8,533,601</u>

CITY OF NORTH OLMSTED, OHIO

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

FOR THE YEAR ENDED DECEMBER 31, 2001

	Capital Improvement Project	Library Construction	Issue II	Totals
Revenues				
Intergovernmental	\$ -	\$ -	\$ 221,442	\$ 221,442
Investment income	-	351,784	-	351,784
Other	9,950	500	-	10,450
Total revenues	<u>9,950</u>	<u>352,284</u>	<u>221,442</u>	<u>583,676</u>
Expenditures				
Capital outlay	584,620	2,615,115	221,442	3,421,177
Debt service				
Interest and fiscal charges	4,550	223,282	-	227,832
Total expenditures	<u>589,170</u>	<u>2,838,397</u>	<u>221,442</u>	<u>3,649,009</u>
Excess revenues over expenditures	<u>(579,220)</u>	<u>(2,486,113)</u>	<u>-</u>	<u>(3,065,333)</u>
Other financing sources (uses)				
Bond proceeds	255,382	10,859,520	-	11,114,902
Total other financing sources (uses)	<u>255,382</u>	<u>10,859,520</u>	<u>-</u>	<u>11,114,902</u>
Excess (deficiency) of revenues over expenditures and other sources (uses)	<u>(323,838)</u>	<u>8,373,407</u>	<u>-</u>	<u>8,049,569</u>
Fund balances, beginning of year	<u>483,532</u>	<u>(6,350)</u>	<u>-</u>	<u>477,182</u>
Fund balances, end of year	<u>\$ 159,694</u>	<u>\$ 8,367,057</u>	<u>\$ -</u>	<u>\$ 8,526,751</u>

CITY OF NORTH OLMSTED, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2001

	Capital Improvement Project		
	Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Other	\$ -	\$ 9,950	\$ 9,950
Total revenues	<u>-</u>	<u>9,950</u>	<u>9,950</u>
Expenditures			
Current			
Security of persons and property			
Police department			
Capital outlay	23,656	6,591	17,065
Total security of persons and property	<u>23,656</u>	<u>6,591</u>	<u>17,065</u>
Leisure time activities			
Golf course			
Capital outlay	36,290	35,619	671
Total golf course	<u>36,290</u>	<u>35,619</u>	<u>671</u>
Recreation department			
Capital outlay	776,533	672,209	104,324
Total recreation department	<u>776,533</u>	<u>672,209</u>	<u>104,324</u>
Total leisure time activities	<u>812,823</u>	<u>707,828</u>	<u>104,995</u>
Debt service			
Interest and fiscal charges	10,000	4,549	5,451
Total expenditures	<u>846,479</u>	<u>718,968</u>	<u>127,511</u>
Excess (deficiency) of revenues over expenditures	<u>(846,479)</u>	<u>(709,018)</u>	<u>137,461</u>
Other financing sources (uses)			
Bond proceeds	255,000	255,382	382
Total other financing sources (uses)	<u>255,000</u>	<u>255,382</u>	<u>382</u>
Excess (deficiency) of revenues over expenditures and other sources (uses)	(591,479)	(453,636)	137,843
Prior year encumbrances	400,779	400,779	-
Fund balances, beginning of year	<u>163,669</u>	<u>163,669</u>	<u>-</u>
Fund balances, end of year	<u>\$ (27,031)</u>	<u>\$ 110,812</u>	<u>\$ 137,843</u>

CITY OF NORTH OLMSTED, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2001

	Library Construction		Variance Favorable (Unfavorable)
	Budget	Actual	
Revenues			
Investment income	\$ -	\$ 351,784	\$ 351,784
Other	367	500	133
Total revenues	<u>367</u>	<u>352,284</u>	<u>351,917</u>
Expenditures			
Current			
Economic development and assistance			
General government			
Capital outlay	10,750,000	2,615,115	8,134,885
Total expenditures	<u>10,750,000</u>	<u>2,615,115</u>	<u>8,134,885</u>
Excess (deficiency) of revenues over expenditures	<u>(10,749,633)</u>	<u>(2,262,831)</u>	<u>8,486,802</u>
Other financing sources (uses)			
Note proceeds	8,000,000	8,000,000	-
Total other financing sources (uses)	<u>8,000,000</u>	<u>8,000,000</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other sources (uses)	<u>(2,749,633)</u>	<u>5,737,169</u>	<u>8,486,802</u>
Prior year encumbrances	-	-	-
Fund balances, beginning of year	<u>2,750,000</u>	<u>2,750,000</u>	<u>-</u>
Fund balances, end of year	<u>\$ 367</u>	<u>\$ 8,487,169</u>	<u>\$ 8,486,802</u>

CITY OF NORTH OLMSTED, OHIO
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –
 BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 FOR THE YEAR ENDED DECEMBER 31, 2001

	Issue II		Variance Favorable (Unfavorable)
	Budget	Actual	
Revenues			
Intergovernmental	\$ 1,352,661	\$ 221,442	\$ (1,131,219)
Total revenues	<u>1,352,661</u>	<u>221,442</u>	<u>(1,131,219)</u>
Expenditures			
Current			
General government - legislative and executive			
Service department			
Capital outlay	1,352,853	221,442	1,131,411
Total expenditures	<u>1,352,853</u>	<u>221,442</u>	<u>1,131,411</u>
Excess (deficiency) of revenues over expenditures	(192)	-	192
Prior year encumbrances	-	-	-
Fund balances, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, end of year	<u>\$ (192)</u>	<u>\$ -</u>	<u>\$ 192</u>

CITY OF NORTH OLMSTED, OHIO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2001

	Capital Projects Fund Type		
	Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Intergovernmental	\$ 1,352,661	\$ 221,442	\$ (1,131,219)
Investment income	-	351,784	351,784
Other	367	10,450	10,083
Total revenues	<u>1,353,028</u>	<u>583,676</u>	<u>(769,352)</u>
Expenditures			
Current			
General government - executive and legislative			
Service department			
Capital outlay	1,352,853	221,442	1,131,411
Total general government			
- executive and legislative	<u>1,352,853</u>	<u>221,442</u>	<u>1,131,411</u>
Security of persons and property			
Police department			
Capital outlay	23,656	6,591	17,065
Total security of persons and property	<u>23,656</u>	<u>6,591</u>	<u>17,065</u>
Leisure time activities			
Golf course			
Capital outlay	36,290	35,619	671
Total golf course	<u>36,290</u>	<u>35,619</u>	<u>671</u>
Recreation department			
Capital outlay	776,533	672,209	104,324
Total recreation department	<u>776,533</u>	<u>672,209</u>	<u>104,324</u>
Total leisure time activities	<u>812,823</u>	<u>707,828</u>	<u>104,995</u>
Economic development and assistance			
General government			
Capital outlay	10,750,000	2,615,115	8,134,885
Total economic development and assistance	<u>10,750,000</u>	<u>2,615,115</u>	<u>8,134,885</u>
Debt service			
Interest and fiscal charges	10,000	4,549	5,451
Total expenditures	<u>12,949,332</u>	<u>3,555,525</u>	<u>9,393,807</u>
Excess (deficiency) of revenues over expenditures	<u>(11,596,304)</u>	<u>(2,971,849)</u>	<u>8,624,455</u>
Other financing sources (uses)			
Note proceeds	8,000,000	8,000,000	-
Bond proceeds	255,000	255,382	382
Total other financing sources (uses)	<u>8,255,000</u>	<u>8,255,382</u>	<u>382</u>
Excess (deficiency) of revenues over expenditures and other sources (uses)	<u>(3,341,304)</u>	<u>5,283,533</u>	<u>8,624,837</u>
Prior year encumbrances	400,779	400,779	-
Fund balances, beginning of year	<u>2,913,669</u>	<u>2,913,669</u>	<u>-</u>
Fund balances, end of year	<u>\$ (26,856)</u>	<u>\$ 8,597,981</u>	<u>\$ 8,624,837</u>

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ENTERPRISE FUNDS

Enterprise funds are used to account for the City's Sanitary Sewer System, Municipal Bus Line, and Golf Course and Ballroom. They are financed and operated in a manner similar to private sector business enterprises where the intent is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

North Olmsted Municipal Bus Line Fund (NOMBL) – Accounts for the revenues and expenses of the city-owned municipal bus line.

Springvale Golf Course and Ballroom Fund – Accounts for the revenues and expenses of the City-owned golf course and ballroom facility.

Sewer Revenue Fund – Accounts for the revenues and expenses of the Sanitary Sewer System and Waste Water Treatment Plant facilities.

CITY OF NORTH OLMSTED, OHIO

COMBINING BALANCE SHEET
ALL ENTERPRISE FUNDS

DECEMBER 31, 2001

	NOMBL	Springvale Golf Course and Ballroom	Sewer Revenue	Total
<u>Assets</u>				
Equity in pooled cash	\$ 477,263	\$ 1,225,404	\$ 1,125,302	\$ 2,827,969
Receivables				
Accounts	340	-	-	340
Intergovernmental	762,751	-	1,192,933	1,955,684
Materials and supplies	69,437	8,486	-	77,923
Fixed assets	571,462	6,060,255	54,005,956	60,637,673
Accumulated depreciation	(116,809)	(529,582)	(28,692,688)	(29,339,079)
Total assets	<u>\$ 1,764,444</u>	<u>\$ 6,764,563</u>	<u>\$ 27,631,503</u>	<u>\$ 36,160,510</u>
<u>Liabilities and equity</u>				
<u>Liabilities</u>				
Accounts payable	\$ 32,472	\$ 19,201	\$ 56,089	\$ 107,762
Accrued wages and benefits	108,207	4,409	61,041	173,657
Compensated absences payable	553,619	22,357	452,535	1,028,511
Due to other funds	-	-	98,010	98,010
Retainage payable	-	42,383	2,945	45,328
Intergovernmental payable	177,265	12,572	82,475	272,312
Accrued interest payable	-	22,437	63,800	86,237
Claims and judgments payable	-	-	75,000	75,000
Bonds payable				
General obligation	-	6,504,900	14,681,200	21,186,100
Total liabilities	<u>871,563</u>	<u>6,628,259</u>	<u>15,573,095</u>	<u>23,072,917</u>
<u>Equity</u>				
Contributed capital	-	96,000	9,850,047	9,946,047
Retained earnings - unreserved	892,881	40,304	2,208,361	3,141,546
Total equity	<u>892,881</u>	<u>136,304</u>	<u>12,058,408</u>	<u>13,087,593</u>
Total liabilities and equity	<u>\$ 1,764,444</u>	<u>\$ 6,764,563</u>	<u>\$ 27,631,503</u>	<u>\$ 36,160,510</u>

CITY OF NORTH OLMSTED, OHIO
 COMBINING STATEMENT OF REVENUES, EXPENSES, AND
 CHANGES IN RETAINED EARNINGS - ALL ENTERPRISE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2001

	NOMBL	Springvale Golf Course and Ballroom	Sewer Revenue	Total
Operating revenues				
Charges for services	\$ 4,478,584	\$ 1,227,643	\$ 5,902,709	\$ 11,608,936
Tap-in fees	-	-	322,119	322,119
Other	145,568	6,132	30,658	182,358
Total operating revenues	<u>4,624,152</u>	<u>1,233,775</u>	<u>6,255,486</u>	<u>12,113,413</u>
Operating expenses				
Wages	3,044,392	347,418	1,698,991	5,090,801
Personnel costs	941,183	76,066	559,032	1,576,281
Cost of sales	511,573	161,692	1,507,172	2,180,437
Repairs and maintenance	19,211	149,598	283,000	451,809
Other operating expenses	98,917	220,076	505,383	824,376
Depreciation	11,842	79,265	1,286,762	1,377,869
Total operating expenses	<u>4,627,118</u>	<u>1,034,115</u>	<u>5,840,340</u>	<u>11,501,573</u>
Operating income (loss)	<u>(2,966)</u>	<u>199,660</u>	<u>415,146</u>	<u>611,840</u>
Nonoperating revenues (expenses)				
Investment income	-	41,249	-	41,249
Other	-	-	263,000	263,000
Interest and fiscal charges	-	(287,274)	(1,062,355)	(1,349,629)
Total nonoperating revenues (expenses)	<u>-</u>	<u>(246,025)</u>	<u>(799,355)</u>	<u>(1,045,380)</u>
Net loss	<u>(2,966)</u>	<u>(46,365)</u>	<u>(384,209)</u>	<u>(433,540)</u>
Retained earnings, beginning of year, as restated	<u>895,847</u>	<u>86,669</u>	<u>2,592,570</u>	<u>3,575,086</u>
Retained earnings, end of year	<u>\$ 892,881</u>	<u>\$ 40,304</u>	<u>\$ 2,208,361</u>	<u>\$ 3,141,546</u>

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

	NOMBL	Springvale Golf Course and Ballroom	Sewer Revenue	Total
Cash flows from operating activities:				
Operating income (loss)	\$ (2,966)	\$ 199,660	\$ 415,146	\$ 611,840
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation	11,842	79,265	1,286,762	1,377,869
Changes in net assets (increase) decrease and liabilities increase (decrease):				
Accounts receivable	(219)	-	-	(219)
Intergovernmental receivable	(380,081)	-	350,380	(29,701)
Materials and supplies	4,766	(2,192)	-	2,574
Accounts and contracts payable	2,161	(4,681)	(166,435)	(168,955)
Accrued salaries and benefits	(15,400)	(1,235)	3,324	(13,311)
Compensated absences	20,257	793	3,691	24,741
Retainage payable	(794)	42,383	(323)	41,266
Intergovernmental payable	43,472	(1,204)	9,687	51,955
Accrued interest payable	-	2,137	(10,900)	(8,763)
Total adjustments	(313,996)	115,266	1,476,186	1,277,456
Net cash provided by operating activities	(316,962)	314,926	1,891,332	1,889,296
Cash flows from investing activities:				
Interest income	-	41,249	-	41,249
Net cash provided by investing activities	-	41,249	-	41,249
Cash flows from capital and related financing activities:				
Acquisition of fixed assets	-	(1,335,580)	(153,068)	(1,488,648)
Proceeds from bonds payable	-	2,500,000	-	2,500,000
Principal payment of bonds	-	(150,100)	(548,800)	(698,900)
Interest and fiscal charges	-	(287,274)	(1,062,355)	(1,349,629)
Net cash (used in) capital and related financing activities	-	727,046	(1,764,223)	(1,037,177)
Net increase (decrease) in cash and cash equivalents	(316,962)	1,083,221	127,109	893,368
Equity in pooled cash and equivalents, beginning of year	794,225	142,183	998,193	1,934,601
Equity in pooled cash and equivalents, end of year	\$ 477,263	\$ 1,225,404	\$ 1,125,302	\$ 2,827,969
Non-cash transactions:				
Reduction of claims and judgments payable	\$ -	\$ -	\$ 263,000	\$ 263,000

CITY OF NORTH OLMSTED, OHIO
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2001

	North Olmsted Municipal Bus Line		
	Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Charges for services	\$ 4,822,000	\$ 4,114,790	\$ (707,210)
Other	60,000	129,062	69,062
Total operating revenues	<u>4,882,000</u>	<u>4,243,852</u>	<u>(638,148)</u>
Expenses			
Wages	3,306,400	3,044,392	262,008
Personnel costs	1,072,786	955,604	117,182
Cost of sales	125,961	84,759	41,202
Repairs and maintenance	28,003	20,480	7,523
Other operating expenses	558,919	443,093	115,826
Capital outlay	57,352	34,050	23,302
Total operating expenses	<u>5,149,421</u>	<u>4,582,378</u>	<u>567,043</u>
Excess (deficiency) of revenues over expenses	<u>(267,421)</u>	<u>(338,526)</u>	<u>(71,105)</u>
Other financing sources (uses)			
Operating transfers-out	(1,000)	-	1,000
Total other financing sources (uses)	<u>(1,000)</u>	<u>-</u>	<u>1,000</u>
Excess (deficiency) of revenues over expenses and other sources (uses)	<u>(268,421)</u>	<u>(338,526)</u>	<u>(70,105)</u>
Prior year encumbrances	58,421	58,421	-
Fund balances, beginning of year	<u>735,804</u>	<u>735,804</u>	<u>-</u>
Fund balances, end of year	<u>\$ 525,804</u>	<u>\$ 455,699</u>	<u>\$ (70,105)</u>

CITY OF NORTH OLMSTED, OHIO
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2001

	Springvale Golf Course and Ballroom		
	Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Charges for services	\$ 1,253,050	\$ 1,227,643	\$ (25,407)
Other	-	6,132	6,132
Total operating revenues	1,253,050	1,233,775	(19,275)
Expenses			
Wages	351,070	347,418	3,652
Personnel costs	80,847	80,847	-
Cost of sales	240,986	238,447	2,539
Repairs and maintenance	154,379	151,129	3,250
Other operating expenses	138,835	132,121	6,714
Capital outlay	2,452,876	1,636,589	816,287
Total operating expenses	3,418,993	2,586,551	832,442
Excess (deficiency) of revenues over expenses	(2,165,943)	(1,352,776)	813,167
Other financing sources (uses)			
Investment income	40,500	41,249	749
Bond proceeds	2,500,000	2,489,562	(10,438)
Interest and fiscal charges	(50,000)	(45,773)	4,227
Operating transfers-out	(391,263)	(384,263)	7,000
Total other financing sources (uses)	2,099,237	2,100,775	1,538
Excess (deficiency) of revenues over expenses and other sources (uses)	(66,706)	747,999	814,705
Prior year encumbrances	14,444	14,444	-
Fund balances, beginning of year	127,739	127,739	-
Fund balances, end of year	\$ 75,477	\$ 890,182	\$ 814,705

CITY OF NORTH OLMSTED, OHIO
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2001

	Sewer Revenue		
	Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Charges for services	\$ 6,326,000	\$ 6,253,089	\$ (72,911)
Tap-in fees	-	322,119	322,119
Other	-	30,658	30,658
Total operating revenues	<u>6,326,000</u>	<u>6,605,866</u>	<u>279,866</u>
Expenses			
Wages	1,731,516	1,698,991	32,525
Personnel costs	554,329	549,347	4,982
Cost of sales	867,536	659,156	208,380
Repairs and maintenance	49,568	35,824	13,744
Other operating expenses	2,020,094	1,922,748	97,346
Capital outlay	418,582	404,914	13,668
Total operating expenses	<u>5,641,625</u>	<u>5,270,980</u>	<u>370,645</u>
Excess (deficiency) of revenues over expenses	<u>684,375</u>	<u>1,334,886</u>	<u>650,511</u>
Other financing sources (uses)			
Operating transfers-out	(1,622,055)	(1,622,055)	-
Total other financing sources (uses)	<u>(1,622,055)</u>	<u>(1,622,055)</u>	<u>-</u>
Excess (deficiency) of revenues over expenses and other sources (uses)	(937,680)	(287,169)	650,511
Prior year encumbrances	593,549	593,549	-
Fund balances, beginning of year	404,644	404,644	-
Fund balances, end of year	<u>\$ 60,513</u>	<u>\$ 711,024</u>	<u>\$ 650,511</u>

CITY OF NORTH OLMSTED, OHIO
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2001

	Enterprise Funds		
	Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Charges for services	\$ 12,401,050	\$ 11,595,522	\$ (805,528)
Tap-in fees	-	322,119	322,119
Other	60,000	165,852	105,852
Total operating revenues	<u>12,461,050</u>	<u>12,083,493</u>	<u>(377,557)</u>
Expenses			
Wages	5,388,986	5,090,801	298,185
Personnel costs	1,707,962	1,585,798	122,164
Cost of sales	1,234,483	982,362	252,121
Repairs and maintenance	231,950	207,433	24,517
Other operating expenses	2,717,848	2,497,962	219,886
Capital outlay	2,928,810	2,075,553	853,257
Total operating expenses	<u>14,210,039</u>	<u>12,439,909</u>	<u>1,770,130</u>
Excess (deficiency) of revenues over expenses	<u>(1,748,989)</u>	<u>(356,416)</u>	<u>1,392,573</u>
Other financing sources (uses)			
Investment income	40,500	41,249	749
Bond proceeds	2,500,000	2,489,562	(10,438)
Interest and fiscal charges	(50,000)	(45,773)	4,227
Operating transfers-out	(2,014,318)	(2,006,318)	8,000
Total other financing sources (uses)	<u>476,182</u>	<u>478,720</u>	<u>2,538</u>
Excess (deficiency) of revenues over expenses and other sources (uses)	<u>(1,272,807)</u>	<u>122,304</u>	<u>1,395,111</u>
Prior year encumbrances	407,255	407,255	-
Fund balances, beginning of year	<u>1,527,346</u>	<u>1,527,346</u>	<u>-</u>
Fund balances, end of year	<u>\$ 661,794</u>	<u>\$ 2,056,905</u>	<u>\$ 1,395,111</u>

INTERNAL SERVICE FUND

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

Hospitalization Fund – Accounts for the operation of the city's self-insurance program for employee health benefits.

CITY OF NORTH OLMSTED, OHIO
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2001

	Hospitalization		Variance Favorable (Unfavorable)
	Budget	Actual	
Revenues			
Charges for services	\$ 2,449,872	\$ 2,482,422	\$ 32,550
Total revenues	<u>2,449,872</u>	<u>2,482,422</u>	<u>32,550</u>
Expenses			
Claims and judgments	2,375,020	2,325,864	49,156
Total expenses	<u>2,375,020</u>	<u>2,325,864</u>	<u>49,156</u>
Excess (deficiency) of revenues over expenses	74,852	156,558	81,706
Prior year encumbrances	-	-	-
Fund balances, beginning of year	<u>570,226</u>	<u>570,226</u>	-
Fund balances, end of year	<u>\$ 645,078</u>	<u>\$ 726,784</u>	<u>\$ 81,706</u>

AGENCY FUNDS

These funds are purely custodial (assets equal liabilities) and thus do not involve the measurement of results of operations.

Trust and Agency Fund – Accounts for deposits held by the City from contractors, developers or individuals to ensure compliance with City ordinances. These monies net of inspection charges are returned when the work is properly completed.

CITY OF NORTH OLMSTED, OHIO
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 AGENCY FUND

FOR THE YEAR ENDED DECEMBER 31, 2001

	Trust and Agency Fund			Balance 12/31/01
	Balance 12/31/00	Additions	Reductions	
<u>Assets</u>				
Other funds on deposit	\$ 139,234	\$ 245,210	\$ 155,433	\$ 229,011
Accounts receivable	-	7,620	-	7,620
Total assets	<u>\$ 139,234</u>	<u>\$ 252,830</u>	<u>\$ 155,433</u>	<u>\$ 236,631</u>
<u>Liabilities</u>				
Refundable deposits	\$ 139,234	\$ 252,830	\$ 155,433	\$ 236,631
Total liabilities	<u>\$ 139,234</u>	<u>\$ 252,830</u>	<u>\$ 155,433</u>	<u>\$ 236,631</u>

GENERAL FIXED ASSETS

This account group is used to account for all sites, buildings, equipment, and vehicles not used in the operations of the Proprietary Funds.

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

General fixed assets	
Land and improvements	\$ 4,281,967
Building and improvements	16,891,439
Machinery and equipment	7,531,700
Furniture and fixtures	489,621
Construction in progress	<u>78,024</u>
Total general fixed assets	29,272,751
Less accumulated depreciation	<u>(15,042,150)</u>
Net general fixed assets	<u>\$ 14,230,601</u>

Investment in general fixed assets from:	
General Fund	\$ 19,428,306
Special Revenue Funds	9,629,028
Donations and Grants	<u>215,417</u>
Total general fixed assets	29,272,751
Less accumulated depreciation	<u>(15,042,150)</u>
Net general fixed assets	<u>\$ 14,230,601</u>

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

Function and Activity	Land and Improvements	Building and Improvements	Machinery and Equipment	Furniture and Fixtures	Total
General government:					
Mayor	\$ -	\$ -	\$ 14,102	\$ 3,702	\$ 17,804
Council	-	-	8,309	25,267	33,576
Finance	-	-	46,541	4,835	51,376
Safety	-	-	2,934	1,252	4,186
Data processing	-	-	96,457	1,282	97,739
Personnel	-	-	7,372	2,292	9,664
Boards and commissions	-	-	2,946	-	2,946
City hall - general government	3,305,929	4,689,169	296,867	14,283	8,306,248
Total general government	<u>3,305,929</u>	<u>4,689,169</u>	<u>475,528</u>	<u>52,913</u>	<u>8,523,539</u>
Community and development:					
Building	-	-	119,665	2,136	121,801
Public safety:					
Police	11,612	1,520,670	1,150,952	74,297	2,757,531
Fire	31,993	3,164,634	1,513,270	48,115	4,758,012
Total public safety	<u>43,605</u>	<u>4,685,304</u>	<u>2,664,222</u>	<u>122,412</u>	<u>7,515,543</u>
Public health and welfare:					
Human resources	-	-	9,019	4,466	13,485
Transportation					
Public works	-	-	6,949	1,049	7,998
Engineering	-	-	129,330	13,047	142,377
Service	46,146	82,217	2,724,133	5,868	2,858,364
Fleet	-	14,975	360,036	-	375,011
Total transportation	<u>46,146</u>	<u>97,192</u>	<u>3,220,448</u>	<u>19,964</u>	<u>3,383,750</u>
Culture and recreation:					
Recreation	886,287	7,117,248	966,513	284,839	9,254,887
Senior center	-	302,526	76,305	2,891	381,722
Total culture and recreation	<u>886,287</u>	<u>7,419,774</u>	<u>1,042,818</u>	<u>287,730</u>	<u>9,636,609</u>
Total by function	4,281,967	16,891,439	7,531,700	489,621	29,194,727
Construction in progress	-	78,024	-	-	78,024
Total general fixed assets	4,281,967	16,969,463	7,531,700	489,621	29,272,751
Less accumulated depreciation	<u>194,093</u>	<u>8,384,548</u>	<u>6,281,309</u>	<u>182,200</u>	<u>15,042,150</u>
Net general fixed assets	<u>\$ 4,087,874</u>	<u>\$ 8,584,915</u>	<u>\$ 1,250,391</u>	<u>\$ 307,421</u>	<u>\$ 14,230,601</u>

CITY OF NORTH OLMSTED, OHIO
SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS BY FUNCTION AND ACTIVITY
FOR THE YEAR ENDED DECEMBER 31, 2001

Function and Activity	Restated, Balance 12/30/00	Additions	Disposals	Balance 12/31/01
General government:				
Mayor	\$ 17,804	\$ -	\$ -	\$ 17,804
Council	33,576	-	-	33,576
Finance	51,376	-	-	51,376
Safety	4,186	-	-	4,186
Data processing	97,739	-	-	97,739
Personnel	8,895	4,560	3,791	9,664
Boards and commissions	2,946	-	-	2,946
City hall - general government	5,509,384	2,796,864	-	8,306,248
Total general government	<u>5,725,906</u>	<u>2,801,424</u>	<u>3,791</u>	<u>8,523,539</u>
Community and development:				
Building	130,315	-	8,514	121,801
Public safety:				
Police	2,509,392	348,843	100,704	2,757,531
Fire	4,898,168	4,569	144,725	4,758,012
Total public safety	<u>7,407,560</u>	<u>353,412</u>	<u>245,429</u>	<u>7,515,543</u>
Public health and welfare:				
Human resources	13,485	-	-	13,485
Transportation				
Public works	7,998	-	-	7,998
Engineering	142,377	-	-	142,377
Service	2,858,035	1,790	1,461	2,858,364
Fleet	213,143	180,323	18,455	375,011
Total transportation	<u>3,221,553</u>	<u>182,113</u>	<u>19,916</u>	<u>3,383,750</u>
Culture and recreation				
Recreation	8,510,358	749,925	5,396	9,254,887
Senior center	375,222	6,500	-	381,722
Total culture and recreation	<u>8,885,580</u>	<u>756,425</u>	<u>5,396</u>	<u>9,636,609</u>
Total by function	<u>25,384,399</u>	<u>4,093,374</u>	<u>283,046</u>	<u>29,194,727</u>
Construction in progress	271,762	661,383	855,121	78,024
Total general fixed assets	<u>25,656,161</u>	<u>4,754,757</u>	<u>1,138,167</u>	<u>29,272,751</u>
Less accumulated depreciation	14,436,164	869,885	263,899	15,042,150
Net general fixed assets	<u>\$ 11,219,997</u>	<u>\$ 3,884,872</u>	<u>\$ 874,268</u>	<u>\$ 14,230,601</u>

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**City of North Olmsted
Governmental Fund Type
Expenditures by Function
Last Ten Fiscal Years**

	2001	2000	1999	1998	1997	1996	1995	1994	1993	1992 (1)
Current:										
General Government	\$4,100,839	\$4,991,317	\$6,000,902	\$6,440,737	\$5,834,093	\$5,250,428	\$5,081,750	\$4,862,426	\$4,381,931	\$4,195,944
Security of Persons and Property	11,046,278	9,776,330	8,232,264	7,788,275	7,779,038	6,888,008	6,812,790	6,776,438	6,067,176	5,250,923
Public Health and Welfare	471,538	103,558	82,655	111,916	107,449	109,212	108,130	99,759	177,550	41,294
Transportation	6,473,806	5,970,202	4,859,368	4,288,298	5,006,208	6,741,225	6,711,400	8,049,732	6,685,809	9,547,190
Community Environment							89,725		91,683	213,259
Basic Utility Services	1,603,503	1,591,668	1,464,750	1,609,739	1,338,580	1,354,865	1,253,643	1,505,430	979,961	1,125,545
Leisure Time Activities	2,087,516	2,063,492	1,975,437	1,961,903	1,907,376	1,816,349	1,657,952	1,557,414	1,507,203	1,439,834
Economic Development and Assistance	180,354	100,606	87,987	5,257	326,925	10,028	15,935	81,013	2,824	0
Other	0	3,256	231	45,103	0	0	0	0	7,350	326,260
Capital Outlay	3,421,177	1,064,788	2,449,811	878,425	1,682,255	415,840	5,224,128	4,450,551	2,354,288	2,648,833
Debt Service:										
Principal Retirement	2,982,456	2,219,605	2,210,601	2,009,107	1,896,763	1,389,891	1,434,489	1,271,247	1,218,592	19,778,587
Interest and Fiscal Charges	2,757,715	2,317,332	2,302,308	2,334,693	2,263,476	2,952,518	2,030,087	1,904,764	1,597,686	2,677,906
Total	\$35,125,182	\$30,202,154	\$29,666,314	\$27,473,453	\$28,142,163	\$26,928,364	\$30,420,029	\$30,558,774	\$25,072,053	\$47,245,575

Source:

City of North Olmsted audited financial statements

(1) 1992 was a disclaimer of opinion.

**City of North Olmsted
Governmental Fund Type
Revenues by Source
Last Ten Fiscal Years**

	2001	2000	1999	1998	1997	1996	1995	1994	1993	1992 (1)
Municipal Income Tax	\$11,121,341	\$10,858,123	\$10,257,028	\$9,727,638	\$9,873,472	\$8,901,309	\$8,321,754	\$7,585,398	\$7,130,162	\$6,508,799
Property and Other Taxes	10,114,983	8,607,246	8,553,667	8,387,454	7,401,978	7,141,571	7,498,764	6,756,338	6,681,374	6,362,593
Charges for Services	2,075,553	2,110,397	2,181,071	1,446,834	1,433,967	1,699,465	1,655,933	1,285,078	1,142,787	1,080,404
Licenses and Permits	737,875	668,900	809,925	801,678	775,907	709,908	523,177	432,453	440,944	426,462
Fines and Forfeitures	557,799	417,260	177,487	199,990	268,285	156,726	197,989	219,052	270,141	240,794
Intergovernmental	5,003,181	5,439,266	5,894,652	4,069,646	4,123,610	4,180,347	5,453,075	3,747,668	4,207,538	5,270,862
Special Assessments	102,808	91,734	114,918	89,072	94,145	97,682	97,794	98,252	99,316	127,894
Investment Income	937,639	684,382	531,677	449,501	492,611	560,489	523,334	408,804	125,122	164,778
Other	318,536	611,619	276,078	1,438,229	1,227,410	1,091,904	1,107,199	1,051,290	851,210	1,032,026
Total	\$30,969,715	\$29,488,927	\$28,796,503	\$26,610,042	\$25,691,385	\$24,539,401	\$25,379,019	\$21,584,333	\$20,948,594	\$21,214,612

Source:

City of North Olmsted audited financial statements

(1) 1992 was a disclaimer of opinion.

City of North Olmsted

Property Tax Levies and Collections

Real and Public Utility Taxes

Last Ten Fiscal Years

Collection Year	Current Levy	Current Collection	Percent of Current Levy Collected	Delinquent Collection	Total Collection	Total Collection As a Percent of Current Levy
2001	\$10,477,350	\$10,135,765	96.7%	\$256,101	\$10,391,866	99.2%
2000	8,767,921	8,462,625	96.5%	211,462	8,674,087	98.9%
1999	8,679,306	8,446,005	97.3%	226,139	8,672,144	99.9%
1998	8,508,575	8,293,734	97.5%	180,357	8,474,091	99.6%
1997	7,886,005	7,767,759	98.5%	121,655	7,889,414	100.0%
1996	7,665,505	7,594,056	99.1%	108,957	7,703,013	100.5%
1995	7,493,476	7,364,070	98.3%	76,488	7,440,558	99.3%
1994	6,876,219	6,656,838	96.8%	128,573	6,785,411	98.7%
1993	6,831,561	6,717,381	98.3%	88,587	6,805,968	99.6%
1992	6,792,970	6,699,325	98.6%	76,721	6,776,046	99.8%

Source: Cuyahoga County Auditor

City of North Olmsted

Assessed and Estimated Actual Value of Taxable Property

Last Ten Fiscal Years

Collection Year	Real Property	Public Utility Property	Tangible Personal Property	Total Assessed Value	Estimated Actual Value	Ra
2001	\$745,461,810	\$20,789,070	\$48,393,017	\$814,643,897	\$2,118,650,627	38.
2000	668,471,450	22,399,090	45,819,672	736,690,212	2,118,650,627	34.
1999	659,211,490	24,629,710	46,864,374	730,705,574	2,098,907,203	34.
1998	649,920,820	23,804,710	45,200,585	718,926,115	2,064,769,776	34.
1997	591,673,740	24,522,540	42,771,806	658,968,086	1,889,450,147	34.
1996	573,675,650	25,111,460	39,343,895	638,131,005	1,824,984,616	35.
1995	568,907,430	27,468,570	35,731,767	632,107,767	1,799,591,152	35.
1994	498,206,300	25,778,330	32,182,540	556,167,170	1,581,470,288	35.
1993	492,283,360	25,781,180	31,098,210	549,162,750	1,560,213,521	35.
1992	486,488,680	24,315,810	31,474,758	542,279,248	1,538,656,021	35.

Source: Cuyahoga County Auditor

City of North Olmsted

Property Tax Rates - Direct and Overlapping Governments

(Per \$1,000 Assessed Valuation)

Last Ten Fiscal Years

Year	General Operating	Debt Retirement		Recreation	Police & Fire Pension	Total City Levy	School District	County (1)	Polaris Vocational School
2001	7.00	4.10	0.80	1.20	0.60	13.70	69.10	17.60	2.4
2000	7.00	3.00	0.90	1.20	0.60	12.70	69.10	16.70	2.4
1999	7.00	3.00	0.90	1.20	0.60	12.70	69.10	16.70	2.4
1998	7.05	2.95	0.90	1.20	0.60	12.70	69.10	18.00	2.4
1997	7.50	2.50	1.00	1.20	0.60	12.80	69.10	18.00	2.4
1996	7.35	2.65	1.00	1.20	0.60	12.80	69.10	18.00	2.5
1995	8.10	1.90	0.80	1.20	0.60	12.60	63.20	18.20	2.5
1994	7.42	2.58	1.30	1.20	0.60	13.10	61.30	17.80	2.5
1993	7.62	2.38	1.40	1.20	0.60	13.20	61.30	17.80	2.5
1992	7.70	2.30	1.50	1.20	0.60	13.30	54.80	17.80	2.5

Source: Cuyahoga County Auditor

(1) Includes levies for the County, the Greater Cleveland Regional Transit Authority, the Cleveland-Cuyahoga County Port Authority, Cuyahoga Community College District, the Cleveland Metropolitan Park District and the Cuyahoga County Library District.

City of North Olmsted
Special Assessment Billings and Collections
Last Ten Fiscal Years

Collection Year	Current Levy	Current Collection	Total Collection As a Percent of Current Levy	Total Delinquent Tax
2001	\$102,672	\$86,502	84.3%	\$33,390
2000	109,122	86,778	79.5%	31,325
1999	123,051	115,454	93.8%	9,866
1998	112,984	92,852	82.2%	22,113
1997	105,545	95,083	90.1%	10,464
1996	111,097	99,027	89.1%	6,563
1995	110,136	99,016	89.9%	11,381
1994	105,855	99,522	94.0%	6,252
1993	113,107	101,755	90.0%	6,733
1992	153,742	129,789	84.4%	13,394

Source: Cuyahoga County Auditor

City of North Olmsted
Computation of Legal Debt Margin
December 31, 2001

Assessed Valuation (2001)	\$814,643,897
Overall Debt Limitation 10 1/2% of Assessed Value (1)	85,537,609
Outstanding Debt:	
General Obligation Bonded Debt	69,850,000
General Obligation Bond Anticipation Notes	300,000
Less: Amount Available in Debt Service Fund	1,876,156
Total Outstanding Debt	68,273,844
Less Exemptions:	
Bonds and notes issued in anticipation of levy for special assessments	620,000
General obligation bonds and notes that are considered self supporting	14,625,000
Securities issued to pay final judgments and settlements	149,000
Securities to extent authorizing legislation contains covenants to appropriate, levy and collect municipal income taxes	16,207,000
Total Exemptions	31,601,000
Net Debt Within 10 1/2% Limitation	36,672,844
<i>Overall Debt Margin</i>	<i>\$48,864,765</i>
Unvoted Debt Limitation 5 1/2% of Assessed Value	44,805,414
Amount of principal of unvoted bonds and notes subject to 5 1/2 %	25,932,844
<i>Unvoted Debt Margin</i>	<i>\$18,872,570</i>

Source: Cuyahoga County Auditor and City Financial Records.

**Ratio of Net General Obligation Bonded Debt to
Assessed Value and Net General Obligation Bonded Debt Per Capita
Last Ten Fiscal Years**

Year	Gross Bonded Debt	Debt Service Funds Available	Net Bonded Debt	Assessed Valuation	Population (1)	Ratio of Net Debt to		Net Bonded Debt Per Capita
						Assessed Value	Assessed Value	
2001	\$69,230,000	\$1,876,156	\$67,353,844	\$814,643,897	34,113	8.27%	\$1,974	
2000	56,345,000	1,199,962	55,145,038	736,690,212	34,113	7.49%	1,617	
1999	52,030,000	648,329	51,381,671	730,705,574	34,204	7.03%	1,502	
1998	54,450,000	306,178	54,143,822	718,926,115	34,204	7.53%	1,583	
1997	56,715,000	147,003	56,567,997	658,968,086	34,204	8.58%	1,654	
1996	58,745,000	873,138	57,871,862	638,131,005	34,204	9.07%	1,692	
1995	16,885,000	350,826	16,534,174	632,107,767	34,204	2.62%	483	
1994	18,050,000	357,653	17,692,347	556,167,170	34,204	3.18%	517	
1993	19,185,000	278,722	18,906,278	549,162,750	34,204	3.44%	553	
1992	20,280,000	752,724	19,527,276	542,279,248	34,204	3.60%	571	

Source: Cuyahoga County Auditor

(1) 1990 Federal Census, 2000 Federal Census

City of North Olmsted
Ratio of Annual Debt Service Principal Expenditures for
General Obligation Bonded Debt to Total Governmental Fund Type Expenditures
Last Ten Fiscal Years

Year	Principal	Total Debt Service	Total Governmental Fund Type Expenditures		Ratio of Debt Service to Governmental Fund Type Expenditures
			Debt Service	Governmental Fund Type Expenditures	
2001	\$10,295,000 (3)	\$10,294,997	\$35,118,332		29.32%
2000	2,530,000	2,530,000	30,202,154		8.38%
1999	2,420,000	2,420,000	29,666,314		8.16%
1998	2,265,000	2,265,000	27,473,453		8.24%
1997	2,030,000	2,030,000	28,142,163		7.21%
1996	1,160,000	1,160,000	26,928,364		4.31%
1995	1,165,000	1,165,000	30,420,029		3.83%
1994	1,135,000	1,135,000	30,558,774		3.71%
1993	1,095,000	1,095,000	25,072,053		4.37%
1992	(1) 3,215,000 (2)	3,214,998	47,245,575		6.80%

Source:

City of North Olmsted audited financial statements.

(1) 1992 disclaimer of opinion was received.

(2) Advanced refunding of \$2,610,000 recreation facility bonds included

(3) Advanced refunding of \$7,420,000 various purpose bonds included

City of North Olmsted

Computation of Direct and Overlapping General Obligation Bonded Debt

December 31, 2001

Jurisdiction	General Obligation Debt Outstanding	Percentage Applicable to City	Amount Applicable to City
City of North Olmsted	\$70,947,000	100.00%	\$70,947,000
North Olmsted School District	2,870,000	100.00%	2,870,000
Cuyahoga County	216,544,636	2.85%	6,171,522
Regional Transit Authority	123,915,000	2.85%	3,531,578
Total			\$83,520,100

Source:

Cuyahoga County Auditor

City of North Olmsted
Demographic Statistics
Last Ten Fiscal Years

Year	Population (1)	Employed in County (2)	Employed in PMSA (2)	Unemployment Rate (2)					School Enrollment (3)
				County	PMSA	State	US		
2001	34,113	648,300	1,073,900	4.6%	4.6%	4.3%	4.8%	4,737	
2000	34,113	649,500	1,075,900	4.6%	4.4%	4.1%	4.0%	4,863	
1999	34,204	670,000	1,100,000	4.5%	4.4%	4.3%	4.5%	4,983	
1998	34,204	670,000	1,100,000	4.5%	4.4%	4.3%	4.5%	4,985	
1997	34,204	660,800	1,061,600	4.8%	4.8%	4.6%	5.0%	4,951	
1996	34,204	655,700	1,046,900	5.1%	5.2%	4.9%	5.4%	5,056	
1995	34,204	644,100	1,036,600	4.9%	5.1%	4.8%	5.6%	5,021	
1994	34,204	636,300	1,022,800	5.8%	5.8%	5.5%	6.1%	5,020	
1993	34,204	625,700	1,005,800	6.8%	6.7%	6.5%	6.8%	5,038	
1992	34,204	628,100	1,009,600	7.2%	7.4%	7.2%	7.4%	5,061	

Source:

(1) 1990 Federal Census, 2000 Federal Census

(2) Ohio Bureau of Employment Services, U.S. Department of Labor and Bureau of Labor Statistics

(3) North Olmsted City Schools

City of North Olmsted
Property Value, Construction and Financial Institution Deposits
Last Ten Fiscal Years

Year	Total Assessed Valuation (1)	Value of Building Permits Issued (2)				Bank Deposits Cuyahoga County (000's) (3)
		Agriculture Residential	Commercial		Total	
			Industrial	Commercial		
2001	\$814,643,897	\$10,960,168	\$9,675,166		\$20,635,334	\$63,893,769
2000	736,690,212	12,898,254	11,922,857		24,821,111	61,942,764
1999	730,705,574	17,868,981	17,090,778		34,959,759	57,816,942
1998	718,926,115	18,811,709	31,876,717		50,688,426	58,904,596
1997	658,968,086	14,482,863	21,582,756		36,065,619	53,941,971
1996	638,131,005	11,680,825	10,380,000		22,060,825	27,068,211
1995	632,107,767	9,545,000	10,800,000		20,345,000	22,458,573
1994	556,167,170	6,747,000	26,000,000		32,747,000	20,885,453
1993	549,162,750	7,700,000	13,000,000		20,700,000	21,009,421
1992	542,279,248	13,486,670	18,914,600		32,401,270	19,379,280

Source:

- (1) Cuyahoga County Auditor
- (2) City of North Olmsted Building Department Annual Reports
- (3) Federal Reserve Bank of Cleveland (1997 Key Bank became chartered causing deposits to increase.)

City of North Olmsted
Principal Taxpayers
Real Estate Tax
December 31, 2001

Name of Taxpayer	Assessed Value	Percent of Real Assessed Value
Great Northern Partnership	\$20,420,720	2.74%
DDRC Great Northern LTD	17,725,860	2.38%
Great Northern Properties	8,279,460	1.11%
B & G Properties LTD Partnership	5,700,920	0.76%
Butternut Ridge/Summit	5,462,630	0.73%
May Stores 74 Corp	4,869,900	0.65%
Water Tower Square LTD	4,714,120	0.63%
Wal Mart	4,221,390	0.57%
Sears Roebuck Co	4,090,450	0.55%
Country Club Hotel Assoc LLC	3,694,360	0.50%
<i>Total</i>	\$79,179,810	10.62%
<i>Total Real Assessed Value</i>	\$745,461,810	

Source: Cuyahoga County Auditor

City of North Olmsted
Principal Taxpayers
Tangible Personal Property Tax
December 31, 2001

Name of Taxpayer	Assessed Value	Percent of Tangible Personal Assessed Value
May Department Stores	\$2,318,000	4.79%
Riser Foods	2,154,090	3.81%
Home Depot	1,845,580	2.85%
Sears, Roebuck & Company	1,659,490	3.43%
Wal-Mart	1,601,550	3.03%
J. C. Penney Company	1,465,120	3.31%
Money Access Service Corp.	1,377,870	2.25%
Great Northern Dodge, Inc.	1,215,237	2.51%
Sunnyside Cars, Inc.	1,087,440	2.51%
SBC Communications, Inc.	1,019,560	2.11%
<i>Total</i>	\$15,743,937	30.59%
<i>Total Tangible Personal Property Assessed Value</i>		\$48,393,017

Source: Cuyahoga County Auditor

City of North Olmsted
Principal Taxpayers
Municipal Income Tax
December 31, 2001

<u>Name of Taxpayer</u>
Factory Mutual Insurance Co.
GMAC - GM Payroll Services
Kaufmanns
Merrill Lynch P F & Smith
Moen Incorporated
North Olmsted, City of
North Olmsted School District
Riser Foods Company
Sunnyside Automotive Inc
Wal Mart Associates, Inc

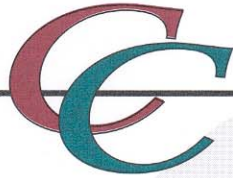
Source: Regional Income Tax Agency based on payroll withholding,
Displayed in alphabetical order.

City of North Olmsted
Miscellaneous Statistics
December 31, 2001

Date of Incorporation as a village	1908	
Date of Incorporation as a city	1951	
Form of government		Charter; Mayor/Council
Area square miles	11.9	
Number of Housing units (2000 Census)	16,163	
Fire Protection		
Number of stations	2	
Number of sworn firemen and officers	49	
Number of emergency responses	3,244	
Police Protection		
Number of Stations	1	
Number of sworn policemen and officers	57	
Number of criminal arrests	2,402	
Number of traffic violations - regular duty	5,017	
Number of traffic violations - special enforcement	14,323	
Number of parking violations	2,099	
Number of full time employees	342	
Number of part time and temporary employees	288	
Streets:		
Miles of Streets	145	
Number of Street Lights	2,362	
Municipal water utilities		City of Cleveland Services
Sewers:		
Miles of sanitary sewers	175	
Miles of storm sewers	151	
Building Permits issued	1,386	
Estimated Valuation of Permits Issued	\$ 20,635,334	
Parks and Recreation:		
Acreage owned by city for recreation	104	
Recreation Center Facility	1	
Senior Center Facility	1	
Number of parks	4	

CITY OF NORTH OLMSTED, OHIO
SUPPLEMENTAL AUDITOR'S REPORT
DECEMBER 31, 2001

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



COSTIN + COMPANY

Certified Public Accountants

35945 Center Ridge Road

North Ridgeville, OH 44039

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

To the City Council
The City of North Olmsted, Ohio

We have audited the general purpose financial statements of the City of North Olmsted, Ohio, as of and for the year ended December 31, 2001, and have issued our report thereon dated June 14, 2002. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

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

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City of North Olmsted, Ohio's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control 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 general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that we have reported to management of the City of North Olmsted, Ohio, in a separate letter dated June 14, 2002.

This report is intended solely for the information and use of management, others within the organization, and City Council and is not intended to be and should not be used by anyone other than these specified parties.

North Ridgeville, Ohio
June 14, 2002



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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CITY OF NORTH OLMSTED

CUYAHOGA COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
AUGUST 6, 2002**