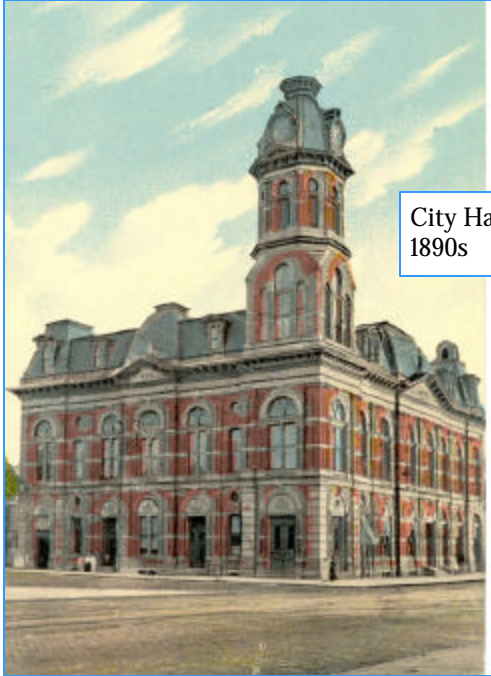


# The City of Delaware, Ohio

COMPREHENSIVE ANNUAL  
FINANCIAL REPORT  
*For the Fiscal Year Ended December 31, 2002*



City Hall,  
1890s



City Hall,  
1940s



New Cupola,  
2002



City Hall,  
1990s

Prepared by the  
City of Delaware  
Finance Department





**Auditor of State  
Betty Montgomery**

Mayor and Members of Council  
City of Delaware

We have reviewed the Independent Auditor's Report of the City of Delaware, Delaware County, prepared by Trimble, Julian & Grube, Inc. for the audit period January 1, 2002 through December 31, 2002. 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 Delaware is responsible for compliance with these laws and regulations.

*Betty Montgomery*

BETTY MONTGOMERY  
Auditor of State

July 30, 2003

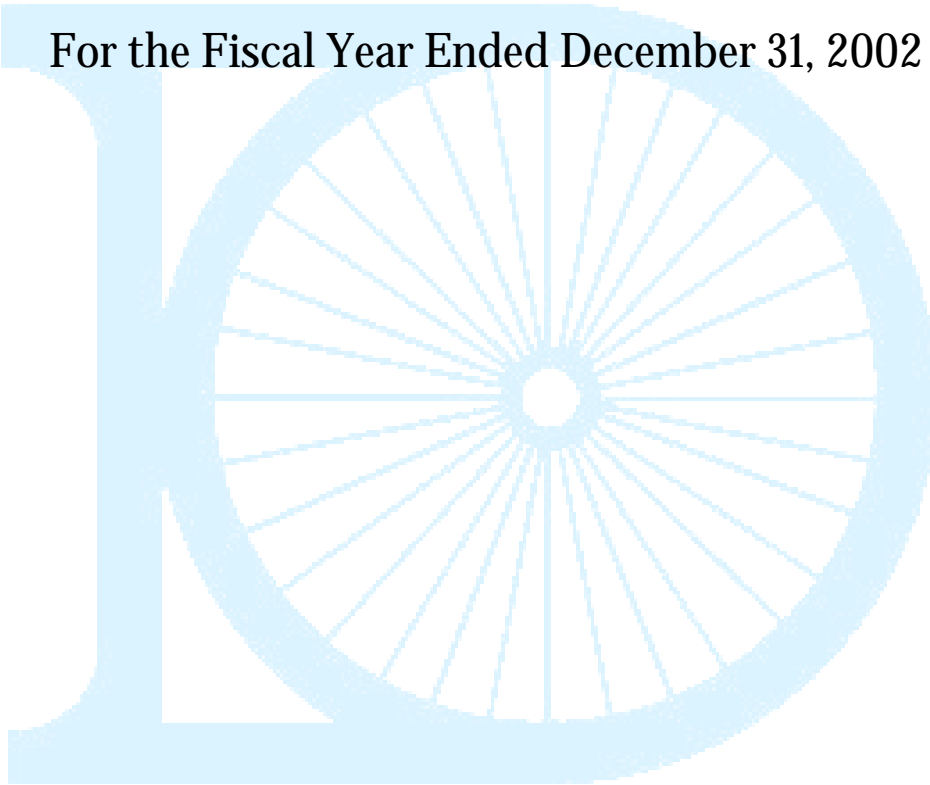
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# **City of Delaware, Ohio**

## Comprehensive Annual Financial Report

For the Fiscal Year Ended December 31, 2002



Prepared by the City of Delaware  
Finance Department  
Rob Alger, Accountant

cover pictures & postcards courtesy of:  
Dick Browning, Delaware City Police Chief, Retired  
&  
Bonnie Garey, Delaware City Utilities Office, Retired

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CITY OF DELAWARE, OHIO  
 Comprehensive Annual Financial Report  
 For the Year Ended December 31, 2002

Table of Contents

	Page
<i>I. Introductory Section</i>	
Table of Contents .....	i
Letter of Transmittal .....	v
Organization Chart .....	xv
Elected and Appointed Officials .....	xvi
<i>II. Financial Section</i>	
Report of Independent Accountants .....	1
General Purpose Financial Statements	
Combined Balance Sheet—All Fund Types and Account Groups .....	4
Combined Statement of Revenues, Expenditures and Changes in Fund Balances—All Governmental Fund Types and Expendable Trust Funds.....	6
Combined Statement of Revenues, Expenditures and Changes in Fund Balances—Budget and Actual (Budget Basis)—All Governmental Fund Types and Expendable Trust Funds .....	7
Combined Statement of Revenues, Expenses and Changes In Fund Equity—All Proprietary Fund Types .....	12
Combined Statement of Revenues, Expenses and Changes in Fund Balances—Budget and Actual (Budget Basis)— All Proprietary Fund Types .....	13
Combined Statement of Cash Flows—All Proprietary Fund Types .....	15
Notes to the General Purpose Financial Statements .....	17

City of Delaware, Ohio  
 Comprehensive Annual Financial Report  
 For The Year Ended December 31, 2002  
 Table of Contents, continued

---

Combining, Individual Fund and Account Group Statements and Schedules

*General Fund:*

Description of Fund.....	44
Schedule of Revenues, Expenditures and Changes in Fund Balance—Budget and Actual (Budget Basis).....	45

*Special Revenue Funds:*

Description of Funds .....	49
Combining Balance Sheet .....	51
Combining Statement of Revenues, Expenditures and Changes in Fund Balances .....	58
Schedules of Revenues, Expenditures and Changes in Fund Balance—Budget and Actual (Budget Basis).....	65

*Debt Service Funds:*

Description of Funds .....	90
Combining Balance Sheet .....	91
Combining Statement of Revenues, Expenditures and Changes in Fund Balances .....	92
Schedules of Revenues, Expenditures and Changes in Fund Balance—Budget and Actual (Budget Basis).....	93

*Capital Projects Funds:*

Description of Funds .....	95
Combining Balance Sheet .....	96
Combining Statement of Revenues, Expenditures And Changes in Fund Balances .....	99
Schedules of Revenues, Expenditures and Changes in Fund Balance—Budget and Actual (Budget Basis).....	102

City of Delaware, Ohio  
 Comprehensive Annual Financial Report  
 For The Year Ended December 31, 2002  
 Table of Contents, continued

<i>Enterprise Funds:</i>	
Description of Funds .....	111
Combining Balance Sheet .....	112
Combining Statement of Revenues, Expenses And Changes in Fund Equity .....	114
Schedules of Revenues, Expenses and Changes in Fund Balance—Budget and Actual (Budget Basis) .....	116
Combining Statement of Cash Flows .....	121
<i>Internal Service Funds:</i>	
Description of Funds .....	125
Combining Balance Sheet .....	126
Combining Statement of Revenues, Expenses And Changes in Fund Equity .....	127
Schedules of Revenues, Expenses and Changes in Fund Balance—Budget and Actual (Budget Basis) .....	128
Combining Statement of Cash Flows .....	131
<i>Fiduciary Funds:</i>	
Description of Funds .....	132
Combining Balance Sheet—All Fiduciary Fund Types .....	133
Combining Statement of Revenues, Expenditures And Changes in Fund Balances—All Expendable Trust Funds .....	135
Schedule of Revenues, Expenditures and Changes in Fund Balance—Budget and Actual (Budget Basis) .....	137
Combining Statement of Changes in Assets and Liabilities—All Agency Funds .....	142
<i>General Fixed Assets Account Group:</i>	
Description of Account Group .....	144
Schedule of General Fixed Assets—By Function .....	145
Schedule of Changes in General Fixed Assets—By Function .....	146
Schedule of General Fixed Assets—By Source .....	147



City of Delaware, Ohio  
 Comprehensive Annual Financial Report  
 For The Year Ended December 31, 2002  
 Table of Contents, continued

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*III. Statistical Section*

General Government Expenditures by Program—Last Ten Years .....	S-1
General Government Revenues by Source—Last Ten Years .....	S-2
Real Property Tax Levies and Collections—Last Ten Years .....	S-3
Tangible Personal Property Tax Levies and Collections—Last Ten Years.....	S-4
Assessed and Estimated Actual Value of Taxable Property—Last Ten Years.....	S-5
Property Tax Rates—Direct and Overlapping Governments Per \$1,000 of Assessed Valuation.....	S-6
Principal Property Taxpayers .....	S-7
Special Assessment Billings and Collections—Last Ten Years .....	S-8
Computation of Legal Debt Margin .....	S-9
Ratio of Net General Obligation Bonded Debt to Assessed Value and Net Obligation General Bonded Debt Per Capita—Last Ten Years .....	S-10
Ratio of Annual Debt Service Expenditures for General Bonded Debt to Total General Governmental Expenditures—Last Ten Years .....	S-11
Computation of Direct and Overlapping General Obligation Bonded Debt .....	S-12
Revenue Bond Coverage; Enterprise Funds—Last Ten Years .....	S-13
Demographic Statistics—Last Ten Years .....	S-14
Property Value, Construction and Bank Deposits—Last Ten Years .....	S-15
Miscellaneous Statistics .....	S-16



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June 13, 2003

Members of City Council and  
Citizens of Delaware, Ohio

The City is pleased to submit Delaware's Comprehensive Annual Financial Report (CAFR) for the year ended December 31, 2002. Responsibility for the accuracy of the 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 and that it is presented in a manner designed to set forth fairly the financial position and results of operations of the City as measured by the financial activity of its various funds. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The Comprehensive Annual Financial Report is presented in three sections:

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

*The Financial Section*, which includes the Report of the Independent Accountants, general purpose financial statements, including any explanatory notes that support a more detailed overview of the City of Delaware's financial position and results of operations, and the combining financial statements and schedules of the individual funds and account groups that provide information related to the general purpose financial statements.

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

### **Reporting Entity**

The City has reviewed its reporting entity definition in order to insure compliance and conformance with the Governmental Accounting Standards Board Statement Number 14, "*The Financial Reporting Entity*." For financial reporting definition purposes, City management considered all agencies, departments, and organizations comprising the City of Delaware, the primary government, and its potential component units.

Areas of consideration include financial accountability, ability to impose its will, financial benefit, and financial burden. The City has no component units.

### **The City of Delaware**

The City of Delaware is the seat of Delaware County, 30 miles north of downtown Columbus, the Ohio state capitol. Delaware is an independent, full service city that has retained its small town qualities while adapting to recent high levels of growth and development. Delaware County is the fastest growing county in Ohio, identified as one of the 20 fastest growing, wealthiest and most educated areas of the country. Housing in Delaware is available in older, tree-lined neighborhoods, newer modern subdivisions, condominium developments and rental complexes. The population of Delaware is expected to increase by over 100 percent between 2000 and 2020. An additional 15,100 housing units and 30,000 people are projected to be added in that time frame.

The region was originally occupied by the Delaware Indians who shared the territory between Columbus and Lake Erie with the Mingos and other tribes. Prehistoric Hopewell Mound Builders inhabited this area even earlier. Delaware was a country village in an agricultural region in 1808. Following the War of 1812, settlers arrived at a faster pace, including the parents of Rutherford B. Hayes, 19<sup>th</sup> President of the United States. He met his future wife at Ohio Wesleyan University in Delaware.

Prior to the Civil War, Delaware had Northern sympathies and brought the underground railway through the area. The local Africa Road owes its name to this era. During and following the War, railroads played an important role in expanding the markets of Delaware. By 1900, Delaware had its own electric street railway and an electric interurban rail connected the community with Columbus and Marion.

In the modern era, farming has declined steadily throughout Delaware County as residential and industrial development has flourished. The proximity to Columbus, as well as historic periods of growth and prosperity, has greatly influenced the economy of Delaware. Its history, however, is carefully preserved in its many 19<sup>th</sup> century buildings and homes, its comfortable scale and architecture and the pace of life as a home town.

The city covers over 16 square miles and has a population of some 27,500 residents. The City of Delaware provides municipal services for police protection, fire and emergency medical services, water, sewer and refuse utility services, public works maintenance, and a wide array of parks and recreational facilities and services. The City also maintains general administrative offices including engineering, planning and community development, building inspection, and a countywide municipal court.

### **City Government**

Delaware was incorporated in 1816. The City is a Charter Municipal Corporation established and operated under the laws of the State of Ohio. The Charter was first adopted November 6, 1951, and established the Council/Manager form of government. Delaware City Council consists of seven elected members. Three City Council positions are elected at-large, the other four positions are elected from the four wards of the City. The regular term of every member of Council is four years. Elections of members of Council are staggered such that every other year either the three at-large positions are elected or the four ward

## City of Delaware, Ohio

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positions are elected. At the conclusion of each bi-annual election one of the three at-large members of Council is elected Mayor, by vote of all seven members of Council, to serve a two-year term. The Mayor presides at meetings of Council and is recognized at the official head of the City for all ceremonial purposes, military purposes, and for servicing civil process.

The members of Council are the legislative authority of the City. Council enacts ordinances and resolutions relative to City services, tax levies, appropriating and borrowing money, licensing and regulating businesses and trades, and other various municipal purposes.

The City Manager is the City's chief executive officer and is appointed by Council. It is the duty of the City Manager to act as chief conservator of the peace within the City; to supervise the administration of the affairs of the City; and to see that the ordinances of the City and the laws of the State are enforced. The City Manager supervises the administration of all departments and appoints the various department heads and other City employees. He also executes all contracts, conveyances, and evidences of indebtedness of the City.

City administrative departments operating under the supervision of the City Manager include: Police, Fire, Finance, Engineering, City Attorney, City Prosecutor, Planning and Community Development, Public Works, Recreation, Grounds and Facility Maintenance, and Public Utilities.

### **Economic Conditions and Outlook**

The City of Delaware saw another year of substantial development for 2002. Approximately 480 residential building permits were issued for an estimated \$44 million in home value and 145 commercial permits for an estimated \$72 million in value. In 2001, these numbers were 370 residential permits for \$58 million in home value and 170 commercial permits for \$29 million in value; changes of -24% and +148%, respectively.

The City's administration has made every effort to encourage expansion of commercial development. Commercial expansion makes a major impact on the local economy. New construction has provided additional jobs within the City and has increased both income and property tax revenue. Early in 2002, the City announced the addition of a new Kroger's Distribution Center on the east side of Delaware. This large complex will create more than 600 jobs in Delaware. The City continues to work jointly with Delaware County to promote economic development in the area. Through various tax incentives and grant programs the City has been able to foster commercial development and job creation in Delaware.

### **Major initiatives**

The City of Delaware continues its attempts to deliver the highest quality of services for the citizen's tax-dollar. Following are accomplishments from several of our departments:

*Information Technology:* In 2001, the City launched it's own website, which was revamped in 2002 and redirected to [www.delawareohio.net](http://www.delawareohio.net). A wealth of information is located on this site regarding current issues affecting the City and whom to get in contact with for most

areas of concern. A new, lower cost, long-distance company was chosen. Most departments have been connected to the City's computer network, providing quicker and safer transmission of electronic information.

*Engineering:* The Engineering offices were moved late in 2001 to a renovated house located two lots east of City Hall. During 2002, Streetscape Phase III was completed from Union Street to Lake Street. The department also adopted a comprehensive Transportation Thoroughfare Plan, completed in coordination with Delaware County. Engineering also prepared a Transportation Improvement Plan for the top 25 roadway and intersection improvement projects in Delaware.

*Economic Development:* Since 1992, the City has worked with its public and private economic development partners in the development of over \$315 million in commercial property investment. Currently, Delaware City has an industrial inventory of 43 buildings with a combined 5.1 million square feet of space. This is 2.5% of the Columbus regional market and 61.6% of the County market. Much of this space is concentrated in the southwest quadrant of the City. The vacancy rate in the 2<sup>nd</sup> quarter of 2002 was 4.6%, a slight decrease from the 3<sup>rd</sup> and 4<sup>th</sup> quarters of 2001. It is much healthier than the regional vacancy rate of 9.6%.

### **Some 2002 City of Delaware business highlights:**

**The Nippert Company:** Otokumpo, Nippert's parent company, selected Delaware as the site for a new 30,000 square foot addition to an existing 45,000 sq. ft. facility to be used for the production of bronze connector strips and expansion of copper strip manufacturing lines to serve the telecommunications industry. Total project investment by The Nippert Company is \$15,682,767.

**Benchmark Woodworks:** A custom wood manufacturing facility formerly located in 30,000 sq. ft. in several buildings at 439 Dunlap Street relocated to 75 Curtis Street within one 45,000 sq. ft. building. Total project cost was \$1,300,000.

**Optimum Plastics:** Optimum Plastics, a manufacturer of co-extruded blown film polyethylene bags and films used primarily in the industrial and food packaging markets, is relocating from a leased 22,000 sq. ft. facility to an owned 65,000 sq. ft. facility.

**Wanner Metal Worx:** A manufacturer of specialty metal products, company president Craig Wanner was named Central Ohio Small Business Person of the Year for 2001 by the Columbus Chamber of Commerce, and Wanner Metal Worx is one of the Business First Fast Fifty Companies in Central Ohio. Some of Wanner's notable projects are the new Port Columbus International Airport Terminal and the new gates to the Ohio State University Stadium.

**The Kroger Co., Great Lakes Regional Distribution Center:** The Kroger Co. is investing approximately \$152 million in a regional distribution center. Delaware was chosen because of its proximity to I-71 and US-23. The 800,000 sq. ft. distribution center will employ over 600 employees to become the city's largest employer. Approximately 600 trucks per day will

## City of Delaware, Ohio

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arrive from around the United States with dry goods, produce, and frozen products. These trucks will deliver for Kroger stores, en-route to Ohio, Michigan, and West Virginia.

**North American Bus Industries:** Headquartered in Anniston, Alabama, NABI consolidated its spare parts distribution center in Delaware from sites in Rhode Island, California and Ohio. They lease 60,000 sq. ft. of a 120,000 sq. ft. speculative building built in 2000. NABI produces busses for major metropolitan cities including East Coast cities Boston, Rochester, Buffalo, Wilmington and are currently in negotiations with NJ Transit.

**Gooseberry Patch, Inc.:** Gooseberry Patch is a \$30 million mail order business started in Delaware. Recently, Gooseberry Patch relocated from a 22,000 sq. ft. building in the Johnson Industrial Park to a 55,000 sq. ft. building located on London Road.

**Downtown:** During 2001 and 2002, building owners invested over \$2.5 million in building improvements. These investments have been supported with city-granted real property tax abatements and over \$5 million invested in three Streetscape projects.

*Refuse Collection;* In 2002, we completed the rollout for the new tipcart collection program. This program will require fewer workers per collection vehicle, and should result in fewer injuries, caused from lifting the containers.

*Utilities Department;* The Water Treatment Division began the 319 Grant Upper Olentangy Watershed Project. The Water Distribution Division performed water main replacements on several streets within the City. The Wastewater Treatment Division has selected three design build teams for the Upper Olentangy Water Reclamation Center Enhancement Project. And the Wastewater Collection Division lined @ 6,300 feet of sanitary sewer mains, sealed off 70 abandoned lateral lines, and grouted over 16,000 linear feet of sanitary sewer lines.

*Recreation Services;* The Department completed the Aquatic Feasibility Study and Park Concept Plan for Willowbrook Farms Park (Houk Road Park). Confirmation was received by the Ohio National Guard to be a partner with the City of Delaware in the design and development of a new Training and Community Center at Houk Road Park. The department also organized a citizen's steering committee for the development and funding of a skate park. And, an agreement was made with CSX Transportation to transfer rail right-of-way from Winter Street to David Street to the City for the future development of a rail-to-trails bikeway project.

### Financial Information

*Internal Accounting and Budgetary Controls;* In the preparation of its annual report, the City uses the modified accrual basis of accounting for governmental and agency funds and the accrual basis for proprietary funds. When using the modified accrual basis, revenues are recognized when measurable and available, and expenditures are recognized when goods and services are received. The accrual basis recognizes revenues when earned and expenses when incurred. Grants and entitlements must also meet timing, eligibility, and contingency

## City of Delaware, Ohio

requirements. 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.

Development of the City's accounting system includes consideration of internal accounting controls. These controls are designed to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that [1] the cost of a control should not exceed the benefits likely to be derived from its implementation and [2] the valuation of costs and benefits requires estimates and judgments by management.

The City adopts its annual appropriations on or before January 1 of each year. The City Manager and the Finance Director prepare the annual appropriation ordinance and submit it to City Council for their consideration and approval. All disbursements require appropriation authority. The legal level of budgetary control is at the department level.

The Finance Director is authorized to transfer appropriations between line items, within a department or fund. Any increase in the total appropriations for a department must be approved by City Council. A purchase order is required before making any purchase over \$250. All purchases require approval of the City Manager and the Finance Director before payment is made. Encumbrances do not lapse at year-end; they are carried forward into the next year.

As a recipient of Federal and State financial assistance, the City is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by the City's management and the Finance Department. One such evaluation resulted in the creation and hiring of a new City Accountant's position in 2001.

*General Governmental Functions;* The governmental funds include the general, special revenue, debt service, capital projects funds. The following summary compares revenues for these funds:

<i>Revenues</i>	<i>2002 Amount</i>	<i>2001 Amount</i>	<i>Percent of Total</i>	<i>Change</i>	<i>Percent Change</i>
Municipal Income Taxes	\$ 8,812,813	\$ 9,410,685	39.58 %	\$ (597,872)	(6.35) %
Property and Other Taxes	1,513,728	1,480,509	6.80	33,219	2.24
Intergovernmental	5,530,654	3,120,269	24.84	2,410,385	77.25
Charges for Services	2,421,532	1,883,641	10.88	537,891	28.56
Special Assessments	40,779	45,687	0.18	(4,908)	(10.74)
Fines and Court Fees	1,844,675	1,653,540	8.28	191,135	11.56
Impact Fees	666,832	706,551	2.99	(39,719)	(5.62)
Licenses and Permits	741,040	451,097	3.33	289,943	64.28
Interest Income	292,901	454,767	1.32	(161,866)	(35.59)
Miscellaneous	401,099	141,620	1.80	259,479	183.22
<b>Total Revenues</b>	<b>\$ 22,266,053</b>	<b>\$ 19,348,366</b>	<b>100.00 %</b>	<b>\$ 2,917,687</b>	<b>15.08 %</b>

## City of Delaware, Ohio

Taxes are the largest revenue source in the governmental funds and include City income and property taxes. Municipal Income tax collections decreased due to a large decrease in business tax collections, caused by a significant downward turn in the economy.

The increase in Charges for Services was the result of aggressive receivable collections in outstanding Engineering fees, prebilling of current Engineering fees, and the establishment of a Storm Sewer fee, which began January 1, 2002.

The increase in intergovernmental revenue results from grants and reimbursements for capital improvement projects including Phase III of Streetscape, and the new Kroger Distribution Plant on the far east side of the City.

The increase in Licenses and Permits is attributed to not only the growth in the City, but the fees associated with the Kroger Distribution Plant.

Expenditures for governmental fund operations totaled \$22,683,410. The following table identifies expenditures by major functions of the city and makes comparisons to last year.

<u>Expenditures</u>	<u>2002 Amount</u>	<u>2001 Amount</u>	<u>Percent of Total</u>	<u>Change</u>	<u>Percent Change</u>
Current:					
Public Safety	\$ 7,743,447	\$ 7,474,699	34.14 %	\$ 268,748	3.60 %
General Government	5,907,767	5,820,773	26.04	86,994	1.49
Airport	369,265	287,357	1.63	81,908	28.50
Public Works	2,548,826	2,314,450	11.24	234,376	10.13
Recreation and Parks	1,115,411	1,119,112	4.92	(3,701)	(0.33)
Community Development	654,257	367,771	2.88	286,486	77.90
Capital Outlay	3,933,418	1,948,591	17.34	1,984,827	101.86
Debt Service:					
Principal Retirement	24,888	23,037	0.11	1,851	8.03
Professional Services	192,287	203,603	0.85	(11,316)	(5.56)
Interest and Fiscal Charges	193,844	319,795	0.85	(125,951)	(39.38)
Total Expenditures	<u>\$ 22,683,410</u>	<u>\$ 19,879,188</u>	<u>100.00 %</u>	<u>\$ 2,804,222</u>	<u>14.11 %</u>

Airport expenditures increased over 2001, largely due to an increase in Real Estate taxes paid on the newly constructed T-hangars.

Public Works expenditures increased due to the rollout of the newly implemented tipcart system.

Community Development expenditures increased due to funds received toward the Kroger Distribution Plant on the east side of the City.

Capital outlay increased with the US 23/ SR 42 interchange reconstruction.

*General Fund Balance:* The ending fund balance increased slightly from \$2,521,836 in 2001 to \$2,535,179 in 2002.



*Special Revenue Funds;* The City's special revenue funds are used to account for certain revenue sources which are restricted by law or other formal action to expenditures for specific purposes. All special revenue funds are subject to an annual budget. The Parks & Recreation, Municipal Court, and Economic Development Grant funds had equity deficits of \$33,639, \$34,354, and \$13,049, respectively. The General Fund is liable for any deficits in other City funds, except when *Generally Accepted Accounting Principles* are applied.

*Capital Projects Funds;* The City's capital project funds account for all major capital improvement projects of the City. The primary sources for financing the City's capital improvement program are transfers from the General fund, intergovernmental revenues, impact fees, and proceeds from debt. The Airport Improvement Construction fund had an equity deficit of \$1,158,575, at year end. This was due to the application of *Generally Accepted Accounting Principles* [GAAP], showing an outstanding note payable and the interest paid during the year on the note in the fund receiving the use of the original issuance. The note was issued in 2000 for the construction of 30 new T-hangars at the Municipal Airport. Once the hangars were completed, the "asset" moved to the General Fixed Asset Account Group. Due to recent economic trends, it is more financially prudent to continue "rolling" this note over, until the market allows us to issue bonds.

*Enterprise Funds;* The City's enterprise funds are used to account for the City's Water and Sewer Utilities, a Refuse & Recycling operation, a Municipal Golf Course, and several Parking Lots. These departments and functions are financed and operated in a manner similar to private business enterprises in that the costs of providing services to the general public on a continuing basis are financed or recovered through user charges. The Water fund saw an increase in net income in 2002 over 2001 from \$936 thousand to \$2.1 million. The Sewer fund also changed from a net income in 2001 of \$437 thousand to a net income of \$2.3 million in 2002. Both of these funds' net income increased, largely, due to recognizing assets contributed by developers on the Balance Sheet. The Refuse fund saw an increase in net income from a net loss \$ (42) thousand in 2001 to a \$32 thousand net gain in 2002.

*Fiduciary Funds;* The City's fiduciary funds include both Trust and Agency funds. Results of operations in the trust funds increased the combined fund balance some \$155 thousand for 2002 and the assets of the City's agency funds at December 31, 2002 are \$422,660.

### **Debt Administration**

The gross indebtedness [bonds and notes] of the City of Delaware at the end of 2001 was \$11,928,000. At the end of 2002, the gross indebtedness of the City was \$14,796,000. During 2002, the City issued a \$5.655 million bond for various capital improvements. This bond was also used to pay off several outstanding notes. The City also issued a \$7.735 million bond to refund the outstanding Sewer Refunding bond and toward the construction of an Sewer expansion facility. The overall debt margin within the overall limitation was \$52,079,246 at December 31, 2002.

The City maintains an “A1” rating from Moody’s Investors Service, Inc.

### **Cash Management**

All City cash, except cash held by a trustee or the Municipal Court, is pooled for investment purposes in order to generate the highest possible yield. All deposits are made under contracts with local and national banking institutions and with the State Treasurer’s Investment Pool [STAROhio]. A majority of the City’s deposits are collateralized by pooled collateral. By law, financial institutions may establish a collateral pool to cover all public deposits. The face value of the pooled collateral must equal at least 105 percent of the public funds on deposit. Trustees including the Federal Reserve Bank and designated third party trustees of the financial institutions hold the collateral.

### **Risk Management**

The City carries \$1,000,000 of comprehensive combined single limit general liability coverage with a \$1,000 deductible, a \$1,000,000 general law enforcement liability insurance policy and \$1,000,000 public officials’ liability, each with a \$5,000 deductible, as well as \$5,000,000 umbrella coverage. The City also contributes to the State of Ohio for worker’s compensation and unemployment insurance services.

### **Independent Audit**

In accordance with Ohio law, independent audits are required to be performed on all financial operations of the City. Either the Auditor of State of Ohio, or, if the Auditor permits, an independent public accounting firm conducts these audits. For 2002, the City selected the office of Trimble, Julian, and Grube, Inc. to perform these services. This report is presented in the Financial Section. In addition to the financial audit, a single audit was performed, as required by the Single Audit Act Amendment of 1996 and provisions of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. The single audit report is not included in the Comprehensive Annual Financial Report.

### Acknowledgements

We would like to thank the many departments that assisted in providing information reported in this CAFR, as well as the Delaware County Auditor's Office. We would also like to recognize City Council for their continued support and commitment to responsible financial reporting.

We are pleased to present this report to the residents and taxpayers of the City of Delaware.

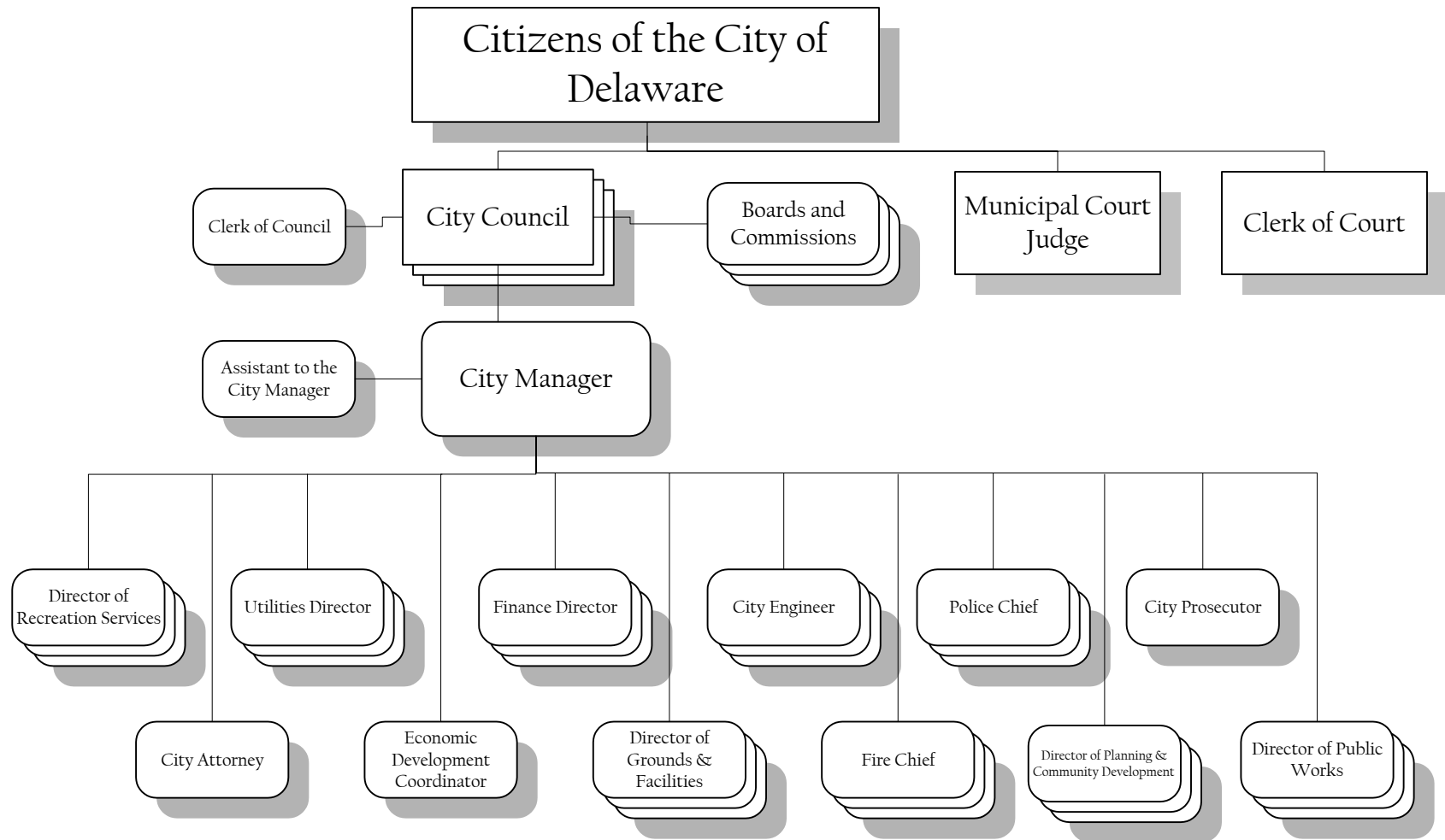
Sincerely,



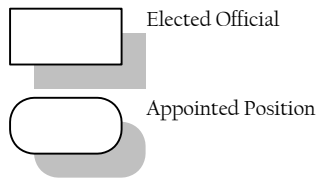
Dean P. Stelzer  
Finance Director



Robert L. Alger  
City Accountant



Legend



Boards & Commissions

- Airport Commission
- Board of Zoning Appeals
- Charter Review Commission
- Civil Service Commission
- Finance Committee
- Golf Course Advisory Board
- Historic Preservation Commission
- Income Tax Board of Review
- Parks and Recreation Advisory Board
- Permanent Tax Advisory Committee
- Planning Commission
- Shade Tree Commission

CITY OF DELAWARE,  
OHIO

## Elected and Appointed Officials

As of December 31, 2002

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### Elected Officials

#### City Council

Jim Moore --- First Ward  
David Berwanger --- Second Ward  
David Godsil --- Third Ward  
Mary Jane Santos --- Fourth Ward  
Steve Cuckler --- At-large  
Windell Wheeler --- Mayor  
Todd Hanks --- Vice-Mayor

#### Municipal Court

David Sunderman --- Municipal Court Judge  
Betty Porter --- Clerk of Court

### Appointed Officials

R. Thomas Homan --- City Manager  
Jackie Sobas --- Assistant to the City  
Manager  
Dan Bennington --- City Attorney  
Pete Ruffing --- City Prosecutor  
Dean Stelzer --- Finance Director  
Bill Ferrigno --- City Engineer  
Tim Browning --- Public Works Director  
Randy Smith --- Recreation Services  
Director  
Tom Marshall --- Utilities Director  
Steve Beard --- Grounds & Facilities  
Director  
Vince Papsidero --- Planning & Community  
Development Director  
Gus Comstock --- Economic Development  
Coordinator  
Tom Macklin --- Fire Chief  
Linda Black --- Police Chief

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City of Delaware, Ohio

Financial Section

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# TRIMBLE, JULIAN & GRUBE, INC.

"SERVING OHIO LOCAL GOVERNMENTS"

1445 Worthington Woods Boulevard  
Suite B  
Worthington, Ohio 43085

Telephone 614.846.1899  
Facsimile 614.846.2799

## Independent Auditor's Report

Members of Council and Mayor  
City of Delaware  
1 South Sandusky Street  
Delaware, Ohio 43015

We have audited the accompanying general purpose financial statements of the City of Delaware, Delaware County, Ohio, (the "City"), as of and for the year ended December 31, 2002, as listed in the table of contents. These general purpose financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

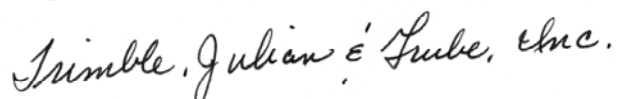
We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and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

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the City of Delaware, Delaware County, as of December 31, 2002, 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.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 13, 2003 on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

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

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



Trimble, Julian & Grube, Inc.  
June 13, 2003

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City of Delaware, Ohio

General Purpose Financial Statements

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**CITY OF DELAWARE, OHIO**

Combined Balance Sheet--All Fund Types And Account Groups  
December 31, 2002

Governmental Fund Types

	General Fund	Special Revenue	Debt Service	Capital Projects
<b>Assets And Other Debits</b>				
Equity in Pooled Cash and Cash Equivalents	\$ 1,502,326	\$ 1,888,522	\$ 97,173	\$ 1,975,176
Receivables:				
Taxes	2,542,728	898,647	20,150	0
Accounts	134,366	90,871	0	250
Interfund	510,751	0	0	0
Prepaid Items	59,598	14,998	0	0
Interest Receivable	0	0	0	0
Restricted Assets:				
Equity in Pooled Cash and Cash Equivalents	0	22,852	0	102,073
Due From:				
Federal Government	0	252,764	0	717,488
State Government	235,432	522,227	0	0
County Government	649,081	45,005	0	25,000
Municipal Court	0	28,776	0	0
Inventory	0	18,448	0	0
Unamortized Bond Discount	0	0	28,369	7,534
Unamortized Bond Issuance Costs	0	0	109,907	29,190
Deferred Charges	0	0	0	0
Fixed Assets (Net of Accumulated Depreciation)	0	0	0	0
Available In Debt Service Funds	0	0	0	0
Amount To Be Provided For Retirement Of General Long-Term Obligations	0	0	0	0
<b>Total Assets And Other Debits</b>	<b>5,634,282</b>	<b>3,783,110</b>	<b>255,599</b>	<b>2,856,711</b>
<b>Liabilities and Other Credits</b>				
Accounts Payable	132,894	279,196	0	317,360
Accrued Wages & Benefits	775,920	206,092	0	0
Compensated Absences Payable	193,417	31,887	0	0
Claims Payable	0	0	0	0
Accrued Interest Payable	0	0	1,166	56,930
Payables From Restricted Assets:				
Customer Deposits	0	0	0	0
Contracts Payable	0	22,852	0	102,073
Interfund Payable	0	109,159	0	401,592
Due To:				
Other Funds	0	34,048	0	0
Other Governments	0	0	0	0
Others	0	0	0	0
Unamortized Bond Premium	0	0	0	0
General Obligation Bonds Payable	0	0	0	0
Special Assessment Bonds Payable	0	0	0	0
Notes Payable	0	0	0	1,145,000
Deferred Revenue	1,996,872	808,345	20,150	0
Landfill Post-Closure Obligation	0	0	0	0
<b>Total Liabilities</b>	<b>3,099,103</b>	<b>1,491,579</b>	<b>21,316</b>	<b>2,022,955</b>
<b>Fund Equity</b>				
Investment In General Fixed Assets	0	0	0	0
Contributed Capital	0	0	0	0
Retained Earnings	0	0	0	0
Fund Balances:				
Reserved For Encumbrances	172,063	347,557	0	1,637,766
Reserved For Prepaid Items	59,598	14,998	0	0
Reserved For Inventory	0	18,448	0	0
Reserved For Debt Service	0	0	234,283	0
Unreserved	2,303,518	1,910,528	0	(804,010)
<b>Total Fund Equity And Other Credits</b>	<b>2,535,179</b>	<b>2,291,531</b>	<b>234,283</b>	<b>833,756</b>
<b>Total Liabilities, Fund Equity, And Other Credits</b>	<b>\$ 5,634,282</b>	<b>\$ 3,783,110</b>	<b>\$ 255,599</b>	<b>\$ 2,856,711</b>

Proprietary		Fiduciary	Account Groups		Total Memorandum Only
Enterprise	Internal Service	Trust & Agency	General Fixed Assets	General Long-Term Debt	
\$ 13,932,920	\$ 1,267,428	\$ 634,138	\$ 0	\$ 0	\$ 21,297,683
0	0	0	0	0	3,461,525
1,290,195	0	52,000	0	0	1,567,682
0	0	0	0	0	510,751
72,549	0	0	0	0	147,145
305	0	0	0	0	305
237,847	0	0	0	0	362,772
0	0	0	0	0	970,252
0	0	0	0	0	757,659
200,000	0	0	0	0	919,086
0	0	5,272	0	0	34,048
14,649	7,096	0	0	0	40,193
0	0	0	0	0	35,903
156,323	0	0	0	0	295,420
153,735	0	0	0	0	153,735
41,097,714	29,948	0	33,515,284	0	74,642,946
0	0	0	0	234,283	234,283
0	0	0	0	8,694,895	8,694,895
<b>57,156,237</b>	<b>1,304,472</b>	<b>691,410</b>	<b>33,515,284</b>	<b>8,929,178</b>	<b>114,126,283</b>
311,719	11,856	0	0	0	1,053,025
340,247	10,732	0	0	553,296	1,886,287
399,119	17,684	0	0	2,483,282	3,125,389
0	922,828	0	0	0	922,828
11,088	0	0	0	0	69,184
188,151	0	0	0	0	188,151
49,696	0	0	0	0	174,621
0	0	0	0	0	510,751
0	0	0	0	0	34,048
0	0	7,130	0	0	7,130
0	0	415,530	0	0	415,530
8,639	0	0	0	0	8,639
7,735,000	0	0	0	5,655,000	13,390,000
23,400	0	0	0	237,600	261,000
0	0	0	0	0	1,145,000
0	0	0	0	0	2,825,367
285,000	0	0	0	0	285,000
<b>9,352,059</b>	<b>963,100</b>	<b>422,660</b>	<b>0</b>	<b>8,929,178</b>	<b>26,301,950</b>
0	0	0	33,515,284	0	33,515,284
15,923,412	0	0	0	0	15,923,412
31,880,766	341,372	0	0	0	32,222,138
0	0	0	0	0	2,157,386
0	0	0	0	0	74,596
0	0	0	0	0	18,448
0	0	0	0	0	234,283
0	0	268,750	0	0	3,678,786
<b>47,804,178</b>	<b>341,372</b>	<b>268,750</b>	<b>33,515,284</b>	<b>0</b>	<b>87,824,333</b>
<b>\$ 57,156,237</b>	<b>\$ 1,304,472</b>	<b>\$ 691,410</b>	<b>\$ 33,515,284</b>	<b>\$ 8,929,178</b>	<b>\$ 114,126,283</b>

**CITY OF DELAWARE, OHIO**

Combined Statement Of Revenues, Expenditures And Changes In Fund Balances--  
 All Governmental Fund Types And Expendable Trust Funds  
 For The Year Ended December 31, 2002

	Governmental Fund Types				Fiduciary Fund Type	Total Memorandum Only
	General	Special Revenue	Debt Service	Capital Projects	Expendable Trust	
<b>Revenues:</b>						
Income Taxes	\$ 6,172,658	\$ 2,640,130	\$ 0	\$ 0	\$ 0	\$ 8,812,788
Property And Other Taxes	1,248,520	265,208	0	0	0	1,513,728
Intergovernmental	1,748,292	2,237,135	0	1,545,227	0	5,530,654
Charges For Service	1,063,089	1,358,443	0	0	0	2,421,532
Special Assessments	0	0	40,779	0	0	40,779
Fines And Court Fees	0	1,844,675	0	0	0	1,844,675
Licenses And Permits	741,040	0	0	0	0	741,040
Interest Income	241,014	1,593	48,013	2,306	0	292,926
Donations	0	0	0	0	4,536	4,536
Impact Fees	0	0	0	666,832	0	666,832
Developers' Fees	0	0	0	0	162,264	162,264
Miscellaneous	196,734	86,757	0	117,608	0	401,099
<b>Total Revenues</b>	<b>11,411,347</b>	<b>8,433,941</b>	<b>88,792</b>	<b>2,331,973</b>	<b>166,800</b>	<b>22,432,853</b>
<b>Expenditures:</b>						
Current:						
Public Safety	5,015,614	2,727,833	0	0	200	7,743,647
General Government	4,024,613	1,883,154	0	0	4,603	5,912,370
Airport	0	369,265	0	0	0	369,265
Public Works	0	2,548,826	0	0	0	2,548,826
Recreation And Parks	0	1,115,411	0	0	6,527	1,121,938
Community Development	0	654,257	0	0	0	654,257
Capital Outlay	0	0	0	3,933,418	0	3,933,418
Debt Service:						
Principal Retirement	0	0	24,888	0	0	24,888
Professional Services	0	0	6,244	186,043	0	192,287
Interest And Fiscal Charges	0	0	20,033	173,811	0	193,844
<b>Total Expenditures</b>	<b>9,040,227</b>	<b>9,298,746</b>	<b>51,165</b>	<b>4,293,272</b>	<b>11,330</b>	<b>22,694,740</b>
Excess (Deficiency) Of Revenues Over Expenditures	2,371,120	(864,805)	37,627	(1,961,299)	155,470	(261,887)
<b>Other Financing Sources (Uses):</b>						
Proceeds From Bonds (Net)	0	0	4,468,276	1,186,724	0	5,655,000
Operating Transfer In	0	1,772,883	47,747	6,670,599	0	8,491,229
Operating Transfers Out	(2,357,777)	(155,243)	(4,673,345)	(1,306,976)	0	(8,493,341)
<b>Total Other Financing Sources (Uses)</b>	<b>(2,357,777)</b>	<b>1,617,640</b>	<b>(157,322)</b>	<b>6,550,347</b>	<b>0</b>	<b>5,652,888</b>
Excess (Deficiency) Of Revenues And Other Financing Sources Over/(Under) Expenditures And Other Financing Uses	13,343	752,835	(119,695)	4,589,048	155,470	5,391,001
<b>Fund Balances (Deficits) At Beginning Of Year [as restated; see Note 2]</b>	<b>2,521,836</b>	<b>1,538,696</b>	<b>353,978</b>	<b>(3,755,292)</b>	<b>113,280</b>	<b>772,498</b>
<b>Fund Balances At End Of Year</b>	<b>\$ 2,535,179</b>	<b>\$ 2,291,531</b>	<b>\$ 234,283</b>	<b>\$ 833,756</b>	<b>\$ 268,750</b>	<b>\$ 6,163,499</b>

**CITY OF DELAWARE, OHIO**

Combined Statement Of Revenues, Expenditures

And Changes In Fund Balances--Budget And Actual--[Budget Basis]

All Governmental Fund Types and Expendable Trust Funds

For The Year Ended December 31, 2002

	General Fund		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>			
Income Taxes	\$ 6,888,000	\$ 6,559,026	\$ (328,974)
Property And Other Taxes	1,267,788	1,255,722	(12,066)
Intergovernmental	1,461,377	1,610,006	148,629
Charges For Service	1,333,543	1,314,734	(18,809)
Fines And Court Fees	115,000	97,949	(17,051)
Licenses And Permits	553,547	650,445	96,898
Interest Income	216,641	241,050	24,409
Miscellaneous	148,801	146,980	(1,821)
Total Revenues	<u>11,984,697</u>	<u>11,875,912</u>	<u>(108,785)</u>
<b>Expenditures:</b>			
Current:			
Public Safety	5,035,242	4,737,632	297,610
General Government	4,779,357	4,416,847	362,510
Income Tax Refunds	420,000	414,859	5,141
Total Expenditures	<u>10,234,599</u>	<u>9,569,338</u>	<u>665,261</u>
Excess (Deficiency) Of Revenues Over Expenditures	1,750,098	2,306,574	556,476
<b>Other Financing Sources (Uses):</b>			
Advances In	213,500	213,500	0
Operating Transfers Out	(2,357,777)	(2,357,777)	0
Total Other Financing Sources (Uses)	<u>(2,144,277)</u>	<u>(2,144,277)</u>	<u>0</u>
Excess (Deficiency) Of Revenues And Other Financing Sources Over Expenditures And Other Financing Uses	<u>(394,179)</u>	<u>162,297</u>	<u>556,476</u>
<b>Fund Balances At Beginning Of Year</b>	<b>1,199,139</b>	<b>1,199,139</b>	<b>0</b>
Unexpended Prior Years Encumbrances	378,533	378,533	0
<b>Fund Balances At End Of Year</b>	<b><u>\$ 1,183,493</u></b>	<b><u>\$ 1,739,969</u></b>	<b><u>\$ 556,476</u></b>

(continued)

**CITY OF DELAWARE, OHIO**

Combined Statement Of Revenues, Expenditures

And Changes In Fund Balances--Budget And Actual--[Budget Basis]

All Governmental Fund Types and Expendable Trust Funds

For The Year Ended December 31, 2002

(continued)

## Special Revenue Funds

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>			
Income Taxes	\$ 2,794,400	\$ 2,628,765	\$ (165,635)
Property And Other Taxes	265,252	265,208	(44)
Intergovernmental	1,682,518	1,881,525	199,007
Charges For Service	1,294,016	1,268,259	(25,757)
Fines And Court Fees	1,765,823	1,741,869	(23,954)
Interest Income	1,700	1,568	(132)
Miscellaneous	198,137	86,757	(111,380)
Total Revenues	8,001,846	7,873,951	(127,895)
<b>Expenditures:</b>			
Current:			
Public Safety	5,639,733	4,844,139	795,594
Airport	385,614	351,943	33,671
Public Works	3,012,305	2,714,967	297,338
Recreation And Parks	1,194,909	1,123,925	70,984
Community Development	1,001,000	1,000,446	554
Total Expenditures	11,233,561	10,035,420	1,198,141
Excess (Deficiency) Of Revenues Over Expenditures	(3,231,715)	(2,161,469)	1,070,246
<b>Other Financing Sources (Uses):</b>			
Operating Transfer In	1,946,706	1,772,883	(173,823)
Advances Out	(213,500)	(213,500)	0
Operating Transfers Out	(71,390)	(155,243)	(83,853)
Total Other Financing Sources (Uses)	1,661,816	1,404,140	(257,676)
Excess (Deficiency) Of Revenues And Other Financing Sources Over Expenditures And Other Financing Uses	(1,569,899)	(757,329)	812,570
<b>Fund Balances At Beginning Of Year</b>	<b>1,275,102</b>	<b>1,275,102</b>	<b>0</b>
Unexpended Prior Years Encumbrances	492,356	492,356	0
<b>Fund Balances At End Of Year</b>	<b>\$ 197,559</b>	<b>\$ 1,010,129</b>	<b>\$ 812,570</b>

(continued)



**CITY OF DELAWARE, OHIO**

Combined Statement Of Revenues, Expenditures

And Changes In Fund Balances--Budget And Actual--[Budget Basis]

All Governmental Fund Types and Expendable Trust Funds

For The Year Ended December 31, 2002

(continued)

## Debt Service Funds

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>			
Interest Income	\$ 51,294	\$ 48,013	\$ (3,281)
Special Assessment	44,015	40,779	(3,236)
Total Revenues	<u>95,309</u>	<u>88,792</u>	<u>(6,517)</u>
<b>Expenditures:</b>			
Debt Service:			
Professional Services	100,000	116,152	(16,152)
Principal Retirement	7,117,836	6,251,586	866,250
Interest And Fiscal Charges	266,630	272,955	(6,325)
Special Assessment Retirement	27,000	27,000	0
Total Expenditures	<u>7,511,466</u>	<u>6,667,693</u>	<u>843,773</u>
Excess (Deficiency) Of Revenues Over Expenditures	(7,416,157)	(6,578,901)	837,256
<b>Other Financing Sources (Uses):</b>			
Proceeds Of Bond Issuance	5,480,000	4,439,907	(1,040,093)
Proceeds Of Note Issuance	1,848,025	1,848,025	0
Operating Transfer In	91,586	47,747	(43,839)
Operating Transfers Out	0	(15,000)	(15,000)
Total Other Financing Sources (Uses)	<u>7,419,611</u>	<u>6,320,679</u>	<u>(1,098,932)</u>
Excess (Deficiency) Of Revenues And Other Financing Sources Over Expenditures And Other Financing Uses	<u>3,454</u>	<u>(258,222)</u>	<u>(261,676)</u>
<b>Fund Balances At Beginning Of Year</b>	<b><u>355,395</u></b>	<b><u>355,395</u></b>	<b><u>0</u></b>
<b>Fund Balances At End Of Year</b>	<b><u>\$ 358,849</u></b>	<b><u>\$ 97,173</u></b>	<b><u>\$ (261,676)</u></b>

(continued)

**CITY OF DELAWARE, OHIO**

Combined Statement Of Revenues, Expenditures  
 And Changes In Fund Balances--Budget And Actual--[Budget Basis]  
 All Governmental Fund Types and Expendable Trust Funds  
 For The Year Ended December 31, 2002  
 (continued)

## Capital Projects Funds

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>			
Intergovernmental	\$ 0	\$ 802,739	\$ 802,739
Impact Fees	680,500	666,832	(13,668)
Interest Income	2,311	2,306	(5)
Miscellaneous	0	117,702	117,702
Total Revenues	<u>682,811</u>	<u>1,589,579</u>	<u>906,768</u>
<b>Expenditures:</b>			
Current:			
General Government	189,737	260,582	(70,845)
Capital Outlay	6,958,257	5,548,905	1,409,352
Debt Service:			
Principal Retirement	2,448,414	2,448,414	0
Total Expenditures	<u>9,596,408</u>	<u>8,257,901</u>	<u>1,338,507</u>
Excess (Deficiency) Of Revenues Over Expenditures	(8,913,597)	(6,668,322)	2,245,275
<b>Other Financing Sources (Uses):</b>			
Proceeds Of Bond Issuance	0	1,179,190	1,179,190
Operating Transfer In	1,677,076	822,538	(854,538)
Operating Transfers Out	(242,853)	(115,148)	127,705
Total Other Financing Sources (Uses)	<u>1,434,223</u>	<u>1,886,580</u>	<u>452,357</u>
Excess (Deficiency) Of Revenues And Other Financing Sources Over Expenditures And Other Financing Uses	<u>(7,479,374)</u>	<u>(4,781,742)</u>	<u>2,697,632</u>
<b>Fund Balances At Beginning Of Year</b>	<b>3,653,855</b>	<b>3,653,855</b>	<b>0</b>
Unexpended Prior Years Encumbrances	990,277	990,277	0
<b>Fund Balances At End Of Year</b>	<b><u>\$ (2,835,242)</u></b>	<b><u>\$ (137,610)</u></b>	<b><u>\$ 2,697,632</u></b>

(continued)

**CITY OF DELAWARE, OHIO**

Combined Statement Of Revenues, Expenditures  
 And Changes In Fund Balances--Budget And Actual--[Budget Basis]  
 All Governmental Fund Types and Expendable Trust Funds  
 For The Year Ended December 31, 2002  
 (continued)

## Expendable Trust Funds

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>			
Donations	\$ 4,378	\$ 4,536	\$ 158
Developers' Fees	155,000	110,264	(44,736)
Total Revenues	<u>159,378</u>	<u>114,800</u>	<u>(44,578)</u>
<b>Expenditures:</b>			
Current:			
Public Safety	2,045	200	1,845
General Government	8,000	4,603	3,397
Recreation & Parks	35,500	34,717	783
Capital Outlay	85,000	0	85,000
Total Expenditures	<u>130,545</u>	<u>39,520</u>	<u>91,025</u>
Excess (Deficiency) Of Revenues Over Expenditures	<u>28,833</u>	<u>75,280</u>	<u>46,447</u>
<b>Fund Balances At Beginning Of Year</b>	<b><u>113,280</u></b>	<b><u>113,280</u></b>	<b><u>0</u></b>
<b>Fund Balances At End Of Year</b>	<b><u>\$ 142,113</u></b>	<b><u>\$ 188,560</u></b>	<b><u>\$ 46,447</u></b>

See Accompanying Notes to the General Purpose Financial Statements

**CITY OF DELAWARE, OHIO**

Combined Statement Of Revenues, Expenses And Changes

In Fund Equity--All Proprietary Fund Types

For The Year Ended December 31, 2002

	Proprietary Fund Types		Total Memorandum Only
	Enterprise	Internal Service	
<b>Operating Revenues:</b>			
Charges For Services	\$ 8,104,303	\$ 2,630,975	\$ 10,735,278
Capacity Fees	1,494,568	0	1,494,568
Miscellaneous	105,129	0	105,129
Total Revenue	<u>9,704,000</u>	<u>2,630,975</u>	<u>12,334,975</u>
<b>Operating Expenses:</b>			
Personal Services	2,770,487	175,549	2,946,036
Cost Of Services	1,009,000	0	1,009,000
Depreciation	1,776,274	8,865	1,785,139
Services and Charges	3,035,475	413,958	3,449,433
Claims	0	2,331,991	2,331,991
Materials And Supplies	491,621	290,815	782,436
Total Operating Expenses	<u>9,082,857</u>	<u>3,221,178</u>	<u>12,304,035</u>
Operating Income/(Loss)	<u>621,143</u>	<u>(590,203)</u>	<u>30,940</u>
<b>Non-Operating Revenues (Expenses):</b>			
Intergovernmental	200,000	0	200,000
Interest Income	64,473	0	64,473
Interest Expense	(200,606)	0	(200,606)
Donated Water and Sewer Lines	3,898,316	0	3,898,316
Other, Revenue / (Expense)	(65,419)	(15,655)	(81,074)
Net Non-Operating Revenues (Expenses)	<u>3,896,764</u>	<u>(15,655)</u>	<u>3,881,109</u>
<b>Income (Loss) Before Operating Transfers</b>	<u>4,517,907</u>	<u>(605,858)</u>	<u>3,912,049</u>
Operating Transfers In	2,112	0	2,112
Net Income/(Loss)	<u>4,520,019</u>	<u>(605,858)</u>	<u>3,914,161</u>
Add Depreciation On Fixed Assets Acquired By Contributed Capital	665,599	0	665,599
Increase (Decrease) In Retained Earnings	<u>5,185,618</u>	<u>(605,858)</u>	<u>4,579,760</u>
<b>Retained Earnings At Beginning Of Year [as restated; see Note 2]</b>	<u>26,695,148</u>	<u>947,230</u>	<u>27,642,378</u>
<b>Retained Earnings At End Of Year</b>	<u>\$ 31,880,766</u>	<u>\$ 341,372</u>	<u>\$ 32,222,138</u>

See Accompanying Notes to the General Purpose Financial Statements

**CITY OF DELAWARE, OHIO**

Combined Statement Of Revenues, Expenses  
 And Changes In Fund Balances--Budget And Actual--[Budget Basis]  
 All Proprietary Fund Types  
 For The Year Ended December 31, 2002

## Enterprise Funds

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>			
Charges For Service	\$ 7,978,390	\$ 7,908,133	(\$70,257)
Capacity Fees	1,502,600	1,494,568	(8,032)
Interest Income	63,000	73,570	10,570
Water Deposits	33,000	32,897	(103)
Miscellaneous	185,012	161,098	(23,914)
Total Revenues	<u>9,762,002</u>	<u>9,670,266</u>	<u>(91,736)</u>
<b>Expenses:</b>			
Current:			
Personal Services	2,871,346	2,782,218	89,128
Materials & Supplies	828,593	758,917	69,676
Services & Charges	3,878,343	3,077,249	801,094
Reimbursements	88,795	101,760	(12,965)
Capital Outlay	30,420,983	6,111,201	24,309,782
Debt Service			
Principal Retirement	708,572	708,572	0
Interest & Fiscal Charges	210,156	211,238	(1,082)
Bond Issuance Costs	156,323	156,323	0
Total Expenses	<u>39,163,111</u>	<u>13,907,478</u>	<u>25,255,633</u>
Excess (Deficiency) Of Revenues Over Expenses	(29,401,109)	(4,237,212)	25,163,897
Other Financing Sources & Uses:			
Proceeds Of Note Issuance	2,500,000	0	(2,500,000)
Proceeds Of Bond Issuance	7,743,639	7,743,639	0
Payment to Refunded Debt Escrow Agent	(2,966,871)	(2,966,871)	0
Total Other Financing Sources & Uses	<u>7,276,768</u>	<u>4,776,768</u>	<u>(2,500,000)</u>
Excess (Deficiency) Of Revenues And Other Financing Sources Over Expenses and Other Financing Uses	<u>(22,124,341)</u>	<u>539,556</u>	<u>22,663,897</u>
<b>Fund Balances At Beginning Of Year</b>	<b>9,621,021</b>	<b>9,621,021</b>	<b>0</b>
Unexpended Prior Years Encumbrances	2,449,184	2,449,184	0
<b>Fund Balances At End Of Year</b>	<b><u>\$ (10,054,136)</u></b>	<b><u>\$ 12,609,761</u></b>	<b><u>\$ 22,663,897</u></b>

(continued)

See Accompanying Notes to the General Purpose Financial Statements

**CITY OF DELAWARE, OHIO**

Combined Statement Of Revenues, Expenses

And Changes In Fund Balances--Budget And Actual--[Budget Basis]

All Proprietary Fund Types

For The Year Ended December 31, 2002

(continued)

## Internal Service Funds

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>			
Charges For Service	\$ 2,552,958	\$ 2,630,975	\$ 78,017
Total Revenues	<u>2,552,958</u>	<u>2,630,975</u>	<u>78,017</u>
<b>Expenses:</b>			
Current:			
Personal Services	161,803	178,749	(16,946)
Materials & Supplies	352,965	308,840	44,125
Services & Charges	2,630,879	2,495,619	135,260
Reimbursements	25,500	15,655	9,845
Capital Outlay	10,794	9,154	1,640
Total Expenses	<u>3,181,941</u>	<u>3,008,017</u>	<u>173,924</u>
Excess (Deficiency) Of Revenues Over Expenses	<u>(628,983)</u>	<u>(377,042)</u>	<u>251,941</u>
<b>Fund Balances At Beginning Of Year</b>	<b>1,568,425</b>	<b>1,568,425</b>	<b>0</b>
Unexpended Prior Years Encumbrances	<u>28,232</u>	<u>28,232</u>	<u>0</u>
<b>Fund Balances At End Of Year</b>	<b><u>\$ 967,674</u></b>	<b><u>\$ 1,219,615</u></b>	<b><u>\$ 251,941</u></b>

See Accompanying Notes to the General Purpose Financial Statements

**CITY OF DELAWARE, OHIO**

Combined Statement Of Cash Flows

All Proprietary Fund Types

For The Year Ended December 31, 2002

	Enterprise	Internal Service	Total Memorandum Only
<b>Cash flows from operating activities:</b>			
Cash received from customers	\$ 9,402,701	\$ 595,346	\$ 9,998,047
Cash received for premiums	0	1,913,080	1,913,080
Customer deposits received	32,897	0	32,897
Customer deposits returned	(23,739)	0	(23,739)
Cash received for services	0	122,549	122,549
Cash payments for personal services	(2,782,218)	(178,749)	(2,960,967)
Cash payments for materials and supplies	(611,002)	(291,436)	(902,438)
Cash payments for services and charges	(4,184,429)	(2,465,889)	(6,650,318)
Other cash received or paid	148,496	0	148,496
<i>Net cash provided by (used for) operating activities</i>	1,982,706	(305,099)	1,677,607
<b>Cash Flows from Noncapital Financing Activities</b>			
Cash received from land rent	12,602	0	12,602
Cash payments for reimbursements	(78,021)	(15,655)	(93,676)
<i>Net cash provided by (used for) noncapital financing activities</i>	(65,419)	(15,655)	(81,074)
<b>Cash flows from capital and related financing activities</b>			
Acquisition and construction of capital assets	(3,590,933)	(8,475)	(3,599,408)
Cash received from refunded bond proceeds	3,033,422	0	3,033,422
Cash received from general obligation bond proceeds	4,710,217	0	4,710,217
Interest received from refunded bond proceeds	1,910	0	1,910
Interest received from general obligation bond proceeds	3,903	0	3,903
Refunded bond issuance costs	(62,557)	0	(62,557)
Payment to refunded bond escrow agent	(2,966,871)	0	(2,966,871)
General obligation bond issuance costs	(93,765)	0	(93,765)
Interest paid on capital debt	(211,238)	0	(211,238)
Principal paid on capital debt	(708,572)	0	(708,572)
<i>Net cash provided by (used for) capital and related financing activities</i>	115,516	(8,475)	107,041
<b>Cash flows from investing activities</b>			
Interest received	67,756	0	67,756
<b>Net increase (decrease) in cash and cash equivalents</b>	2,100,559	(329,229)	1,771,330
Cash and cash equivalents at beginning of year	12,070,208	1,596,657	13,666,865
Cash and cash equivalents at end of year	\$ 14,170,767	\$ 1,267,428	\$ 15,438,195

(continued)

**CITY OF DELAWARE, OHIO**

Combined Statement Of Cash Flows  
 All Proprietary Fund Types  
 For The Year Ended December 31, 2002  
 (continued)

	Enterprise	Internal Service	Total Memorandum Only
<b>Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:</b>			
Operating income (loss)	\$ 621,143	\$ (590,203)	\$ 30,940
<i>Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:</i>			
Depreciation	1,776,274	8,865	1,785,139
Landfill amortization	(5,000)	0	(5,000)
<i>Changes in Assets and Liabilities:</i>			
(Increase) decrease in accounts receivable	(152,804)	0	(152,804)
(Increase) decrease in prepaid items	(30,649)	0	(30,649)
(Increase) decrease in inventory	(3,503)	0	(3,503)
Increase (decrease) in accounts payable	(117,442)	1,081	(116,361)
Increase (decrease) in claims payable	0	278,345	278,345
Increase (decrease) in contracts payable	(101,799)	0	(101,799)
Increase (decrease) in customer deposits	9,156	0	9,156
Increase (decrease) in accrued wages & benefits	(96,980)	1,084	(95,896)
Increase (decrease) in compensated absences payable	84,310	(4,271)	80,039
Total Adjustments	<u>1,361,563</u>	<u>285,104</u>	<u>1,646,667</u>
Net cash provided by (used for) operating activities	<u>\$ 1,982,706</u>	<u>\$ (305,099)</u>	<u>\$ 1,677,607</u>

Noncash capital transactions:

The Water fund received water lines donated by developers with a fair value of \$1,888,197. These lines were recorded as fixed assets.

The Sewer fund received sewer lines donated by developers with a fair value of \$2,010,119. These lines were recorded as fixed assets.

See Accompanying Notes to the General Purpose Financial Statements



**CITY OF DELAWARE, OHIO**  
**Notes to the General Purpose Financial Statements**  
**December 31, 2002**

**1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**A. Reporting Entity**

The City of Delaware, Ohio (the "City") is an incorporated municipality under the laws of the State of Ohio. Its charter was adopted November 6, 1951, and established the Council/Manager form of government. The City presently provides the following services as authorized by its charter: public safety, airport and public works, recreation and parks, engineering, public health and water and sewer enterprise activities.

A reporting entity is comprised of the primary government, component units and other organizations that are included to ensure the financial statements are fairly presented and complete.

The primary government consists of all funds, departments, boards and commissions that are not legally separate from the City. They comprise the City's legal entity which provides various services including a public safety department, a public works department, a grounds & facilities department, a recreation services department, a planning & community development department, a utility department, and an engineering department. The City is also responsible for the construction, maintenance, and repairs associated with the water and sewer lines and provides water and sewer treatment services. The City Manager and City Council have direct responsibility for these services.

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

The Delaware Municipal Court's (the "Court") activities are included within these general-purpose financial statements as required by Governmental Accounting Standard No. 14, *The Financial Reporting Entity*. The City includes the Court's cash balance and liability to others within its agency funds, and

## **CITY OF DELAWARE, OHIO**

### **Notes to the General Purpose Financial Statements December 31, 2002**

(continued)

the City's share of Court fines collected and operating expenditures in the Municipal Court Fund. The City established this fund for 2002 because the County's population rose above 100,000 citizens, which requires the presiding judge and clerk to be elected by the County's voting residents. The Court serves as the Court of record and has jurisdiction within Delaware County. The City, however, has no ability to select or influence Court management and cannot dictate budget and other fiscal matters. The Court is presided over by a separately elected judge and clerk that have the authority to select and appoint all officials of the Court and to direct the Court's activity.

#### **B. Basis of Presentation - Fund Accounting**

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

A fund is a separate accounting entity with a self-balancing set of accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses. An account group, on the other hand, 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.

Funds are classified into three categories: governmental, proprietary, and fiduciary. Each category, in turn, is divided into separate fund types. The various funds are summarized by type in the general-purpose financial statements. The City uses the following fund types and account groups:

##### **Governmental Fund Types:**

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

##### **General Fund**

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

##### **Special Revenue Funds**

Special Revenue Funds are used to account for revenues derived from specific taxes, grants, or other sources (other than those relating to major capital projects) whose use is restricted. The uses and limitations of each Special Revenue Fund are specified by City ordinances or federal or state statutes.

## **CITY OF DELAWARE, OHIO**

### **Notes to the General Purpose Financial Statements December 31, 2002**

(continued)

#### **Debt Service Funds**

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

#### **Capital Project Funds**

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

#### **Proprietary Fund Types:**

Proprietary funds are used to account for the City's ongoing organizations and activities that are similar to those found in the private sector. The measurement focus is upon determination of net income, financial position, and cash flows. The following are the City's proprietary fund types:

##### **Enterprise Funds**

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. The intent is for user charges to finance services provided to the general public on a continuing basis.

##### **Internal Service Funds**

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

#### **Fiduciary Fund Types:**

Fiduciary funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governments, and other funds. The City's fiduciary funds include agency funds and expendable trust funds. Agency Funds are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operations. Expendable Trust Funds are accounted for and reported as Governmental Funds.

#### **Account Groups:**

To make a clear distinction between fixed assets related to a specific fund 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**

This Account Group reflects the costs of fixed assets of the City other than those accounted for in the Proprietary Funds. These assets do not represent financial resources available for expenditure, but are items for which financial resources have been used and for which the City maintains accountability. They are not assets of any fund, but of the City as a whole.

## **CITY OF DELAWARE, OHIO**

### **Notes to the General Purpose Financial Statements December 31, 2002**

(continued)

#### **General Long-Term Obligations Account Group**

This Account Group reflects all un-matured long-term indebtedness of the City that is not a specific liability of a Proprietary Fund.

#### **C. Basis of Accounting**

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

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

The Governmental Funds, Expendable Trust and Agency Funds follow the modified accrual basis of accounting. Under this method of accounting, the City recognized revenue when it becomes both measurable and available. Measurable means the amount of the transaction can be determined. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, which for the City is considered to be two months [60 days] after year end. Grants and entitlements must also meet timing, eligibility, and contingency requirements. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable. Principal and interest on general long-term debt are recognized as expenditures when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year.

Revenues accrued at the end of the year included: interest earnings, income tax withholdings, hotel taxes, rents, billings for services and materials, and certain intergovernmental revenues.

Fines and miscellaneous revenues are recorded as revenue when received because they are generally not considered measurable and available until received.

The City reports deferred revenue on its combined balance sheet. Deferred revenues arise when 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 and revenue is recognized. Property taxes and special assessments measurable as of December 31, 2002, but which are not intended to finance current operations, are recorded as deferred revenues.

The accrual basis of accounting is used for reporting purposes by the proprietary funds. Revenues are recognized when they are earned and expenses are recorded at the time liabilities are incurred. Unbilled service charges are recognized as revenue at year-end.

## **CITY OF DELAWARE, OHIO**

### **Notes to the General Purpose Financial Statements December 31, 2002**

(continued)

#### **D. Budgets and Budgetary Accounting**

The City's budget is adopted and modified as follows:

1. Prior to November 15, the City Manager submits to City Council an estimate of the expenditures necessary to conduct the affairs of the City for the fiscal year commencing the following January 1.
2. Budget estimates are distributed throughout the City (including newspapers and libraries), and public hearings are held to obtain taxpayers' comments.
3. Prior to January 1 and after publication of the proposed budget ordinances, the budget is legally enacted by ordinance.
4. Supplemental appropriations and transfers of appropriations between funds and departments must be approved by City Council. Supplemental appropriations were necessary during 2002. The budget figures that appear in the budgetary comparisons represent the final appropriation amounts, including all amendments and modifications.
5. Expenditures cannot legally exceed appropriations at the department level. Unencumbered appropriations lapse at year-end, and encumbered appropriations are reported as expenditures in the current year.
6. The Finance Director estimates the budgeted revenues presented in the combined statement of revenues, expenditures and changes in fund balances—budget and actual, in conjunction with the annual budgeting process. However, this estimate is not included or required in the budget ordinance. These estimates are filed with the County Budget Commission by September 1. The budget figures that appear in the budgetary comparisons represent the final official amended certificate of 2002, including all amendments and modifications.

Encumbrance accounting is utilized in the Governmental Funds. Under encumbrance accounting, purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve a portion of the applicable appropriation, and to maintain legal compliance. On the GAAP basis, encumbrances outstanding at year end are reported as reservations of fund balances for subsequent year expenditures for governmental funds and reported in the notes to the financial statements for proprietary funds.

#### **E. Cash and Cash Equivalents**

Cash received by the City is deposited in a central bank account. Monies for all funds, except the Municipal Court, are maintained in the account or temporarily used to purchase investments. Individual fund integrity is maintained through City records. Each fund's interest in the pool of cash and investments is presented as "Equity in Pooled Cash and Cash Equivalents" on the combined balance sheet.

During the year, investments were limited to repurchase agreements and the State Treasury Asset Reserve of Ohio (STAROhio). Except for non-participating investment contracts, investments are

## **CITY OF DELAWARE, OHIO**

### **Notes to the General Purpose Financial Statements December 31, 2002**

(continued)

reported at fair value, which is based on quoted market prices. Non-participating investment contracts, such as repurchase agreements, are reported at cost.

STAROhio is an investment pool managed by the State Treasurer's Office, which allows governments of the State to pool their funds for investment purposes. STAROhio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAROhio are valued at STAROhio's share price, which is the price the investment could be sold for on December 31, 2002.

Interest income is distributed to the funds according to Ohio constitutional and statutory requirements. Interest revenue credited to the general fund during the fiscal year amounted to \$241,014, which includes \$204,784 assigned from other funds. The special revenue, debt service, capital projects, and enterprise funds also received interest in the amount of \$1,593, \$48,013, \$2,306, and \$64,473, respectively.

#### **F. Materials and Supplies Inventory**

Inventories of governmental funds are stated at cost, while inventories of proprietary funds are stated at the lower of cost or market. For all funds, cost is determined on a first-in, first-out basis. 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.

#### **G. Restricted Assets**

Restricted assets represent certain resources, which are segregated from other resources of the City to reflect restricted cash held for retainage against construction contracts.

#### **H. Prepaid Items**

Payments made to vendors for services that will benefit periods beyond the current fiscal year-end, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure is reported in the year in which services are consumed.

#### **I. Interfund Assets and Liabilities**

Short-term interfund loans or the short-term portion of advances are classified as "interfund receivables/payables."

Amounts owed to a particular fund by another fund in the City for goods or services rendered are classified as "due from other funds/due to other funds."

# CITY OF DELAWARE, OHIO

## Notes to the General Purpose Financial Statements December 31, 2002

(continued)

### J. Fixed Assets

Fixed assets purchased for general governmental purposes are recorded as expenditures in the Governmental Funds and capitalized at cost (or estimated historical cost) in the General Fixed Assets Account Group. Contributed fixed assets are recorded at fair market value at the time received. Fixed assets consisting of certain improvements other than buildings—including roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems—have not been capitalized. These assets normally are immovable and of value only to the City. Therefore, stewardship for capital expenditures can be satisfied without recording these assets. Fixed assets associated with the City's enterprise and internal service fund type activities are accounted for in their respective funds. Property and equipment acquired by the Proprietary Funds are stated at cost (or estimated historical cost), including interest capitalized during construction where applicable. The original cost of the water and sewer distribution systems was not available. Accordingly, such costs were estimated using standard industry assumptions as determined by an outside consultant. Contributed fixed assets are recorded at fair market value at the time received.

*Depreciation:* Depreciation is an element of expense resulting from the use of long-lived assets. It is measured by allocating the expected net cost of using the asset over its estimated useful life in a systematic and rational manner. No depreciation has been provided on general fixed assets. In proprietary funds, depreciation is recorded annually as an element in the determination of net income and is recorded annually as an expense. Depreciation has been provided using the straight-line method over the following estimated useful lives:

	<u>Useful life</u>
Vehicles (autos and trucks)	5 - 8
Machinery, equipment, furniture, & fixtures	10-25
Buildings	25
Sewers and water mains	25 - 100

*Capitalization of Interest:* Interest is capitalized on proprietary fund assets acquired with tax-exempt debt. The City's policy is to capitalize net interest on construction projects until substantial completion of the project. The amount of capitalized interest equals the difference between the interest cost associated with the tax-exempt borrowing used to finance the project from the date of borrowing until completion of the project and the interest earned from temporary investment of the debt proceeds over the same period.

Capitalized interest is amortized on the straight-line basis over the estimated useful life of the asset. For the current fiscal year, no material interest was incurred on proprietary fund construction projects.

### K. Contributed Capital

Contributed capital represents donations by developers, grants restricted for capital construction, and contributions made by the City. These assets are recorded at their market value on the date contributed. With the implementation of GASB Statement No. 33, donated water and sewer lines are reported as non-operating revenue rather than as additions to contributed capital.

## **CITY OF DELAWARE, OHIO**

### **Notes to the General Purpose Financial Statements December 31, 2002**

(continued)

#### **L. Accrued Liabilities and Long-term Obligations**

The City accrues a liability for compensated absences in accordance with the provisions of *GASB Statement No. 16, "Accounting for Compensated Absences."* Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the City will compensate the employees for the benefits through paid time off or some other means. Sick leave benefits are accrued as a liability using the vesting method.

The liability is based on the sick leave accumulated at December 31, by those employees who are currently eligible to receive termination payments and by those employees for whom it is probable they will become eligible to receive termination benefits in the future. The amount is based on the accumulated sick leave and employees' wage rates at year end, taking into consideration any limits specified in the City's termination policy.

For governmental funds, the City's liability for unpaid accumulated sick leave and vacation time is the amount to be paid using expendable available financial resources [within 60 days] and is reported as an accrued liability in the fund from which the individuals who have accumulated the unpaid compensated absences are paid. The balance of the liability is reported in the general long-term obligations account group. In proprietary funds, the entire amount of unpaid compensated absences is reported as a fund liability.

Bonds and long-term loans are recognized as a liability of the General Long Term Debt Account Group until due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year. Long-term debt and other obligations financed by proprietary funds are reported as liabilities in the appropriate proprietary funds.

#### **M. Interfund Transactions**

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

During the course of normal operations, the City has transactions between funds, most of which are in the form of transfers of resources to provide services, construct assets, and service debt. The accompanying financial statements generally reflect such transactions as operating transfers. Operating subsidies are also recorded as operating transfers.

#### **N. Reserves of Fund Equity**

Reserves of fund equity in governmental funds indicate that a portion of fund balance is not available for expenditure or is legally segregated for a specific future use. Fund balances are reserved for encumbrances, inventory of supplies and materials, prepaid items, and debt service.



# CITY OF DELAWARE, OHIO

## Notes to the General Purpose Financial Statements December 31, 2002

(continued)

### O. Intergovernmental Revenues

In governmental funds, federal and state grants awarded on a non-reimbursement basis, state shared revenues, and federal entitlements are recorded as intergovernmental receivables and revenues when measurable and available. They must also meet timing, eligibility, and contingency requirements. Reimbursable-type grants are recorded as intergovernmental receivables and revenues when the related expenditures are made.

### P. Bond Discounts, Premiums, and Issuance Costs

When the proceeds from general obligation bonded debt are placed in a governmental type fund, any premium or discount is included in "Other Financing Sources – Bond Proceeds" on the Statement of Revenues, Expenditures and Changes in Fund Balances. The long-term debt that appears in the general long-term obligations account group would always be reported at the bond's face value. When general obligation bonded debt proceeds are placed in a proprietary type fund, and the debt will be serviced from revenues generated by that fund, any material issuance costs are reported as deferred charges and amortized over the life of the bond using the straight-line method. Any material discounts or premiums [1] are shown as additions to, or deductions from, the account of the bond liability, [2] are amortized using the straight-line method, and [3] are reflected as interest income or expense in the statement of revenues, expenses, and changes in retained earnings.

### Q. Estimates

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

### R. Memorandum Only - Total Columns on Combined Financial Statements

Total columns on the combined 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 changes in financial position in conformity with GAAP. Nor is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

## 2. PRIOR YEAR RESTATEMENT

The City adjusted the beginning fund balance/retained earnings in the General Fund, Storm Sewer Fund, and Sewer Fund to correct an accounting error. The restatement is as follows:

<u>Fund Type</u>	<u>Amount at 12/31/2001</u>	<u>Correction</u>	<u>Restated Amount</u>
General	2,516,338	5,498	2,521,836
Special Revenue	1,544,196	(5,500)	1,538,696
Enterprise	26,656,311	38,837	26,695,148

**CITY OF DELAWARE, OHIO**

**Notes to the General Purpose Financial Statements  
December 31, 2002**  
(continued)

**3. COMPLIANCE AND ACCOUNTABILITY**

**Fund Deficits**

At December 31, 2002, the following funds had a deficit fund balance:

<i>Special Revenue Fund Type</i>	
Parks & Recreation	\$ (33,639)
Municipal Court	(34,354)
Economic Development Grant	(13,049)
<i>Capital Project Fund Type</i>	
Airport Improvement Construction	(1,158,575)
<i>Internal Service Fund Type</i>	
Self-Insurance	(102,278)

The fund deficit in the *Economic Development Grant Fund* was caused by a delay in receiving reimbursement from the Federal Government. The funds were paid from the General Fund to cover these expenditures.

The *Parks & Recreation*, *Municipal Court*, and *Airport Improvement Construction* fund deficits were caused by applying generally accepted accounting principles. The *Self-Insurance* fund had a fund deficit caused by an increase in claims expenses in 2002. The *General Fund* is not liable for any deficits when accruals occur.

**Expenditures/Expenses in Excess of Appropriations**

The following departments had expenditures/expenses in excess of appropriations for the fiscal year ended December 31, 2002, contrary to *Ohio Revised Code, Section 5705.41(B)*:

<i>Fund Type/Fund/Department</i>	<i>Appropriations</i>	<i>Expenditures/ Expenses</i>	<i>Excess</i>
Special Revenue Funds			
Police and Fire Pension	294,200	295,267	(1,067)
Capital Project Funds			
Capital Improvements	5,810,434	5,958,075	(147,641)
Internal Service Funds			
Self-Insurance	2,221,165	2,353,272	(132,107)

Several supplemental appropriations were necessary during the year. In May, 2002, the City reduced budgets in most departments as part of a mid-year evaluation of the budget. These reductions totaled

**CITY OF DELAWARE, OHIO**

**Notes to the General Purpose Financial Statements  
December 31, 2002**

(continued)

over \$1.5 million for all departments affected. In addition, the Capital Improvements fund was affected most during the year with the construction of the new Kroger Distribution Facility on the City's east side, with additional appropriations of \$1.48 million. This construction also affected appropriations in the City's Water and Sewer funds by \$621 thousand and \$330 thousand, respectively. Also affecting the Sewer fund was the refunding of the 1992 Revenue bonds. One other fund substantially affected by a supplemental appropriation was the City's Health Insurance fund, by the amount of \$284 thousand, due to higher insurance claim costs during the year.

**Appropriations In Excess Of Estimated Revenues**

The following funds had appropriations that were in excess of all sources available [estimated revenues plus unencumbered fund balance from prior year] for the fiscal year ended December 31, 2002, contrary to *Ohio Revised Code, Section 5705.39*:

<i>Fund Type/Fund</i>	<i>All Sources Available</i>	<i>Appropriations</i>	<i>Variance</i>
Special Revenue			
State Highway Improvement	\$ 120,402	\$ 140,437	\$ (20,035)
License Fee	405,836	418,378	(12,542)
Parks & Recreation	1,092,732	1,184,909	(92,177)
Airport Improvement	351,968	361,114	(9,146)
Court/Police Building Income Tax	123,962	134,612	(10,650)
Municipal Court	1,488,000	1,595,000	(107,000)
Computer Legal Research	166,527	166,573	(46)
Indigent EMHA	42,282	52,000	(9,718)
Community Development Block Grant	10,601	101,000	(90,399)
Community Police Block Grant	25,452	25,741	(289)
Economic Development	1	400,000	(399,999)
Rental Rehabilitation Grant	274,260	500,000	(225,740)
Debt Service			
Special Assessment Bond Retirement	37,610	43,983	(6,373)
Capital Project			
Capital Improvements	5,494,195	5,810,434	(316,239)
Downtown Streetscape	49,695	1,694,714	(1,645,019)
FAA Airport Expansion	10	445,000	(444,990)
FAA Airport Alloc/Improvement	0	276,200	(276,200)
Airport Improvement Construction	0	14,167	(14,167)
Park Impact Fees	649,844	1,110,853	(461,009)
Enterprise			
Sewer	15,721,228	29,602,414	(13,881,186)
Refuse	2,199,229	2,278,423	(79,194)
Expendable Trust			
Mayor's Donation	7,201	8,000	(799)

# CITY OF DELAWARE, OHIO

## Notes to the General Purpose Financial Statements December 31, 2002

(continued)

The City amended its estimated resources throughout the year to more accurately reflect what was expected to be received, which, in many funds, meant a reduction in the amount originally estimated. The City did not, however, reduce its appropriations in those funds to reflect that the expenditures would not occur since the resources were not available. On the other hand, the "Actual" columns in the aforementioned funds' *Budget and Actual [Budget Basis]* schedules do demonstrate this fact.

### Negative Cash Balances

The following funds had negative cash fund balances for the fiscal year ended December 31, 2002, contrary to *Ohio Revised Code, Section 5705.10*:

<u>Fund Type/Fund</u>	<u>Cash Fund Balance 12/31/ 02</u>
Special Revenue	
Economic Development Grant	\$ (87,593)
Rental Rehabilitation Grant	(8,516)
Capital Project	
Downtown Streetscape	(301,352)

#### 4. BUDGETARY BASIS OF ACCOUNTING

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

The Combined Statement of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual (Budget Basis) - All Governmental Fund Types and Expendable Trust Funds, and the Combined Statement of Revenue, Expenses, and Changes in Fund Balances - Budget and Actual (Budget 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:

- (a) Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis);
- (b) Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis);
- (c) Encumbrances are recorded as the equivalent of an expenditure (budget basis) in order to determine compliance with Ohio law, and to reserve that portion of the applicable appropriation as opposed to a reservation of fund balance for governmental funds (GAAP basis); and,

**CITY OF DELAWARE, OHIO**

**Notes to the General Purpose Financial Statements  
December 31, 2002**

(continued)

- (d) Proceeds from and principal payments on short-term note obligations are reported on the operating statement (budget basis) as opposed to being recorded as balance sheet transaction of the fund receiving the proceeds (GAAP basis).

The adjustments necessary to convert the results of operations for the year on the GAAP basis to the budget basis for the governmental funds and the proprietary funds, are as follows:

Excess (Deficiency) Of Revenues And Other Financing Sources  
Over (Under) Expenditures and Other Financing Uses  
All Governmental Fund Types and Expendable Trust Funds

	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Expendable Trust</u>
GAAP Basis	\$ 13,343	\$ 752,835	\$ (119,695)	\$ 4,589,048	\$ 155,470
Revenue Accruals	464,565	(559,990)	0	(742,394)	(52,000)
Expenditure Accruals	(256,003)	(45,797)	(6,616,528)	(2,151,367)	0
Encumbrances at Year End	(273,108)	(690,877)	0	(1,813,262)	(28,190)
Other Financing Sources (Uses)	213,500	(213,500)	6,478,001	(4,663,767)	0
Budget Basis	<u>\$ 162,297</u>	<u>\$ (757,329)</u>	<u>\$ (258,222)</u>	<u>\$ (4,781,742)</u>	<u>\$ 75,280</u>

Excess (Deficiency) Of Revenues And Other Financing Sources  
Over Expenses and Other Financing Uses -  
All Proprietary Fund Types

	<u>Enterprise</u>	<u>Internal Service</u>
Net Income	\$ 4,520,019	\$ (605,858)
Revenue Accruals	7,410,423	0
Expense Accruals	(5,740,823)	276,917
Acquisition of Assets	(1,999,912)	(9,154)
Customer Deposits	32,897	0
Depreciation	1,776,273	8,865
Encumbrances at Year End	(1,561,005)	(47,812)
Donation of Assets	(3,898,316)	0
Budget Basis	<u>\$ 539,556</u>	<u>\$ (377,042)</u>

**5. DEPOSITS AND INVESTMENTS**

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

1. 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.
2. Inactive deposits are public deposits that Council has identified as not required for use within the current two-year designation period of depositories. Inactive deposits must either be evidenced by

## CITY OF DELAWARE, OHIO

### Notes to the General Purpose Financial Statements December 31, 2002

(continued)

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.

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

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

State statute permits interim monies 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 and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the federal national mortgage association, federal home loan bank, federal farm credit bank, federal home loan mortgage corporation, governmental 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 (STAR Ohio).

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

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

**CITY OF DELAWARE, OHIO**

**Notes to the General Purpose Financial Statements  
December 31, 2002**

(continued)

3. Obligations of the City.

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 finance director, or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

At December 31, 2002, the carrying amount of the City's deposits was \$(888,567), and the bank balance was \$644,538. Of the bank balance, \$185,469 was covered by Federal Depository Insurance and \$459,069 was uninsured and uncollateralized. Although all statutory requirements for these deposits of money had been followed, non-compliance with federal requirements could potentially subject the City to a successful claim by the FDIC.

*Restricted Assets:* The City is holding \$362,772 in restricted assets in the City Treasury. These assets are restricted by construction contracts.

*GASB Statement No. 3 "Deposits with Financial Institutions, Investments, and Reverse Repurchase Agreements"* requires that the local government disclose the carrying amounts and market value of investments, classified by risk. The City's investments are categorized as either (1) insured or registered or for which the securities are held by the City or its agent in the City's name, (2) uninsured and unregistered investments for which the securities are held by the counterparty's trust department or agent in the City's name or (3) uninsured and unregistered investments for which the securities are held by the broker or dealer, or by its trust department or agent but not in the City's name. Note: reported value approximates fair value, for the City's securities.

	Category			Fair Value
	1	2	3	
DCB Repurchase Acct	0	0	5,725,000	5,725,000
Total	0	0	5,725,000	5,725,000
STAR Ohio				16,824,022
Total Investments				<u>\$ 22,549,022</u>

Investments in STAR Ohio are unclassified investments since they are not evidenced by securities that exist in physical or book entry form.

The classification of cash and cash equivalents, and investments on the financial statements is based on criteria set forth in *GASB Statement No. 9*. Cash equivalents are defined to include investments with original maturities of three months or less, and the City's cash pool.

**CITY OF DELAWARE, OHIO**

**Notes to the General Purpose Financial Statements  
December 31, 2002**

(continued)

A reconciliation between classifications of cash and investments on the financial statements and classifications according to *GASB Statement No. 3* is as follows:

	<i>Cash and Cash</i>	
	<u><i>Equivalents / Deposits</i></u>	<u><i>Investments</i></u>
<i>GASB Statement No. 9</i>	\$ 21,660,455	\$ 0
Investments:		
Repurchase Agreement	(5,725,000)	5,725,000
STAROhio	(16,824,022)	16,824,022
<i>GASB Statement No. 3</i>	<u>\$ (888,567)</u>	<u>\$ 22,549,022</u>

**6. MUNICIPAL INCOME TAX**

The City collects an income tax of one and four-tenths percent of Delaware taxable income, defined as gross wages and salaries before any deductions and profits. Filing is mandatory for all residents. Employers within the City are required to withhold tax on all employees working in the City and remit those monies on either a quarterly or monthly schedule. Employers are required to reconcile those withholdings on an annual basis.

**7. PROPERTY TAX**

Property taxes include amounts levied against real, public utility and tangible (used in business) property located in the City. Real property taxes collected during 2002 had lien and levy dates of January 1, 2001. One half of this tax was due February 10, 2002, with the remaining balance due on July 10, 2002. Tangible personal property taxes had lien and levy dates of January 1, 2002. This assessment is 25 percent of true value. Tangible personal property taxes paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30, the remainder is due September 20.

Assessed values on real property are established by state law at 35 percent of appraised market value. A re-evaluation of all property is required to be completed no less than every six years. The last re-evaluation was completed in 1996. Tangible personal property assessments are 25 percent of true value (true values are based on cost and established by the state of Ohio). The assessed value in 2001, upon which the 2002 levy was based, was approximately \$467 million. The assessed value for 2002, upon which the 2003 levy will be based, is approximately \$493 million.

Ohio law prohibits taxation of property from all taxing authorities in excess of 1 percent of assessed value without a vote of the people. Under current procedures, the City's share is .27 percent (2.7 mills) of assessed value. Increases in the property tax rate are restricted only by voter willingness to approve such increases.



**CITY OF DELAWARE, OHIO**

**Notes to the General Purpose Financial Statements  
December 31, 2002**

(continued)

<i>Category</i>	<i>Assessed Value</i>
Real Estate	\$ 405,554,140
Public Utility Property	12,133,020
Tangible Property	75,335,524
Total Property Taxes	<u>\$ 493,022,684</u>

The County Treasurer collects property taxes on behalf of all taxing districts in the county, including the City of Delaware. The County Auditor periodically remits to the City its portion of the taxes collected. Taxes receivable represents *property taxes*; real and tangible personal property taxes, public utility taxes, outstanding delinquencies, and *special assessments*; taxes levied against properties involved with the Downtown Streetscape project, which are measurable as of December 31, 2002. Although total property and special assessment tax collections for the next year are measurable, amounts to be received during the available period are not intended to finance 2002 operations. The receivable is offset by deferred revenue.

**8. RECEIVABLES**

Receivables at December 31, 2002, consisted of taxes, accounts (billings for user charged services including unbilled utility services), interest, interfund, and intergovernmental receivables arising from grants, entitlements, and shared revenues. All receivables are considered fully collectible except accounts receivable related to utility services.

A summary of accounts related to utility services is as follows:

	<u><i>Water</i></u>	<u><i>Sewer</i></u>	<u><i>Refuse</i></u>	<u><i>Total</i></u>
Gross receivable	\$521,970	\$590,919	\$234,286	\$1,347,175
Less: Allowance for Uncollectible	<u>(20,166)</u>	<u>(24,705)</u>	<u>(12,109)</u>	<u>(56,980)</u>
Net Receivable	<u>\$501,804</u>	<u>\$566,214</u>	<u>\$222,177</u>	<u>\$1,290,195</u>

**CITY OF DELAWARE, OHIO**

**Notes to the General Purpose Financial Statements  
December 31, 2002**

(continued)

A summary of the principal items of intergovernmental receivables were as follows:

	<i>General Fund</i>	<i>Special Revenue</i>	<i>Capital Projects</i>	<i>Trust &amp; Agency</i>	<i>Enterprise</i>	<i>Total</i>
<b>Federal Government</b>						
Federal Aviation Administration	\$ 0	\$ 0	\$ 2,488	\$ 0	\$ 0	\$ 2,488
Econ Development Grant	0	213,798	0	0	0	213,798
CHIP/HOME Program	0	38,966	0	0	0	38,966
MORPC Streetscape Project	0	0	715,000	0	0	715,000
<i>Total Federal Government</i>	<u>0</u>	<u>252,764</u>	<u>717,488</u>	<u>0</u>	<u>0</u>	<u>970,252</u>
<b>State Government</b>						
Cigarette/Liquor Permits Tax	1,983	0	0	0	0	1,983
License Fee & Gas Taxes	0	496,685	0	0	0	496,685
Local Government Funds	175,936	0	0	0	0	175,936
Homestead & Rollback	57,513	16,430	0	0	0	73,943
Ohio Dept of Alc & Drug Addict.	0	9,112	0	0	0	9,112
<i>Total State Government</i>	<u>235,432</u>	<u>522,227</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>757,659</u>
<b>County Government/Municipal Court</b>						
License Fee & Gas Taxes	0	45,005	0	0	0	45,005
Municipal Court Fees 12/2002	0	28,776	0	5,272	0	34,048
Delaware Cnty - Streetscape III	0	0	25,000	0	0	25,000
Delaware Cnty - Kroger Devel	0	0	0	0	200,000	200,000
Local Government Funds	649,081	0	0	0	0	649,081
<i>Total County Government/Municipal Court</i>	<u>649,081</u>	<u>73,781</u>	<u>25,000</u>	<u>5,272</u>	<u>200,000</u>	<u>953,134</u>
<b>Total All Governments</b>	<u>\$884,513</u>	<u>\$ 848,772</u>	<u>\$742,488</u>	<u>\$5,272</u>	<u>\$ 200,000</u>	<u>\$ 2,681,045</u>

**9. INTERFUND BALANCES**

Interfund balances from advances at December 31, 2002 consist of the following:

<u>Fund Type - Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General	\$ 510,751	\$ 0
<i>Special Revenue Fund Type</i>		
Economic Development Grant	0	100,643
Rental Rehabilitation Grant	0	8,516
<i>Capital Project Fund Type</i>		
Downtown Streetscape	<u>0</u>	<u>401,592</u>
Total All Funds	<u>\$ 510,751</u>	<u>\$ 510,751</u>

**CITY OF DELAWARE, OHIO**

**Notes to the General Purpose Financial Statements  
December 31, 2002**  
(continued)

**10. FIXED ASSETS**

**General Fixed Assets:** Changes in general fixed assets during 2002 were as follows:

<i>Classification</i>	<i>Balance</i>			<i>Balance</i>
	<i>12/31/2001</i>	<i>Additions</i>	<i>Deletions</i>	<i>12/31/2002</i>
Land	\$ 1,125,062	\$ 1,000	\$ 0	\$ 1,126,062
Buildings & Improvements	20,613,525	900,295	0	21,513,820
Machinery & Equipment	8,698,347	774,447	0	9,472,794
Construction in Progress	616,783	1,464,667	(678,842)	1,402,608
Total	<u>\$ 31,053,717</u>	<u>\$ 3,140,409</u>	<u>\$ (678,842)</u>	<u>\$ 33,515,284</u>

**Proprietary Fund Fixed Assets:** A summary of the Proprietary fixed assets as of December 31, 2002, is as follows:

<i>Classification</i>	<i>Enterprise</i>				<i>Internal Service</i>
	<i>Water</i>	<i>Sewer</i>	<i>Other</i>	<i>Total</i>	<i>Total</i>
Land	\$ 445,462	\$ 1,676,856	\$ 442,649	\$ 2,564,967	\$ 0
Buildings & Improvements	21,412,038	33,119,483	32,479	54,564,000	0
Machinery & Equipment	1,423,439	1,842,328	1,986,925	5,252,692	80,732
Construction in Progress	1,579,632	1,601,568	0	3,181,200	0
<i>Total Gross Fixed Assets</i>	<u>24,860,571</u>	<u>38,240,235</u>	<u>2,462,053</u>	<u>65,562,859</u>	<u>80,732</u>
Depreciation	<u>(8,658,520)</u>	<u>(14,542,690)</u>	<u>(1,263,935)</u>	<u>(24,465,145)</u>	<u>(50,784)</u>
Net Fixed Assets	<u>\$ 16,202,051</u>	<u>\$ 23,697,545</u>	<u>\$ 1,198,118</u>	<u>\$ 41,097,714</u>	<u>\$ 29,948</u>

Construction in progress of the Water fund consists primarily of \$1,025,000 expended to install ground wells at the treatment plant and \$460,000 for the Westside Transmission. Construction in progress of the Sewer fund consists primarily of \$740,000 for US 23 sewer rehabilitation and \$862,000 for Wastewater Treatment Plant improvements.

**CITY OF DELAWARE, OHIO**

**Notes to the General Purpose Financial Statements  
December 31, 2002**  
(continued)

**11. GENERAL LONG TERM OBLIGATIONS AND NOTES PAYABLE**

A summary of long-term obligations and notes payable for the year ended December 31, 2002, is as follows:

<i>Fund Type/Account Group</i>	<i>Balance 12/31/2001</i>	<i>Additions</i>	<i>Deletions</i>	<i>Balance 12/31/2002</i>
<b>General Long-Term Obligations</b>				
Special Assessment Bonds 2000 Streetscape Bonds - 5.75%	\$ 119,000	\$ 0	\$ (13,000)	\$ 106,000
Special Assessment Bonds 1999 Streetscape Bonds - 5.75%	143,488	0	(11,888)	131,600
General Obligation Bonds 2002 Various Purpose Bonds - 2%	0	5,655,000	0	5,655,000
<b>Accrued Liabilities</b>				
Compensated absences	2,298,179	185,103	0	2,483,282
Past service pension obligation for police and firefighters	340,142	0	(4,737)	335,405
Pension buyout obligation for PERS	508,660	0	(290,769)	217,891
<i>Total General Long Term Obligations</i>	<u>3,409,469</u>	<u>5,840,103</u>	<u>(320,394)</u>	<u>8,929,178</u>
<b>Enterprise Fund Obligations</b>				
Water Special Assessment Bonds 2000 Streetscape Bonds - 5.75%	25,512	0	(2,112)	23,400
Sewer Mortgage Revenue Bonds 1992 Sewer Improvement - 5.3 - 5.95%	3,640,000	0	(3,640,000)	0
Sewer General Obligation Bonds 2002 Sewer Sys Imp & Refunding Bonds - 1.5%	0	7,735,000	0	7,735,000
Compensated Absences <i>[long-term portion]</i>	280,930	82,124	0	363,054
<i>Total Enterprise Fund Obligations</i>	<u>3,946,442</u>	<u>7,817,124</u>	<u>(3,642,112)</u>	<u>8,121,454</u>
<b>Internal Service Fund Obligations</b>				
Compensated Absences <i>[long-term portion]</i>	21,102	0	(3,571)	17,531
<i>Grand Total Long Term Obligations</i>	<u>\$ 7,377,013</u>	<u>\$ 13,657,227</u>	<u>\$ (3,966,077)</u>	<u>\$ 17,068,163</u>
<b>Notes Payable</b>				
Various Facility Notes	\$ 4,355,000	\$ 700,000	\$ (5,055,000)	\$ 0
23/42 Interchange Note	2,500,000	0	(2,500,000)	0
Airport Hangar Construction	1,145,000	1,145,000	(1,145,000)	1,145,000
<i>Total Notes Payable</i>	<u>\$ 8,000,000</u>	<u>\$ 1,845,000</u>	<u>\$ (8,700,000)</u>	<u>\$ 1,145,000</u>

**Special Assessment Bonds:** Special assessment bonds are payable from the proceeds of assessments levied against the specific property owners who primarily benefited from the project. Special assessment monies will be received in and the debt will be retired through the Special Assessment Bond Retirement Debt Service Fund. In the event that property owners fail to make their payments, the City is responsible for providing the resources to meet the annual principal and interest payments.

**CITY OF DELAWARE, OHIO**

**Notes to the General Purpose Financial Statements  
December 31, 2002**

(continued)

**Sewer System Improvement and Refunding Bonds:** Series 2002 dated December 15, 2002 were issued to advance refund the outstanding Series 1992 Sewer Mortgage Revenue Bonds and to pay the costs of improving the City's municipal sewer system by (a) the acquisition of real estate and interests therein, and (b) the extension of the municipal sewer system, together with all related work and appurtenances. The bonds bear interest rates ranging from 1.5% to 4.65% and mature at various installments through December, 2022. The City placed reserve funds held in a trust for the 1992 Series, and proceeds from the 2002 Series, into an irrevocable trust to generate resources to pay off the bonds, now callable at 101% of the outstanding principal of \$3,395,000, at December 31, 2002. The amount placed into the irrevocable trust totaled \$3,467,431. The Series 1992 bonds will be refunded in February, 2003.

The advance refunding resulted in a difference between the acquisition price and the net carrying amount [at 101%] of the old debt of \$153,375. This difference, reported in the accompanying financial statements as a contra-liability [deferred charge], is charged to operations through the year 2012, using the straight line method. Amortization will begin in 2003 since the transaction occurred at year end. The City completed the advance refunding to reduce its total debt service payments over the next 10 years by \$1,020,286, and to obtain an economic gain (the difference between the present value of the old and new debt service payments) of \$348,370.

**Pension Obligations:** Past service pension obligation for police and firefighters are being paid out of the General fund over time through the year 2035. The OPERS buyout is paid out of the funds in which the employees were paid from while they were employed.

**Compensated Absences:** Additions and deletions of accrued vacation and sick leave are shown net since it is impractical for the City to determine these amounts separately.

**Future Debt Service Requirements:** The principal and interest requirements to retire long-term debt obligations outstanding at December 31, 2002 are:

<i>Year</i>	<i>General Long-Term Obligations</i>	<i>Enterprise Fund Obligations</i>
2003	\$ 302,498	\$ 564,635
2004	365,716	581,357
2005	369,275	600,585
2006	389,153	633,280
2007	403,234	651,291
2008-2012	2,061,761	3,404,969
2013-2017	2,069,815	1,720,925
2018-2022	2,111,569	1,745,675
Total	<u>\$ 8,073,021</u>	<u>\$ 9,902,717</u>

The Ohio Revised Code (ORC) provides that the net general obligation debt of a municipal corporation, whether or not approved by the electors, shall not exceed 10.5% of the total value of all property in the municipal corporation as listed and assessed for taxation. In addition, the unvoted net debt of municipal corporations cannot exceed 5.5% of the total taxation value of property. The statutory limitations on

## **CITY OF DELAWARE, OHIO**

### **Notes to the General Purpose Financial Statements December 31, 2002**

(continued)

debt are measured by a direct ratio of net debt to tax valuation and expressed in terms of a percentage. At December 31, 2002, the City's total net debt and unvoted net debt were approximately 3.65% of the total assessed value of all property within the City.

As of December 31, 2002, the City had no debt approved by the voters or Council, which had not been issued.

The aggregate amount of the City's unvoted debt is also subject to overlapping debt restrictions with Delaware County and the Delaware City School District. As of December 31, 2002, these entities have complied with the requirement that overlapping debt must not exceed 1% (10 mills) of the assessed property value.

Notes Payable: During 2002, the City retired and reissued Airport Hangar Construction Notes that were outstanding as of December 31, 2001. These notes were used to finance the City's additional 30 T hangars at the Delaware Municipal Airport.

#### **12. LANDFILL CLOSURES**

The City closed the Cherry Street Landfill [CSL] in 1975 and the Curve Road Landfill [CRL] in 1990. The City properly notified the Ohio Environmental Protection Agency for both closings. Both landfills were at 100% capacity and postclosure costs reflect estimates to monitor the landfills, as required by Ohio Administrative Code §3745-27, through the year 2020. The City awarded contracts to URS Greiner Corporation for monitoring and testing the CSL and to Burgess & Niple for monitoring and testing the CRL. No assets are restricted for payment of postclosure care costs and these costs are subject to changes related to the effects of inflation, revision of laws and other variables. The costs for monitoring and testing the landfills will be expended from the Refuse fund.

#### **13. DEFINED BENEFIT PENSION PLANS**

##### **A. Ohio Public Employees Retirement System**

The City of Delaware contributes to the Public Employees Retirement System of Ohio (OPERS), a cost-sharing multiple-employer public employee retirement system administered by the Public Employees Retirement Board. OPERS 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 according to Chapter 145 of the Ohio Revised Code. The Public Employees Retirement System issues a stand-alone financial report. That report may be obtained 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-PERS (7377).

Plan members, other than law enforcement and public safety, are required to contribute 8.5 percent of their annual covered salary to fund pension obligations. The law enforcement classification consists of sheriffs, deputy sheriffs, and township police, with an employee contribution rate of 10.1%. Public safety division members contribute at 9%. The contribution rates are determined actuarially and for 2002, the City's employer share of contribution was 13.55% of covered payroll. The City's contributions to OPERS, including employee and employer amount paid by the City, for the years

## **CITY OF DELAWARE, OHIO**

### **Notes to the General Purpose Financial Statements December 31, 2002**

(continued)

ended December 31, 2002, 2001, and 2000 were \$1,518,742, \$1,323,974, and \$1,301,466, respectively. The full amount has been contributed for 2002, 2000, and 1999.

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

The City of Delaware contributes to the Ohio Police and Fire Pension Fund (the "Fund"), a cost-sharing multiple-employer defined benefit pension plan. The fund 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 Fund issues a publicly available financial report that includes financial statements and required supplementary information for the Fund. That report may be obtained by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

Police and Firefighter's are required to contribute 10% of their annual covered salary to fund pension obligations and the City is required to contribute 19.5 percent for police and 24 percent for firefighters. The City pays the entire 10% employee share for all police and firefighters. The City pays 8.5% of the 10% required employee contribution for police and fire management. Contributions are authorized by State statute. The City's contributions to the Fund, including employee and employer amounts paid by the City, for the years ended December 31, 2002, 2001, and 2000 amount was \$1,277,946, \$1,205,098, and \$1,104,093, respectively. The full amount has been contributed for 2002, 2001, and 2000.

In addition to the current contribution, the City pays semiannual installments to the Fund for its portion of past service costs determined at the time the Fund was established. All payments to date have been budgeted and paid from the General Fund. Payment from the General Fund is financed through an operating transfer from the Special Revenue Fund. The Special Revenue Fund receives property tax revenues equal to .6 mills, which is designated for the payment of pension liabilities. The unpaid balance of \$335,405 is included in the General Long-Term Obligations Account Group and is to be amortized through 2035.

#### **14. POSTEMPLOYMENT BENEFITS**

##### **A. Public Employees Retirement Systems (OPERS)**

The Public Employees Retirement System of Ohio (OPERS) provides post-retirement 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 Post-employment Benefit (OPEB) as described in *GASB Statement No. 12*. A portion of each employer's contribution to OPERS is set aside for the funding of post-retirement health care based on authority granted by State statute. The 2002 employer contribution rate was 13.55 percent of covered payroll; 5 percent was the portion that used to fund health care for 2002. The law enforcement employer rate was 16.7 percent and 5 percent was used to fund health care for the year.

## CITY OF DELAWARE, OHIO

### Notes to the General Purpose Financial Statements December 31, 2002

(continued)

The Ohio Revised Code provides the statutory authority requiring public employers to fund post-retirement health care through their contributions to OPERS. 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 the unfunded actuarial accrued liability. All investments are carried at market value. For actuarial valuation purposes, a smoothed market approach is used. Under this approach, assets are adjusted annually to reflect 25% of unrealized market appreciation or depreciation on investment assets. The investment assumption rate for 2001 was 8%. An annual increase of 4%, compounded annually, is the base portion of the individual pay increase assumption.

OPEBs are advance-funded on an actuarially determined basis. The number of active contributing participants at December 31, 2002 was 402,041. During 2002, the portion of the City's contributions that were used to fund post-employment benefits was \$351,392. As of December 31, 2001, the unaudited estimated net assets available for future OPEB payments were \$11,600,000,000. The actuarially accrued liability and the unfunded actuarial accrued liability, based on the actuarial cost method used, were \$16,400,000,000 and \$4,800,000,000, respectively.

In December 2001, the Board adopted the Health Care "Choices" Plan in its continuing effort to respond to the rise in the cost of Health Care. The Choices Plan will be offered to all persons newly hired under OPERS after January 1, 2003, with no prior service credit accumulated toward health care coverage. Choices, as the name suggests, will incorporate a cafeteria approach, offering a more broad range of health care options. The Plan uses a graded scale from ten to thirty years to calculate a monthly health care benefit. This is in contrast to the ten-year "cliff" eligibility standard for the present Plan.

The benefit recipient will be free to select the option that best meets their needs. Recipients will fund health care costs in excess of their monthly health care benefit. The Plan will also offer a spending account feature, enabling the benefit recipient to apply their allowance toward specific medical expenses, much like a Medical Spending Account.

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

The Ohio Police and Fire Pension Fund (the "Fund") provides post-retirement health care coverage to any person who receives or is eligible to receive a monthly benefit check or is a spouse or eligible dependent child of such person. An eligible dependent child is any child under the age of eighteen whether or not he is attending school or under twenty-two if attending school full-time or on a 2/3 basis. The health care coverage provided by the retirement system is considered an Other Post-employment Benefit as described in *GASB Statement No. 12*. The Ohio Revised Code provides the statutory authority allowing the Fund's Board of Trustees to provide health care coverage to all eligible individuals, and that health care costs paid from the funds of the Ohio Police and Fire Pension Fund shall be included in the employer's contribution rate. The total police employer contribution is 19.5% of covered payroll and the total firefighter's employer contribution rate is 24% of covered payroll.



## **CITY OF DELAWARE, OHIO**

### **Notes to the General Purpose Financial Statements December 31, 2002**

(continued)

The Ohio Revised Code provides the statutory authority allowing 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 7.5% and 7.75% of covered payroll in 2001 and 2002, respectively. 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 to receive health care benefits as of December 31, 2001, the latest actuarial valuation available, was 13,174 for Police and 10,239 for firefighters. The City's actual contributions for 2002 that were used to fund post-employment benefits were \$154,119 for police and \$156,012 for firefighters. The Fund's total health care expenses for the year ending December 31, 2001, the latest information available, were \$122,298,771, which was net of member contributions of \$6,874,699.

#### **15. OTHER EMPLOYEE BENEFITS**

Early Retirement: City employees covered under OPERS could elect to take an early retirement either four or five years before regular retirement age until the year 2000. At the time of early retirement, the City agreed to buyout the pension costs for the period remaining until regular retirement. OPERS allowed the City to pay the buyout amount in either a lump-sum payment or to make equal annual payments over the period. The City elected to spread the buyout costs over the period. As of December 31, 2002, \$217,891 of the buyout liability is included in the General Long Term Obligations Account Group and \$158,704 is included in accrued wages and benefits for the Enterprise Funds.

#### **Deferred Compensation**

City employees may participate in the Ohio Public Employees Deferred Compensation Plan. This plan was created in accordance with Internal Revenue Code Section 457. Participation is on a voluntary payroll deduction basis. The plan permits deferral of compensation until future years. According to the plan, the deferred compensation is not available until termination, retirement, death, or an unforeseeable emergency.

#### **16. SELF INSURANCE**

The City provides medical and dental coverage for its employees and is self-insured up to a stop loss limit for the cost of providing this coverage. Under the self-insurance program, the Self-Insurance Fund (an internal service fund) provides coverage for up to a maximum of \$35,000 in any one year for each employee. The City purchases commercial insurance for claims in excess of coverage provided by the Self-Insurance Fund. The City carries \$1,000,000 of comprehensive combined single limit general liability coverage with a \$1,000 deductible, a \$1,000,000 general law enforcement liability insurance policy and \$1,000,000 public officials' liability, each with a \$5,000 deductible, as well as \$5,000,000 umbrella

**CITY OF DELAWARE, OHIO**

**Notes to the General Purpose Financial Statements  
December 31, 2002**

(continued)

coverage. The City had no occurrences in which settled claims exceeded the total stop-loss coverage in any of the last three years.

All funds of the City participate in the program and make payments to the Self-Insurance Fund based on a per-employee charge. These monies are recorded as a charge for service in the Self-Insurance Fund and as an expenditure or expense, as applicable, in the disbursing fund.

The following is a summary of payments made to the Self-Insurance Fund by type:

<u>Type/Fund</u>	<u>Amount</u>
<b>Employer Contributions</b>	
General	\$ 934,468
Special Revenue	348,208
Enterprise	
Water	108,038
Sewer	119,902
Other Enterprise	<u>71,548</u>
Total Enterprise	299,488
Internal Service	<u>25,743</u>
Total Employer Contributions	1,607,907
<b>Employee Contributions</b>	72,058
<b>Reimbursements &amp; COBRA</b>	<u>104,498</u>
<b>Total Payments to Self-Insurance Fund</b>	<u>\$ 1,784,463</u>

The claims liability is accrued if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Changes in claims liability for the Self-Insurance Fund and the Worker's Compensation Fund, in 2002 and 2001, were:

	<u>Beginning of Year Liability</u>	<u>Current Year Claims &amp; Changes in Estimates</u>	<u>Claims Payments</u>	<u>End of Year Liability</u>
<b>Self-Insurance</b>				
2001	\$ 328,741	\$ 1,156,296	\$ (1,323,514)	\$ 161,523
2002	161,523	2,092,457	(1,971,092)	282,888
<b>Workers Compensation</b>				
2001	\$ 426,998	\$ 156,820	\$ (100,858)	\$ 482,960
2002	482,960	239,534	(82,554)	639,940

**CITY OF DELAWARE, OHIO**

**Notes to the General Purpose Financial Statements  
December 31, 2002**

(continued)

**17. SEGMENT INFORMATION - ENTERPRISE FUNDS**

Financial segment information as of and for year ended December 31, 2002 for the Enterprise Funds is presented as follows:

Description	Water	Sewer	Refuse	Golf Course	Parking Lots	Total
Operating Revenue	\$3,810,414	\$3,909,949	\$1,781,964	\$171,561	\$30,112	\$9,704,000
Operating Expenses						
Depreciation	567,850	955,732	230,345	18,513	3,834	1,776,274
Other	3,018,171	2,588,229	1,519,499	145,180	35,504	7,306,583
Operating Income (Loss)	224,393	365,988	32,120	7,868	(9,226)	621,143
Operating Transfers In	2,112	0	0	0	0	2,112
Net Income (Loss)	2,106,633	2,383,169	31,631	7,812	(9,226)	4,520,019
Fixed Asset Additions	3,252,377	4,818,037	280,350	10,666	0	8,361,430
Net Working Capital	7,159,605	6,704,624	530,584	173,611	5,228	14,573,652
Total Assets	24,075,765	31,089,791	1,411,920	361,534	217,227	57,156,237
Long Term Debt	23,400	7,735,000	0	0	0	7,758,400
Total Equity	23,352,873	22,848,718	1,044,890	345,658	212,039	47,804,178

**18. CONTINGENT LIABILITIES**

The City is a party to various legal proceedings seeking damages or injunctive relief generally incidental to its operations and pending projects. The City management is of the opinion that the ultimate disposition of various claims and legal proceedings will not have a material effect, if any, on the financial condition of the City.

**19. SUBSEQUENT EVENTS**

In February, 2003, the City advanced refunded their 1992 Series Mortgage Revenue Sewer Bonds at 101% of the remaining value. As mentioned in Note 11, new General Obligation Bonds were issued to, in part, refund these outstanding issues. The interest rate on the 1992 bonds was 5.8% and the 2002 bonds rate is from 1.5% to 4.65%

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## General Fund

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The General Fund is used to account for financial resources traditionally associated with general governmental operations, except those required to be accounted for in a specified fund.

**CITY OF DELAWARE**

Schedule of Revenues, Expenditures

And Changes In Fund Balance--Budget And Actual--(Budget Basis)

General Fund

For The Year Ended December 31, 2002

	General Fund		
	Revised		Variance
	Budget	Actual	Favorable
			(Unfavorable)
<b>Revenues:</b>			
Income Taxes	\$ 6,888,000	\$ 6,559,026	\$ (328,974)
Property And Other Taxes	1,267,788	1,255,722	(12,066)
Intergovernmental	1,461,377	1,610,006	148,629
Charges For Service	1,333,543	1,314,734	(18,809)
Fines And Court Fees	115,000	97,949	(17,051)
Licenses And Permits	553,547	650,445	96,898
Investment Income	216,641	241,050	24,409
Miscellaneous	148,801	146,980	(1,821)
Total Revenues	11,984,697	11,875,912	(108,785)
<b>Expenditures:</b>			
Current:			
Public Safety			
Police			
Personal Services	2,908,068	2,824,092	83,976
Materials & Supplies	61,949	51,690	10,259
Services & Charges	277,923	262,908	15,015
Refunds	0	102	(102)
Capital Outlay	14,674	10,957	3,717
911			
Personal Services	506,061	490,448	15,613
Materials & Supplies	5,336	2,377	2,959
Services & Charges	40,967	33,652	7,315
Capital Outlay	4,679	4,679	0
Fire			
Personal Services	517,366	326,898	190,468
Materials & Supplies	68,474	56,712	11,762
Services & Charges	157,925	158,930	(1,005)
Capital Outlay	18,124	60,346	(42,222)
Prosecutor			
Personal Services	293,427	288,031	5,396
Materials & Supplies	3,810	3,202	608
Services & Charges	12,920	10,066	2,854
Capital Outlay	513	568	(55)
Street Lighting			
Services & Charges	143,026	151,974	(8,948)
Total Public Safety	5,035,242	4,737,632	297,610

(continued)

**CITY OF DELAWARE**

Schedule of Revenues, Expenditures

And Changes In Fund Balance--Budget And Actual--(Budget Basis)

General Fund

For The Year Ended December 31, 2002

(Continued)

	General Fund		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
General Government			
Council			
Personal Services	62,786	58,673	4,113
Materials & Supplies	550	804	(254)
Services & Charges	61,035	52,943	8,092
City Manager's Office			
Personal Services	294,177	289,373	4,804
Materials & Supplies	4,853	4,879	(26)
Services & Charges	21,413	20,375	1,038
Human Resources			
Personal Services	95,390	92,498	2,892
Materials & Supplies	2,800	3,193	(393)
Services & Charges	101,766	95,910	5,856
Capital Outlay	1,500	734	766
Information Technology			
Personal Services	162,763	127,927	34,836
Materials & Supplies	3,232	1,985	1,247
Services & Charges	42,799	41,171	1,628
Capital Outlay	26,304	29,661	(3,357)
Economic Development			
Personal Services	77,058	75,157	1,901
Materials & Supplies	2,000	1,307	693
Services & Charges	25,453	22,131	3,322
Legal Affairs			
Personal Services	86,937	86,118	819
Materials & Supplies	2,050	1,667	383
Services & Charges	15,105	11,344	3,761
Municipal Court			
Materials & Supplies	6,058	5,958	100
Services & Charges	1,000	1,000	0

(continued)

**CITY OF DELAWARE**

Schedule of Revenues, Expenditures

And Changes In Fund Balance--Budget And Actual--(Budget Basis)

General Fund

For The Year Ended December 31, 2002

(Continued)

	General Fund		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
Finance			
Personal Services	679,743	660,889	18,854
Materials & Supplies	26,205	26,656	(451)
Services & Charges	78,180	83,232	(5,052)
Capital Outlay	1,000	2,504	(1,504)
General Administration			
Services & Charges	280,461	239,519	40,942
Refunds	74,108	39,461	34,647
Capital Outlay	15,000	2,700	12,300
Risk Management			
Services & Charges	106,590	106,478	112
Planning & Community Development			
Personal Services	526,476	489,887	36,589
Materials & Supplies	18,742	13,988	4,754
Services & Charges	129,701	120,968	8,733
Refunds	60,243	43,418	16,825
Capital Outlay	4,000	3,478	522
Engineering			
Personal Services	557,811	511,912	45,899
Materials & Supplies	17,220	11,574	5,646
Services & Charges	846,471	783,629	62,842
Capital Outlay	0	1,576	(1,576)
Municipal Building And Grounds Maintenance			
Personal Services	47,311	47,847	(536)
Materials & Supplies	14,550	15,006	(456)
Services & Charges	198,266	187,108	11,158
Capital Outlay	250	209	41
Total General Government	4,779,357	4,416,847	362,510
Income Tax Refunds	420,000	414,859	5,141
Total Expenditures	10,234,599	9,569,338	665,261
Excess (Deficiency) Of Revenues Over Expenditures	1,750,098	2,306,574	556,476

(continued)

**CITY OF DELAWARE**

Schedule of Revenues, Expenditures

And Changes In Fund Balance--Budget And Actual--(Budget Basis)

General Fund

For The Year Ended December 31, 2002

(Continued)

## General Fund

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Other Financing Sources (Uses):</b>			
Advances In	213,500	213,500	0
Operating Transfers Out	(2,357,777)	(2,357,777)	0
Total Other Financing Sources (Uses)	(2,144,277)	(2,144,277)	0
Excess (Deficiency) Of Revenues Over Expenditures And Other Financing Sources (Uses)	(394,179)	162,297	556,476
<b>Fund Balances At Beginning Of Year</b>	<b>1,199,139</b>	<b>1,199,139</b>	<b>0</b>
Unexpended Prior Years Encumbrances	378,533	378,533	0
<b>Fund Balances At End Of Year</b>	<b>\$ 1,183,493</b>	<b>\$ 1,739,969</b>	<b>\$ 556,476</b>



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## Special Revenue Funds

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Street Maintenance and Repair Fund – Required by the Ohio Revised Code to account for State gasoline tax and motor vehicle registration fees designated for maintenance of streets within the City.

State Highway Improvement Fund – Required by the Ohio Revised Code to account for State gasoline tax and motor vehicle registration fees designated for the maintenance of state highways within the City.

License Fee Fund – Required by the Ohio Revised Code to account for monies received from the State of Ohio for the maintenance of public roads, highways, streets and bridges within the City.

Storm Sewer Fund – To account for fees charged to residents and businesses to construct and maintain the City's storm sewers.

Parks and Recreation Fund – To account for fees charged for recreational activities, and park rentals, and transfers from the General Fund to be used for park and recreation purposes.

Airport Improvement Fund – To account for fuel sales, T-hangar rentals, tie-downs, miscellaneous sales, and transfers from the General Fund used to maintain the City's Municipal Airport.

Airport T-Hangars Fund – To account for expansion T-hangar rentals used to maintain the City's Municipal Airport T-hangars.

Fire/EMS Income Tax Fund – To account for the collection of the City's voted 0.4% Fire/EMS income tax.

Court/Police Building Income Tax Fund – To account for the collection of the City's 0.2% Building Income Tax. Proceeds to be used to build and equip the City's Justice Center and remodel City Hall.

Municipal Court Fund – To account for the collection and distribution of the Municipal Court's money, collected from fines and forfeitures. The court acts as the municipal court for all of Delaware County.

Drug Enforcement Fund – To account for a portion of money seized during drug-related arrests used in educating students in the consequences of using drugs.

Court Alcohol Treatment Fund – Required by the Ohio Revised Code to account for 50 percent of fines received by the City for convictions related to persons whose drivers license was suspended for driving under the influence of alcohol.

OMVI Enforcement and Education Fund – To account for fines imposed under Section 4511.99 (A) of the Ohio Revised Code. These monies are used to pay costs incurred in enforcing Section 4511.99 of the Ohio Revised Code, and to educate the public about laws governing the operation of a motor vehicle under the influence of alcohol and the danger thereof.

Police Judgment Fund – To account for a portion of seized money used for purchasing of equipment and for training.

Law Enforcement Trust Fund – Required by the Ohio Revised Code to account for monies received from the Federal Law Enforcement Agencies designated for law enforcement related purposes.

Park Exaction Fees Fund – To account for developers’ fees used in park improvements.

Computer Legal Research Fund – To account for fines imposed under Section 1901.26.1 of the Ohio Revised Code to assure the efficient operation of the court by means of computerization, and to make available computerized legal research services.

Court Special Projects Fund – To account for fines imposed under Section 1901.26(B)(1) of the Ohio Revised Code to acquire and pay for special projects of the court including, but not limited to, the acquisition of additional facilities or the rehabilitation of existing facilities, the acquisition of equipment, the hiring and training of staff, community service programs, mediation or dispute resolution services, the employment of magistrates, the training and education of judges, acting judges, and magistrates, and other related services.

Indigent EMHA Fund– To account for specific costs used to fund the electronic home monitoring of indigent defendants.

Probation Services Fund – To account for specific court costs used to maintain ongoing probation services.

Police and Fire Pension Fund – To account for a voted real estate tax operating levy which pays for the accrued past service liability for police and fire disability and pension benefits.

Community Development Block Grant Fund – To account for Federal-funded housing, development, and City-wide improvement programs.

Community Police Block Grant Fund – To account for Federal monies used to supplement Police Department activities and the purchase of equipment under the Local Law Enforcement Block Grant from the Bureau of Justice.

Economic Development Grant Fund – To account for Federal pass-through monies distributed to businesses within the City of Delaware.

Rental Rehabilitation Grant – To account for Federal-funded rehabilitation of low income housing in the City.

**CITY OF DELAWARE, OHIO**Combining Balance Sheet--  
All Special Revenue Funds

As of December 31, 2002

	Street Maintenance And Repair	State Highway Improvement	License Fee	Storm Sewer
<b>Assets</b>				
Equity in Pooled Cash & Cash Equivalents	\$ 234,299	\$ 4,476	\$ 22,558	\$ 361,313
Receivables:				
Taxes	0	0	0	0
Accounts	687	0	0	86,621
Prepaid Items	0	0	0	0
Restricted Cash:				
Equity in Pooled Cash & Cash Equivalents	0	0	9,802	0
Due From Other:				
Federal Government	0	0	0	0
State Government	304,493	24,676	167,516	0
County Government	41,629	3,376	0	0
Municipal Court	0	0	0	0
Inventory	0	0	0	0
Total Assets	<u>581,108</u>	<u>32,528</u>	<u>199,876</u>	<u>447,934</u>
<b>Liabilities</b>				
Accounts Payable	51,796	0	15,227	4,509
Accrued Wages & Benefits	63,887	0	0	6,069
Compensated Absences Payable	12,488	0	0	263
Payables From Restricted Assets:				
Contracts Payable	0	0	9,802	0
Due To Other Funds	0	0	0	0
Interfund Payable	0	0	0	0
Deferred Revenue	189,294	15,337	118,883	0
Total Liabilities	<u>317,465</u>	<u>15,337</u>	<u>143,912</u>	<u>10,841</u>
<b>Fund Equity</b>				
Fund Balances:				
Reserved For Encumbrances	8,979	0	14,769	31,275
Reserved For Prepaid Items	0	0	0	0
Reserved For Inventory	0	0	0	0
Unreserved	254,664	17,191	41,195	405,818
Total Fund Equity (Deficit)	<u>263,643</u>	<u>17,191</u>	<u>55,964</u>	<u>437,093</u>
Total Liabilities & Fund Equity	<u>\$ 581,108</u>	<u>\$ 32,528</u>	<u>\$ 199,876</u>	<u>\$ 447,934</u>

(continued)

**CITY OF DELAWARE, OHIO**

Combining Balance Sheet--  
All Special Revenue Funds

As of December 31, 2002 (continued)	Parks and Recreation	Airport Improvement	Airport T-Hangars	Fire/EMS Income Tax
<b>Assets</b>				
Equity in Pooled Cash & Cash Equivalents	\$ 11,674	\$ 13,463	\$ 53,333	\$ 0
Receivables:				
Taxes	0	0	0	604,421
Accounts	0	3,563	0	0
Prepaid Items	4,027	10,679	292	0
Restricted Cash:				
Equity in Pooled Cash & Cash Equivalents	0	0	0	0
Due From Other:				
Federal Government	0	0	0	0
State Government	0	0	0	0
County Government	0	0	0	0
Municipal Court	0	0	0	0
Inventory	0	18,448	0	0
<b>Total Assets</b>	<b>15,701</b>	<b>46,153</b>	<b>53,625</b>	<b>604,421</b>
<b>Liabilities</b>				
Accounts Payable	3,397	21,543	14,673	0
Accrued Wages & Benefits	40,734	6,402	0	0
Compensated Absences Payable	5,209	234	0	0
Payables From Restricted Assets:				
Contracts Payable	0	0	0	0
Due To Other Funds	0	0	0	0
Interfund Payable	0	0	0	0
Deferred Revenue	0	0	0	190,605
<b>Total Liabilities</b>	<b>49,340</b>	<b>28,179</b>	<b>14,673</b>	<b>190,605</b>
<b>Fund Equity</b>				
Fund Balances:				
Reserved For Encumbrances	1,838	0	0	1,085
Reserved For Prepaid Items	4,027	10,679	292	0
Reserved For Inventory	0	18,448	0	0
Unreserved	(39,504)	(11,153)	38,660	412,731
<b>Total Fund Equity (Deficit)</b>	<b>(33,639)</b>	<b>17,974</b>	<b>38,952</b>	<b>413,816</b>
<b>Total Liabilities &amp; Fund Equity</b>	<b>\$ 15,701</b>	<b>\$ 46,153</b>	<b>\$ 53,625</b>	<b>\$ 604,421</b>

(continued)

**CITY OF DELAWARE, OHIO**Combining Balance Sheet--  
All Special Revenue FundsAs of December 31, 2002  
(continued)

	Court/Police Building Income Tax	Municipal Court	Drug Enforcement	Court Alcohol Treatment
<b>Assets</b>				
Equity in Pooled Cash & Cash Equivalents	\$ 6,763	\$ 104,835	\$ 1,085	\$ 296,785
Receivables:				
Taxes	0	0	0	0
Accounts	0	0	0	0
Prepaid Items	0	0	0	0
Restricted Cash:				
Equity in Pooled Cash & Cash Equivalents	0	0	0	0
Due From Other:				
Federal Government	0	0	0	0
State Government	0	0	0	9,112
County Government	0	0	0	0
Municipal Court	0	0	0	1,820
Inventory	0	0	0	0
Total Assets	<u>6,763</u>	<u>104,835</u>	<u>1,085</u>	<u>307,717</u>
<b>Liabilities</b>				
Accounts Payable	0	2,448	0	0
Accrued Wages & Benefits	0	89,000	0	0
Compensated Absences Payable	0	13,693	0	0
Payables From Restricted Assets:				
Contracts Payable	0	0	0	0
Due To Other Funds	0	34,048	0	0
Interfund Payable	0	0	0	0
Deferred Revenue	0	0	0	0
Total Liabilities	<u>0</u>	<u>139,189</u>	<u>0</u>	<u>0</u>
<b>Fund Equity</b>				
Fund Balances:				
Reserved For Encumbrances	0	0	0	0
Reserved For Prepaid Items	0	0	0	0
Reserved For Inventory	0	0	0	0
Unreserved	6,763	(34,354)	1,085	307,717
Total Fund Equity (Deficit)	<u>6,763</u>	<u>(34,354)</u>	<u>1,085</u>	<u>307,717</u>
Total Liabilities & Fund Equity	<u>\$ 6,763</u>	<u>\$ 104,835</u>	<u>\$ 1,085</u>	<u>\$ 307,717</u>

(continued)

**CITY OF DELAWARE, OHIO**Combining Balance Sheet--  
All Special Revenue FundsAs of December 31, 2002  
(continued)

	OMVI Enforcement & Education	Police Judgment	Law Enforcement Trust	Park Exaction Fees
<b>Assets</b>				
Equity in Pooled Cash & Cash Equivalents	\$ 25,110	\$ 7,938	\$ 988	\$ 45,650
Receivables:				
Taxes	0	0	0	0
Accounts	0	0	0	0
Prepaid Items	0	0	0	0
Restricted Cash:				
Equity in Pooled Cash & Cash Equivalents	0	0	0	0
Due From Other:				
Federal Government	0	0	0	0
State Government	0	0	0	0
County Government	0	0	0	0
Municipal Court	423	0	0	0
Inventory	0	0	0	0
Total Assets	<u>25,533</u>	<u>7,938</u>	<u>988</u>	<u>45,650</u>
<b>Liabilities</b>				
Accounts Payable	0	0	0	0
Accrued Wages & Benefits	0	0	0	0
Compensated Absences Payable	0	0	0	0
Payables From Restricted Assets:				
Contracts Payable	0	0	0	0
Due To Other Funds	0	0	0	0
Interfund Payable	0	0	0	0
Deferred Revenue	0	0	0	0
Total Liabilities	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Fund Equity</b>				
Fund Balances:				
Reserved For Encumbrances	4,239	0	0	0
Reserved For Prepaid Items	0	0	0	0
Reserved For Inventory	0	0	0	0
Unreserved	21,294	7,938	988	45,650
Total Fund Equity (Deficit)	<u>25,533</u>	<u>7,938</u>	<u>988</u>	<u>45,650</u>
Total Liabilities & Fund Equity	<u>\$ 25,533</u>	<u>\$ 7,938</u>	<u>\$ 988</u>	<u>\$ 45,650</u>

(continued)

**CITY OF DELAWARE, OHIO**Combining Balance Sheet--  
All Special Revenue FundsAs of December 31, 2002  
(continued)

	Computer Legal Research	Court Special Projects	Indigent EMHA	Probation Services
<b>Assets</b>				
Equity in Pooled Cash & Cash Equivalents	\$ 73,911	\$ 553,362	\$ 39,616	\$ 10,383
Receivables:				
Taxes	0	0	0	0
Accounts	0	0	0	0
Prepaid Items	0	0	0	0
Restricted Cash:				
Equity in Pooled Cash & Cash Equivalents	0	0	0	0
Due From Other:				
Federal Government	0	0	0	0
State Government	0	0	0	0
County Government	0	0	0	0
Municipal Court	8,970	16,425	323	815
Inventory	0	0	0	0
<b>Total Assets</b>	<b>82,881</b>	<b>569,787</b>	<b>39,939</b>	<b>11,198</b>
<b>Liabilities</b>				
Accounts Payable	456	11,492	330	935
Accrued Wages & Benefits	0	0	0	0
Compensated Absences Payable	0	0	0	0
Payables From Restricted Assets:				
Contracts Payable	0	0	0	0
Due To Other Funds	0	0	0	0
Interfund Payable	0	0	0	0
Deferred Revenue	0	0	0	0
<b>Total Liabilities</b>	<b>456</b>	<b>11,492</b>	<b>330</b>	<b>935</b>
<b>Fund Equity</b>				
Fund Balances:				
Reserved For Encumbrances	23,372	2,467	1,340	0
Reserved For Prepaid Items	0	0	0	0
Reserved For Inventory	0	0	0	0
Unreserved	59,053	555,828	38,269	10,263
<b>Total Fund Equity (Deficit)</b>	<b>82,425</b>	<b>558,295</b>	<b>39,609</b>	<b>10,263</b>
<b>Total Liabilities &amp; Fund Equity</b>	<b>\$ 82,881</b>	<b>\$ 569,787</b>	<b>\$ 39,939</b>	<b>\$ 11,198</b>

(continued)

**CITY OF DELAWARE, OHIO**

Combining Balance Sheet--  
All Special Revenue Funds

As of December 31, 2002  
(continued)

	Police And Fire Pension	Community Dev.Block Grant	Community Police Block Grant	Economic Development Grant
<b>Assets</b>				
Equity in Pooled Cash & Cash Equivalents	\$ 0	\$ 1,601	\$ 19,379	\$ 0
Receivables:				
Taxes	294,226	0	0	0
Accounts	0	0	0	0
Prepaid Items	0	0	0	0
Restricted Cash:				
Equity in Pooled Cash & Cash Equivalents	0	0	0	13,050
Due From Other:				
Federal Government	0	0	0	213,798
State Government	16,430	0	0	0
County Government	0	0	0	0
Municipal Court	0	0	0	0
Inventory	0	0	0	0
<b>Total Assets</b>	<u>310,656</u>	<u>1,601</u>	<u>19,379</u>	<u>226,848</u>

**Liabilities**

Accounts Payable	0	0	0	126,204
Accrued Wages & Benefits	0	0	0	0
Compensated Absences Payable	0	0	0	0
Payables From Restricted Assets:				
Contracts Payable	0	0	0	13,050
Due To Other Funds	0	0	0	0
Interfund Payable	0	0	0	100,643
Deferred Revenue	294,226	0	0	0
<b>Total Liabilities</b>	<u>294,226</u>	<u>0</u>	<u>0</u>	<u>239,897</u>

**Fund Equity**

Fund Balances:				
Reserved For Encumbrances	0	92,000	4,650	0
Reserved For Prepaid Items	0	0	0	0
Reserved For Inventory	0	0	0	0
Unreserved	16,430	(90,399)	14,729	(13,049)
<b>Total Fund Equity (Deficit)</b>	<u>16,430</u>	<u>1,601</u>	<u>19,379</u>	<u>(13,049)</u>
<b>Total Liabilities &amp; Fund Equity</b>	<u>\$ 310,656</u>	<u>\$ 1,601</u>	<u>\$ 19,379</u>	<u>\$ 226,848</u>

(continued)



**CITY OF DELAWARE, OHIO**Combining Balance Sheet--  
All Special Revenue Funds

As of December 31, 2002 (continued)	Rental Rehabilitation Grant	Totals
<b>Assets</b>		
Equity in Pooled Cash & Cash Equivalents	\$ 0	\$ 1,888,522
Receivables:		
Taxes	0	898,647
Accounts	0	90,871
Prepaid Items	0	14,998
Restricted Cash:		
Equity in Pooled Cash & Cash Equivalents	0	22,852
Due From Other:		
Federal Government	38,966	252,764
State Government	0	522,227
County Government	0	45,005
Municipal Court	0	28,776
Inventory	0	18,448
Total Assets	<u>38,966</u>	<u>3,783,110</u>
<b>Liabilities</b>		
Accounts Payable	26,186	279,196
Accrued Wages & Benefits	0	206,092
Compensated Absences Payable	0	31,887
Payables From Restricted Assets:		
Contracts Payable	0	22,852
Due To Other Funds	0	34,048
Interfund Payable	8,516	109,159
Deferred Revenue	0	808,345
Total Liabilities	<u>34,702</u>	<u>1,491,579</u>
<b>Fund Equity</b>		
Fund Balances:		
Reserved For Encumbrances	161,543	347,557
Reserved For Prepaid Items	0	14,998
Reserved For Inventory	0	18,448
Unreserved	(157,279)	1,910,528
Total Fund Equity (Deficit)	<u>4,264</u>	<u>2,291,531</u>
Total Liabilities & Fund Equity	<u>\$ 38,966</u>	<u>\$ 3,783,110</u>

**CITY OF DELAWARE, OHIO**

Combining Statement Of Revenues, Expenditures &amp;

Changes In Fund Balances

All Special Revenue Funds

For the Year Ended December 31, 2002

	Street Maintenance And Repair	State Highway Improvement	License Fee	Storm Sewer
<b>Revenues:</b>				
Income Taxes	\$ 0	\$ 0	\$ 0	\$ 0
Intergovernmental	754,957	61,221	320,383	262,090
Charges For Service	0	0	0	744,802
Property And Other Taxes	0	0	0	0
Interest Income	0	0	1,368	0
Miscellaneous	24	0	0	750
Fines & Court Fees	0	0	0	0
Total Revenues	<u>754,981</u>	<u>61,221</u>	<u>321,751</u>	<u>1,007,642</u>
<b>Expenditures:</b>				
Current:				
Public Safety	0	0	0	0
General Government	0	0	0	0
Airport	0	0	0	0
Public Works	1,527,635	115,125	340,033	566,033
Recreation And Parks	0	0	0	0
Community Development	0	0	0	0
Total Expenditures	<u>1,527,635</u>	<u>115,125</u>	<u>340,033</u>	<u>566,033</u>
Excess (Deficiency) Of Revenues Over Expenditures	<u>(772,654)</u>	<u>(53,904)</u>	<u>(18,282)</u>	<u>441,609</u>
<b>Other Financing Sources (Uses):</b>				
Operating Transfer In	680,324	0	0	189,000
Operating Transfers Out	(25,000)	0	0	(10,643)
Total Other Financing Sources (Uses)	<u>655,324</u>	<u>0</u>	<u>0</u>	<u>178,357</u>
Excess (Deficiency) Of Revenues And Other Financing Sources Over (Under) Expenditures And Other Financing Uses	<u>(117,330)</u>	<u>(53,904)</u>	<u>(18,282)</u>	<u>619,966</u>
<b>Fund Balance At Beginning Of Year [as restated; see Note 2]</b>	<u>380,973</u>	<u>71,095</u>	<u>74,246</u>	<u>(182,873)</u>
<b>Fund Balances At End Of Year</b>	<u>\$ 263,643</u>	<u>\$ 17,191</u>	<u>\$ 55,964</u>	<u>\$ 437,093</u>

(continued)

**CITY OF DELAWARE, OHIO**

Combining Statement Of Revenues, Expenditures &  
 Changes In Fund Balances  
 All Special Revenue Funds  
 For the Year Ended December 31, 2002  
 (continued)

	Parks and Recreation	Airport Improvement	Airport T- Hangars	Fire/EMS Income Tax
<b>Revenues:</b>				
Income Taxes	\$ 0	\$ 0	\$ 0	\$ 2,634,818
Intergovernmental	0	0	0	0
Charges For Service	283,133	250,891	79,617	0
Property And Other Taxes	0	0	0	0
Interest Income	0	0	0	0
Miscellaneous	13,373	17,435	0	0
Fines & Court Fees	0	0	0	0
Total Revenues	<u>296,506</u>	<u>268,326</u>	<u>79,617</u>	<u>2,634,818</u>
<b>Expenditures:</b>				
Current:				
Public Safety	0	0	0	2,301,126
General Government	0	0	0	0
Airport	0	330,726	38,539	0
Public Works	0	0	0	0
Recreation And Parks	1,115,411	0	0	0
Community Development	0	0	0	0
Total Expenditures	<u>1,115,411</u>	<u>330,726</u>	<u>38,539</u>	<u>2,301,126</u>
Excess (Deficiency) Of Revenues Over Expenditures	<u>(818,905)</u>	<u>(62,400)</u>	<u>41,078</u>	<u>333,692</u>
<b>Other Financing Sources (Uses):</b>				
Operating Transfer In	784,106	32,600	0	0
Operating Transfers Out	0	0	(32,747)	0
Total Other Financing Sources (Uses)	<u>784,106</u>	<u>32,600</u>	<u>(32,747)</u>	<u>0</u>
Excess (Deficiency) Of Revenues And Other Financing Sources Over (Under) Expenditures And Other Financing Uses	<u>(34,799)</u>	<u>(29,800)</u>	<u>8,331</u>	<u>333,692</u>
<b>Fund Balances At Beginning Of Year</b>	<u>1,160</u>	<u>47,774</u>	<u>30,621</u>	<u>80,124</u>
<b>Fund Balances At End Of Year</b>	<u>\$ (33,639)</u>	<u>\$ 17,974</u>	<u>\$ 38,952</u>	<u>\$ 413,816</u>

(continued)

**CITY OF DELAWARE, OHIO**Combining Statement Of Revenues, Expenditures &  
Changes In Fund Balances

All Special Revenue Funds

For the Year Ended December 31, 2002

(continued)

	Court/Police Building Income Tax	Municipal Court	Drug Enforcement	Court Alcohol Treatment
<b>Revenues:</b>				
Income Taxes	\$ 5,312	\$ 0	\$ 0	\$ 0
Intergovernmental	0	138,460	0	9,112
Charges For Service	0	0	0	0
Property And Other Taxes	0	0	0	0
Interest Income	0	0	0	0
Miscellaneous	0	0	0	0
Fines & Court Fees	0	1,436,491	0	35,169
Total Revenues	5,312	1,574,951	0	44,281
<b>Expenditures:</b>				
Current:				
Public Safety	116,600	0	115	0
General Government	0	1,696,158	0	0
Airport	0	0	0	0
Public Works	0	0	0	0
Recreation And Parks	0	0	0	0
Community Development	0	0	0	0
Total Expenditures	116,600	1,696,158	115	0
Excess (Deficiency) Of Revenues Over Expenditures	(111,288)	(121,207)	(115)	44,281
<b>Other Financing Sources (Uses):</b>				
Operating Transfer In	0	86,853	0	0
Operating Transfers Out	0	0	0	0
Total Other Financing Sources (Uses)	0	86,853	0	0
Excess (Deficiency) Of Revenues And Other Financing Sources Over (Under) Expenditures And Other Financing Uses	(111,288)	(34,354)	(115)	44,281
<b>Fund Balances At Beginning Of Year</b>	118,051	0	1,200	263,436
<b>Fund Balances At End Of Year</b>	\$ 6,763	\$ (34,354)	\$ 1,085	\$ 307,717

(continued)

**CITY OF DELAWARE, OHIO**

Combining Statement Of Revenues, Expenditures &  
 Changes In Fund Balances  
 All Special Revenue Funds  
 For the Year Ended December 31, 2002  
 (continued)

	OMVI Enforcement & Education	Police Judgment	Law Enforcement Trust	Park Exaction Fees
<b>Revenues:</b>				
Income Taxes	\$ 0	\$ 0	\$ 0	\$ 0
Intergovernmental	0	0	0	0
Charges For Service	0	0	0	0
Property And Other Taxes	0	0	0	0
Interest Income	0	0	0	0
Miscellaneous	0	1,058	217	45,000
Fines & Court Fees	6,701	0	0	0
Total Revenues	<u>6,701</u>	<u>1,058</u>	<u>217</u>	<u>45,000</u>
<b>Expenditures:</b>				
Current:				
Public Safety	0	900	0	0
General Government	0	0	0	0
Airport	0	0	0	0
Public Works	0	0	0	0
Recreation And Parks	0	0	0	0
Community Development	0	0	0	0
Total Expenditures	<u>0</u>	<u>900</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) Of Revenues Over Expenditures	<u>6,701</u>	<u>158</u>	<u>217</u>	<u>45,000</u>
<b>Other Financing Sources (Uses):</b>				
Operating Transfer In	0	0	0	0
Operating Transfers Out	0	0	0	0
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) Of Revenues And Other Financing Sources Over (Under) Expenditures And Other Financing Uses	<u>6,701</u>	<u>158</u>	<u>217</u>	<u>45,000</u>
<b>Fund Balances At Beginning Of Year</b>	<u>18,832</u>	<u>7,780</u>	<u>771</u>	<u>650</u>
<b>Fund Balances At End Of Year</b>	<u>\$ 25,533</u>	<u>\$ 7,938</u>	<u>\$ 988</u>	<u>\$ 45,650</u>

(continued)

**CITY OF DELAWARE, OHIO**

Combining Statement Of Revenues, Expenditures &amp;

Changes In Fund Balances

All Special Revenue Funds

For the Year Ended December 31, 2002

(continued)

	Computer Legal Research	Court Special Projects	Indigent EMHA	Probation Services
<b>Revenues:</b>				
Income Taxes	\$ 0	\$ 0	\$ 0	\$ 0
Intergovernmental	0	0	0	0
Charges For Service	0	0	0	0
Property And Other Taxes	0	0	0	0
Interest Income	0	0	0	0
Miscellaneous	0	0	0	0
Fines & Court Fees	123,677	228,156	4,038	10,443
Total Revenues	<u>123,677</u>	<u>228,156</u>	<u>4,038</u>	<u>10,443</u>
<b>Expenditures:</b>				
Current:				
Public Safety	0	0	3,141	6,220
General Government	88,888	98,108	0	0
Airport	0	0	0	0
Public Works	0	0	0	0
Recreation And Parks	0	0	0	0
Community Development	0	0	0	0
Total Expenditures	<u>88,888</u>	<u>98,108</u>	<u>3,141</u>	<u>6,220</u>
Excess (Deficiency) Of Revenues Over Expenditures	<u>34,789</u>	<u>130,048</u>	<u>897</u>	<u>4,223</u>
<b>Other Financing Sources (Uses):</b>				
Operating Transfer In	0	0	0	0
Operating Transfers Out	0	(86,853)	0	0
Total Other Financing Sources (Uses)	<u>0</u>	<u>(86,853)</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) Of Revenues And Other Financing Sources Over (Under) Expenditures And Other Financing Uses	<u>34,789</u>	<u>43,195</u>	<u>897</u>	<u>4,223</u>
<b>Fund Balances At Beginning Of Year</b>	<u>47,636</u>	<u>515,100</u>	<u>38,712</u>	<u>6,040</u>
<b>Fund Balances At End Of Year</b>	<u>\$ 82,425</u>	<u>\$ 558,295</u>	<u>\$ 39,609</u>	<u>\$ 10,263</u>

(continued)

**CITY OF DELAWARE, OHIO**

Combining Statement Of Revenues, Expenditures &amp;

Changes In Fund Balances

All Special Revenue Funds

For the Year Ended December 31, 2002

(continued)

	Police And Fire Pension	Community Development Block Grant	Community Police Block Grant	Economic Development Grant
<b>Revenues:</b>				
Income Taxes	\$ 0	\$ 0	\$ 0	\$ 0
Intergovernmental	45,005	11,829	6,337	294,079
Charges For Service	0	0	0	0
Property And Other Taxes	265,208	0	0	0
Interest Income	0	0	225	0
Miscellaneous	0	0	0	0
Fines & Court Fees	0	0	0	0
Total Revenues	<u>310,213</u>	<u>11,829</u>	<u>6,562</u>	<u>294,079</u>
<b>Expenditures:</b>				
Current:				
Public Safety	293,783	0	5,948	0
General Government	0	0	0	0
Airport	0	0	0	0
Public Works	0	0	0	0
Recreation And Parks	0	0	0	0
Community Development	0	9,000	0	307,129
Total Expenditures	<u>293,783</u>	<u>9,000</u>	<u>5,948</u>	<u>307,129</u>
Excess (Deficiency) Of Revenues Over Expenditures	<u>16,430</u>	<u>2,829</u>	<u>614</u>	<u>(13,050)</u>
<b>Other Financing Sources (Uses):</b>				
Operating Transfer In	0	0	0	0
Operating Transfers Out	0	0	0	0
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) Of Revenues And Other Financing Sources Over (Under) Expenditures And Other Financing Uses	<u>16,430</u>	<u>2,829</u>	<u>614</u>	<u>(13,050)</u>
<b>Fund Balances At Beginning Of Year</b>	<u>0</u>	<u>(1,228)</u>	<u>18,765</u>	<u>1</u>
<b>Fund Balances At End Of Year</b>	<u>\$ 16,430</u>	<u>\$ 1,601</u>	<u>\$ 19,379</u>	<u>\$ (13,049)</u>

(continued)

**CITY OF DELAWARE, OHIO**

Combining Statement Of Revenues, Expenditures &  
Changes In Fund Balances  
All Special Revenue Funds  
For the Year Ended December 31, 2002  
(continued)

	Rental Rehabilitation Grant	Totals
<b>Revenues:</b>		
Income Taxes	\$ 0	\$ 2,640,130
Intergovernmental	333,662	2,237,135
Charges For Service	0	1,358,443
Property And Other Taxes	0	265,208
Interest Income	0	1,593
Miscellaneous	8,900	86,757
Fines & Court Fees	0	1,844,675
Total Revenues	<u>342,562</u>	<u>8,433,941</u>
<b>Expenditures:</b>		
Current:		
Public Safety	0	2,727,833
General Government	0	1,883,154
Airport	0	369,265
Public Works	0	2,548,826
Recreation And Parks	0	1,115,411
Community Development	338,128	654,257
Total Expenditures	<u>338,128</u>	<u>9,298,746</u>
Excess (Deficiency) Of Revenues Over Expenditures	<u>4,434</u>	<u>(864,805)</u>
<b>Other Financing Sources (Uses):</b>		
Operating Transfer In	0	1,772,883
Operating Transfers Out	0	(155,243)
Total Other Financing Sources (Uses)	<u>0</u>	<u>1,617,640</u>
Excess (Deficiency) Of Revenues And Other Financing Sources Over (Under) Expenditures And Other Financing Uses	<u>4,434</u>	<u>752,835</u>
<b>Fund Balances At Beginning Of Year</b>	<u>(170)</u>	<u>1,538,696</u>
<b>Fund Balances At End Of Year</b>	<u>\$ 4,264</u>	<u>\$ 2,291,531</u>



**CITY OF DELAWARE, OHIO**

## Schedule Of Revenues, Expenditures And Changes In Fund Balance

Budget And Actual [Budget Basis]

Year Ending December 31, 2002

	Street Maintenance & Repair		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Intergovernmental	\$700,676	\$684,305	\$ (16,371)
Miscellaneous	0	24	24
Total Revenues	<u>700,676</u>	<u>684,329</u>	<u>(16,347)</u>
<b>Expenditures</b>			
Current:			
Public Works			
Administration			
Personal Services	407,087	339,227	67,860
Materials & Supplies	8,838	4,433	4,405
Services & Charges	26,301	23,243	3,058
Capital Outlay	1,814	1,904	(90)
Street Division			
Personal Services	553,813	512,890	40,923
Materials & Supplies	222,082	169,968	52,114
Services & Charges	184,980	131,423	53,557
Capital Outlay	25,500	19,608	5,892
Traffic Division			
Personal Services	243,316	248,204	(4,888)
Materials & Supplies	84,753	72,357	12,396
Services & Charges	75,475	70,730	4,745
Total Expenditures	<u>1,833,959</u>	<u>1,593,987</u>	<u>239,972</u>
Excess (Deficiency) Of Revenues Over Expenditures	(1,133,283)	(909,658)	223,625
<b>Other Financing Sources (Uses):</b>			
Operating Transfers In	970,000	680,324	(289,676)
Operating Transfers Out	(25,000)	(25,000)	0
Total Other Financing Sources (Uses)	<u>945,000</u>	<u>655,324</u>	<u>(289,676)</u>
Excess (Deficiency) Of Revenues And Other Financing Sources Over Expenditures And Other Financing Uses	(188,283)	(254,334)	(66,051)
<b>Fund Balance At Beginning Of Year</b>	<b>341,511</b>	<b>341,511</b>	<b>0</b>
Unexpended Prior Years Encumbrances	87,952	87,952	0
<b>Fund Balance At End Of Year</b>	<b><u>\$241,180</u></b>	<b><u>\$ 175,129</u></b>	<b><u>\$ (66,051)</u></b>

**CITY OF DELAWARE, OHIO**

## Schedule Of Revenues, Expenditures And Changes In Fund Balance

Budget And Actual [Budget Basis]

Year Ending December 31, 2002

	<u>State Highway Improvement Fund</u>		
	<u>Revised</u>		<u>Variance</u>
	<u>Budget</u>	<u>Actual</u>	<u>Favorable</u>
			<u>(Unfavorable)</u>
<b>Revenues</b>			
Intergovernmental	\$ 56,285	\$ 55,484	\$ (801)
Total Revenues	<u>56,285</u>	<u>55,484</u>	<u>(801)</u>
<b>Expenditures</b>			
Current:			
Public Works			
Capital Outlay	140,437	115,125	25,312
Total Expenditures	<u>140,437</u>	<u>115,125</u>	<u>25,312</u>
Excess (Deficiency) Of Revenues Over Expenditures	(84,152)	(59,641)	24,511
<b>Fund Balance At Beginning Of Year</b>	<b>29,181</b>	<b>29,181</b>	<b>0</b>
Unexpended Prior Years Encumbrances	<u>34,936</u>	<u>34,936</u>	<u>0</u>
<b>Fund Balance At End Of Year</b>	<b><u><u>\$ (20,035)</u></u></b>	<b><u><u>\$ 4,476</u></u></b>	<b><u><u>\$ 24,511</u></u></b>

**CITY OF DELAWARE, OHIO**

## Schedule Of Revenues, Expenditures And Changes In Fund Balance

Budget And Actual [Budget Basis]

Year Ending December 31, 2002

	License Fee		
	Revised		Variance
	Budget	Actual	Favorable
			(Unfavorable)
<b>Revenues</b>			
Intergovernmental	\$ 320,250	\$316,639	\$ (3,611)
Interest Income	1,350	1,368	18
Total Revenues	<u>321,600</u>	<u>318,007</u>	<u>(3,593)</u>
<b>Expenditures</b>			
Current:			
Public Works			
Services & Charges	3,500	0	3,500
Capital Outlay	414,878	399,878	15,000
Total Expenditures	<u>418,378</u>	<u>399,878</u>	<u>18,500</u>
Excess (Deficiency) Of Revenues Over Expenditures	(96,778)	(81,871)	14,907
<b>Fund Balance At Beginning Of Year</b>	<b>29,358</b>	<b>29,358</b>	<b>0</b>
Unexpended Prior Years Encumbrances	<u>54,878</u>	<u>54,878</u>	<u>0</u>
<b>Fund Balance At End Of Year</b>	<b><u>\$ (12,542)</u></b>	<b><u>\$ 2,365</u></b>	<b><u>\$ 14,907</u></b>

**CITY OF DELAWARE, OHIO**

## Schedule Of Revenues, Expenditures And Changes In Fund Balance

Budget And Actual [Budget Basis]

Year Ending December 31, 2002

	Storm Sewer Fund		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Intergovernmental	\$ 140,429	\$ 262,090	\$ 121,661
Charges For Services	674,555	658,181	(16,374)
Miscellaneous	122,411	750	(121,661)
Total Revenues	<u>937,395</u>	<u>921,021</u>	<u>(16,374)</u>
<b>Expenditures</b>			
Current:			
Public Works			
Personal Services	112,143	96,579	15,564
Materials & Supplies	35,089	22,837	12,252
Services & Charges	30,014	26,965	3,049
Refunds	0	275	(275)
Capital Outlay	442,285	459,321	(17,036)
Total Expenditures	<u>619,531</u>	<u>605,977</u>	<u>13,554</u>
Excess (Deficiency) Of Revenues Over Expenditures	317,864	315,044	(2,820)
<b>Other Financing Sources (Uses):</b>			
Operating Transfers In	195,000	189,000	(6,000)
Advances Out	(213,500)	(213,500)	0
Operating Transfers Out	(10,643)	(10,643)	0
Total Other Financing Sources (Uses)	<u>(29,143)</u>	<u>(35,143)</u>	<u>(6,000)</u>
Excess (Deficiency) Of Revenues And Other Financing Sources Over Expenditures And Other Financing Uses	288,721	279,901	(8,820)
<b>Fund Balance At Beginning Of Year</b>	<b>30,676</b>	<b>30,676</b>	<b>0</b>
Unexpended Prior Years Encumbrances	<u>18,174</u>	<u>18,174</u>	<u>0</u>
<b>Fund Balance At End Of Year</b>	<b><u>\$ 337,571</u></b>	<b><u>\$ 328,751</u></b>	<b><u>\$ (8,820)</u></b>

**CITY OF DELAWARE, OHIO**

## Schedule Of Revenues, Expenditures And Changes In Fund Balance

Budget And Actual [Budget Basis]

Year Ending December 31, 2002

	Parks & Recreation		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Charges For Service	\$ 280,015	\$ 283,133	\$ 3,118
Miscellaneous	10,733	13,373	2,640
Total Revenues	290,748	296,506	5,758
<b>Expenditures</b>			
Current:			
Parks & Recreation			
Administration			
Personal Services	725,772	678,938	46,834
Materials & Supplies	42,659	32,048	10,611
Services & Charges	159,947	166,637	(6,690)
Reimbursements	300	0	300
Capital Outlay	3,700	6,053	(2,353)
Programs			
Materials & Supplies	39,295	34,972	4,323
Services & Charges	65,900	61,891	4,009
Reimbursements	2,700	3,519	(819)
Pool Operations			
Personal Services	80,712	81,281	(569)
Materials & Supplies	36,474	32,648	3,826
Services & Charges	21,600	23,165	(1,565)
Reimbursements	500	240	260
Capital Outlay	5,350	2,533	2,817
Total Expenditures	1,184,909	1,123,925	60,984
Excess (Deficiency) Of Revenues Over Expenditures	(894,161)	(827,419)	66,742
<b>Other Financing Sources:</b>			
Operating Transfers In	749,106	784,106	35,000
Total Other Financing Sources	749,106	784,106	35,000
Excess (Deficiency) Of Revenues And Other Financing Sources Over Expenditures	(145,055)	(43,313)	101,742
<b>Fund Balance At Beginning Of Year</b>	<b>2,235</b>	<b>2,235</b>	<b>0</b>
Unexpended Prior Years Encumbrances	50,643	50,643	0
<b>Fund Balance At End Of Year</b>	<b>\$ (92,177)</b>	<b>\$ 9,565</b>	<b>\$ 101,742</b>

**CITY OF DELAWARE, OHIO**

## Schedule Of Revenues, Expenditures And Changes In Fund Balance

Budget And Actual [Budget Basis]

Year Ending December 31, 2002

	<u>Airport Improvement</u>		
	<u>Revised</u>		<u>Variance</u>
	<u>Budget</u>	<u>Actual</u>	<u>Favorable</u>
			<u>(Unfavorable)</u>
<b>Revenues</b>			
Charges For Service	\$ 258,846	\$ 247,328	\$ (11,518)
Miscellaneous	18,604	17,435	(1,169)
Total Revenues	<u>277,450</u>	<u>264,763</u>	<u>(12,687)</u>
<b>Expenditures</b>			
Current:			
Airport			
Personal Services	91,092	84,744	6,348
Materials & Supplies	142,800	126,194	16,606
Services & Charges	117,737	109,744	7,993
Refunds	1,535	880	655
Capital Outlay	7,950	6,183	1,767
Total Expenditures	<u>361,114</u>	<u>327,745</u>	<u>33,369</u>
Excess (Deficiency) Of Revenues Over Expenditures	(83,664)	(62,982)	20,682
<b>Other Financing Sources:</b>			
Operating Transfers In	32,600	32,600	0
Total Other Financing Sources (Uses)	<u>32,600</u>	<u>32,600</u>	<u>0</u>
Excess (Deficiency) Of Revenues And Other Financing Sources Over Expenditures	(51,064)	(30,382)	20,682
<b>Fund Balance At Beginning Of Year</b>	<b>38,971</b>	<b>38,971</b>	<b>0</b>
Unexpended Prior Years Encumbrances	<u>2,947</u>	<u>2,947</u>	<u>0</u>
<b>Fund Balance At End Of Year</b>	<b><u>\$ (9,146)</u></b>	<b><u>\$ 11,536</u></b>	<b><u>\$ 20,682</u></b>

**CITY OF DELAWARE, OHIO**

## Schedule Of Revenues, Expenditures And Changes In Fund Balance

Budget And Actual [Budget Basis]

Year Ending December 31, 2002

	Airport T-Hangars		
	Revised		Variance
	Budget	Actual	Favorable
			(Unfavorable)
<b>Revenues</b>			
Charges For Service	\$ 80,600	\$ 79,617	\$ (983)
Total Revenues	<u>80,600</u>	<u>79,617</u>	<u>(983)</u>
<b>Expenditures</b>			
Current:			
Airport			
Services & Charges	23,500	23,538	(38)
Refunds	1,000	660	340
Total Expenditures	<u>24,500</u>	<u>24,198</u>	<u>302</u>
Excess (Deficiency) Of Revenues Over Expenditures	56,100	55,419	(681)
<b>Other Financing Uses:</b>			
Operating Transfers Out	<u>(32,747)</u>	<u>(32,747)</u>	<u>0</u>
Total Other Financing Uses	<u>(32,747)</u>	<u>(32,747)</u>	<u>0</u>
Excess (Deficiency) Of Revenues And Other Financing Sources Over Expenditures And Other Financing Uses	23,353	22,672	(681)
<b>Fund Balance At Beginning Of Year</b>	<u><b>30,661</b></u>	<u><b>30,661</b></u>	<u><b>0</b></u>
<b>Fund Balance At End Of Year</b>	<u><u><b>\$54,014</b></u></u>	<u><u><b>\$ 53,333</b></u></u>	<u><u><b>\$ (681)</b></u></u>

**CITY OF DELAWARE, OHIO**

## Schedule Of Revenues, Expenditures And Changes In Fund Balance

Budget And Actual [Budget Basis]

Year Ending December 31, 2002

	Fire/EMS Income Tax		
	Revised		Variance
	Budget	Actual	Favorable (Unfavorable)
<b>Revenues</b>			
Income Taxes	\$ 2,789,000	\$ 2,623,428	\$ (165,572)
Total Revenues	<u>2,789,000</u>	<u>2,623,428</u>	<u>(165,572)</u>
<b>Expenditures</b>			
Current:			
Public Safety			
Personal Services	2,730,000	2,628,443	101,557
Total Expenditures	<u>2,730,000</u>	<u>2,628,443</u>	<u>101,557</u>
Excess (Deficiency) Of Revenues Over Expenditures	59,000	(5,015)	(64,015)
<b>Fund Balance At Beginning Of Year</b>	<u>5,015</u>	<u>5,015</u>	<u>0</u>
<b>Fund Balance At End Of Year</b>	<u>\$ 64,015</u>	<u>\$ 0</u>	<u>\$ (64,015)</u>



**CITY OF DELAWARE, OHIO**

## Schedule Of Revenues, Expenditures And Changes In Fund Balance

Budget And Actual [Budget Basis]

Year Ending December 31, 2002

	<u>Drug Enforcement Fund</u>		
	Revised		Variance
	Budget	Actual	Favorable
			(Unfavorable)
<b>Revenues</b>			
Total Revenues	\$ 0	\$ 0	\$ 0
<b>Expenditures</b>			
Current:			
Public Safety			
Services & Charges	1,200	0	1,200
Capital Outlay	0	1,200	(1,200)
Total Expenditures	<u>1,200</u>	<u>1,200</u>	<u>0</u>
Excess (Deficiency) Of Revenues Over Expenditures	(1,200)	(1,200)	0
<b>Fund Balance At Beginning Of Year</b>	<u><b>1,200</b></u>	<u><b>1,200</b></u>	<u><b>0</b></u>
<b>Fund Balance At End Of Year</b>	<u><u><b>\$ 0</b></u></u>	<u><u><b>\$ 0</b></u></u>	<u><u><b>\$ 0</b></u></u>

**CITY OF DELAWARE, OHIO**

## Schedule Of Revenues, Expenditures And Changes In Fund Balance

Budget And Actual [Budget Basis]

Year Ending December 31, 2002

	<u>Court/Police Building Income Tax</u>		
	<u>Revised</u>		<u>Variance</u>
	<u>Budget</u>	<u>Actual</u>	<u>Favorable</u>
			<u>(Unfavorable)</u>
<b>Revenues</b>			
Income Taxes	\$ 5,400	\$ 5,337	\$ (63)
Interest Income	0	(25)	(25)
Total Revenues	<u>5,400</u>	<u>5,312</u>	<u>(88)</u>
<b>Expenditures</b>			
Current:			
Public Safety			
Services & Charges	17,500	0	17,500
Capital Outlay	117,112	117,112	0
Total Expenditures	<u>134,612</u>	<u>117,112</u>	<u>17,500</u>
Excess (Deficiency) Of Revenues Over Expenditures	(129,212)	(111,800)	17,412
<b>Fund Balance At Beginning Of Year</b>	<b>1,450</b>	<b>1,450</b>	<b>0</b>
Unexpended Prior Years Encumbrances	<u>117,112</u>	<u>117,112</u>	<u>0</u>
<b>Fund Balance At End Of Year</b>	<b><u>\$ (10,650)</u></b>	<b><u>\$ 6,762</u></b>	<b><u>\$ 17,412</u></b>

**CITY OF DELAWARE, OHIO**

## Schedule Of Revenues, Expenditures And Changes In Fund Balance

Budget And Actual [Budget Basis]

Year Ending December 31, 2002

	Municipal Court		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Fines And Court Fees	\$1,348,000	\$1,335,283	\$ (12,717)
Intergovernmental	140,000	138,460	(1,540)
Total Revenues	<u>1,488,000</u>	<u>1,473,743</u>	<u>(14,257)</u>
<b>Expenditures</b>			
Current:			
Public Safety			
Court Administration			
Personal Services	811,262	807,579	3,683
Materials & Supplies	12,863	12,631	232
Services & Charges	40,439	44,285	(3,846)
Capital Outlay	2,936	1,883	1,053
Clerk of Court			
Personal Services	671,262	646,923	24,339
Materials & Supplies	12,863	17,144	(4,281)
Services & Charges	40,439	30,149	10,290
Capital Outlay	2,936	0	2,936
Total Expenditures	<u>1,595,000</u>	<u>1,560,594</u>	<u>34,406</u>
Excess (Deficiency) Of Revenues Over Expenditures	(107,000)	(86,851)	20,149
<b>Other Financing Sources:</b>			
Operating Transfers In	0	86,853	86,853
Total Other Financing Sources	<u>0</u>	<u>86,853</u>	<u>86,853</u>
Excess (Deficiency) Of Revenues And Other Financing Sources Over Expenditures	(107,000)	2	107,002
<b>Fund Balance At Beginning Of Year</b>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Fund Balance At End Of Year</b>	<u><u>\$ (107,000)</u></u>	<u><u>\$ 2</u></u>	<u><u>\$ 107,002</u></u>

**CITY OF DELAWARE, OHIO**

## Schedule Of Revenues, Expenditures And Changes In Fund Balance

Budget And Actual [Budget Basis]

Year Ending December 31, 2002

	<u>Court Alcohol Treatment</u>		
	<u>Revised</u>		<u>Variance</u>
	<u>Budget</u>	<u>Actual</u>	<u>Favorable</u>
			<u>(Unfavorable)</u>
<b>Revenues</b>			
Fines And Court Fees	\$ 36,000	\$ 34,174	\$ (1,826)
Total Revenues	<u>36,000</u>	<u>34,174</u>	<u>(1,826)</u>
<b>Expenditures</b>			
Current:			
Public Safety			
Services & Charges	200,000	0	200,000
Total Expenditures	<u>200,000</u>	<u>0</u>	<u>200,000</u>
Excess (Deficiency) Of Revenues Over Expenditures	(164,000)	34,174	198,174
<b>Fund Balance At Beginning Of Year</b>	<u><b>262,611</b></u>	<u><b>262,611</b></u>	<u><b>0</b></u>
<b>Fund Balance At End Of Year</b>	<u><u><b>\$ 98,611</b></u></u>	<u><u><b>\$ 296,785</b></u></u>	<u><u><b>\$ 198,174</b></u></u>

**CITY OF DELAWARE, OHIO**

## Schedule Of Revenues, Expenditures And Changes In Fund Balance

Budget And Actual [Budget Basis]

Year Ending December 31, 2002

	<u>OMVI Enforcement &amp; Education</u>		
	Revised		Variance
	Budget	Actual	Favorable (Unfavorable)
	<u>        </u>	<u>        </u>	<u>        </u>
<b>Revenues</b>			
Fines And Court Fees	\$ 6,400	\$ 6,603	\$ 203
Total Revenues	<u>6,400</u>	<u>6,603</u>	<u>203</u>
<b>Expenditures</b>			
Current:			
Public Safety			
Services & Charges	3,000	0	3,000
Capital Outlay	4,500	4,239	261
Total Expenditures	<u>7,500</u>	<u>4,239</u>	<u>3,261</u>
Excess (Deficiency) Of Revenues Over Expenditures	(1,100)	2,364	3,464
<b>Other Financing Uses:</b>			
Operating Transfers Out	(3,000)	0	3,000
Total Other Financing Uses	<u>(3,000)</u>	<u>0</u>	<u>3,000</u>
Excess (Deficiency) Of Revenues Over Expenditures And Other Financing Uses	(4,100)	2,364	6,464
<b>Fund Balance At Beginning Of Year</b>	<u><b>18,507</b></u>	<u><b>18,507</b></u>	<u><b>0</b></u>
<b>Fund Balance At End Of Year</b>	<u><b>\$ 14,407</b></u>	<u><b>\$ 20,871</b></u>	<u><b>\$ 6,464</b></u>

**CITY OF DELAWARE, OHIO**

## Schedule Of Revenues, Expenditures And Changes In Fund Balance

Budget And Actual [Budget Basis]

Year Ending December 31, 2002

	<u>Police Judgment</u>		
	<u>Revised</u>		<u>Variance</u>
	<u>Budget</u>	<u>Actual</u>	<u>Favorable</u>
			<u>(Unfavorable)</u>
<b>Revenues</b>			
Miscellaneous	\$ 1,000	\$ 1,058	\$ 58
Total Revenues	<u>1,000</u>	<u>1,058</u>	<u>58</u>
<b>Expenditures</b>			
Current:			
Public Safety			
Services & Charges	2,000	0	2,000
Capital Outlay	5,000	900	4,100
Total Expenditures	<u>7,000</u>	<u>900</u>	<u>6,100</u>
Excess (Deficiency) Of Revenues Over Expenditures	(6,000)	158	6,158
<b>Fund Balance At Beginning Of Year</b>	<u><b>7,780</b></u>	<u><b>7,780</b></u>	<u><b>0</b></u>
<b>Fund Balance At End Of Year</b>	<u><u><b>\$ 1,780</b></u></u>	<u><u><b>\$ 7,938</b></u></u>	<u><u><b>\$ 6,158</b></u></u>

**CITY OF DELAWARE, OHIO**

## Schedule Of Revenues, Expenditures And Changes In Fund Balance

Budget And Actual [Budget Basis]

Year Ending December 31, 2002

	<u>Law Enforcement Trust</u>		
	<u>Revised</u>		<u>Variance</u>
	<u>Budget</u>	<u>Actual</u>	<u>Favorable</u>
			<u>(Unfavorable)</u>
<b>Revenues</b>			
Miscellaneous	\$ 194	\$ 217	\$ 23
Total Revenues	<u>194</u>	<u>217</u>	<u>23</u>
<b>Expenditures</b>			
Current:			
Public Safety			
Capital Outlay	<u>766</u>	<u>0</u>	<u>766</u>
Total Expenditures	<u>766</u>	<u>0</u>	<u>766</u>
Excess (Deficiency) Of Revenues Over Expenditures	(572)	217	789
<b>Fund Balance At Beginning Of Year</b>	<u>771</u>	<u>771</u>	<u>0</u>
<b>Fund Balance At End Of Year</b>	<u><u>\$ 199</u></u>	<u><u>\$ 988</u></u>	<u><u>\$ 789</u></u>

**CITY OF DELAWARE, OHIO**

## Schedule Of Revenues, Expenditures And Changes In Fund Balance

Budget And Actual [Budget Basis]

Year Ending December 31, 2002

	<u>Park Exaction Fees</u>		
	<u>Revised</u>		<u>Variance</u>
	<u>Budget</u>	<u>Actual</u>	<u>Favorable</u>
			<u>(Unfavorable)</u>
<b>Revenues</b>			
Miscellaneous	\$ 45,000	\$ 45,000	\$ 0
Total Revenues	<u>45,000</u>	<u>45,000</u>	<u>0</u>
<b>Expenditures</b>			
Current:			
Recreation And Parks			
Capital Outlay	<u>10,000</u>	<u>0</u>	<u>10,000</u>
Total Expenditures	<u>10,000</u>	<u>0</u>	<u>10,000</u>
Excess (Deficiency) Of Revenues Over Expenditures	35,000	45,000	10,000
<b>Fund Balance At Beginning Of Year</b>	<u>650</u>	<u>650</u>	<u>0</u>
<b>Fund Balance At End Of Year</b>	<u><u>\$35,650</u></u>	<u><u>\$45,650</u></u>	<u><u>\$ 10,000</u></u>



**CITY OF DELAWARE, OHIO**

## Schedule Of Revenues, Expenditures And Changes In Fund Balance

Budget And Actual [Budget Basis]

Year Ending December 31, 2002

	<u>Computer Legal Research</u>		
	Revised		Variance
	Budget	Actual	Favorable (Unfavorable)
<b>Revenues</b>			
Fines And Court Fees	\$ 126,200	\$ 123,800	\$ (2,400)
Total Revenues	<u>126,200</u>	<u>123,800</u>	<u>(2,400)</u>
<b>Expenditures</b>			
Current:			
Public Safety			
Services & Charges	166,573	113,823	52,750
Total Expenditures	<u>166,573</u>	<u>113,823</u>	<u>52,750</u>
Excess (Deficiency) Of Revenues Over Expenditures	(40,373)	9,977	50,350
<b>Fund Balance At Beginning Of Year</b>	<b>8,754</b>	<b>8,754</b>	<b>0</b>
Unexpended Prior Years Encumbrances	<u>31,573</u>	<u>31,573</u>	<u>0</u>
<b>Fund Balance At End Of Year</b>	<b><u>\$ (46)</u></b>	<b><u>\$ 50,304</u></b>	<b><u>\$ 50,350</u></b>

**CITY OF DELAWARE, OHIO**

## Schedule Of Revenues, Expenditures And Changes In Fund Balance

Budget And Actual [Budget Basis]

Year Ending December 31, 2002

	<u>Court Special Projects</u>		
	<u>Revised</u>		<u>Variance</u>
	<u>Budget</u>	<u>Actual</u>	<u>Favorable</u>
			<u>(Unfavorable)</u>
<b>Revenues</b>			
Fines And Court Fees	\$ 235,723	\$ 228,211	\$ (7,512)
Total Revenues	<u>235,723</u>	<u>228,211</u>	<u>(7,512)</u>
<b>Expenditures</b>			
Current:			
Public Safety			
Services & Charges	75,000	7,800	67,200
Capital Outlay	342,141	93,747	248,394
Total Expenditures	<u>417,141</u>	<u>101,547</u>	<u>315,594</u>
Excess (Deficiency) Of Revenues Over Expenditures	(181,418)	126,664	308,082
<b>Other Financing Uses:</b>			
Operating Transfers Out	0	(86,853)	(86,853)
Total Other Financing Sources (Uses)	<u>0</u>	<u>(86,853)</u>	<u>(86,853)</u>
Excess (Deficiency) Of Revenues Over Expenditures And Other Financing Uses	(181,418)	39,811	221,229
<b>Fund Balance At Beginning Of Year</b>	<b>407,451</b>	<b>407,451</b>	<b>0</b>
Unexpended Prior Years Encumbrances	92,141	92,141	0
<b>Fund Balance At End Of Year</b>	<b><u>\$ 318,174</u></b>	<b><u>\$ 539,403</u></b>	<b><u>\$ 221,229</u></b>

**CITY OF DELAWARE, OHIO**

## Schedule Of Revenues, Expenditures And Changes In Fund Balance

Budget And Actual [Budget Basis]

Year Ending December 31, 2002

	<u>Indigent EMHA</u>		
	<u>Revised</u>		<u>Variance</u>
	<u>Budget</u>	<u>Actual</u>	<u>Favorable</u>
			<u>(Unfavorable)</u>
<b>Revenues</b>			
Fines And Court Fees	\$ 3,700	\$ 3,845	\$ 145
Total Revenues	<u>3,700</u>	<u>3,845</u>	<u>145</u>
<b>Expenditures</b>			
Current:			
Public Safety			
Services & Charges	52,000	4,481	47,519
Total Expenditures	<u>52,000</u>	<u>4,481</u>	<u>47,519</u>
Excess (Deficiency) Of Revenues Over Expenditures	(48,300)	(636)	47,664
<b>Fund Balance At Beginning Of Year</b>	<b>36,582</b>	<b>36,582</b>	<b>0</b>
Unexpended Prior Years Encumbrances	<u>2,000</u>	<u>2,000</u>	<u>0</u>
<b>Fund Balance At End Of Year</b>	<b><u><u>\$ (9,718)</u></u></b>	<b><u><u>\$ 37,946</u></u></b>	<b><u><u>\$ 47,664</u></u></b>

**CITY OF DELAWARE, OHIO**

## Schedule Of Revenues, Expenditures And Changes In Fund Balance

Budget And Actual [Budget Basis]

Year Ending December 31, 2002

	Probation Services		
	Revised		Variance
	Budget	Actual	Favorable
			(Unfavorable)
<b>Revenues</b>			
Fines And Court Fees	\$ 9,800	\$ 9,953	\$ 153
Total Revenues	<u>9,800</u>	<u>9,953</u>	<u>153</u>
<b>Expenditures</b>			
Current:			
Public Safety			
Services & Charges	8,000	5,935	2,065
Total Expenditures	<u>8,000</u>	<u>5,935</u>	<u>2,065</u>
Excess (Deficiency) Of Revenues Over Expenditures	1,800	4,018	2,218
<b>Fund Balance At Beginning Of Year</b>	<u>5,715</u>	<u>5,715</u>	<u>0</u>
<b>Fund Balance At End Of Year</b>	<u><u>\$ 7,515</u></u>	<u><u>\$ 9,733</u></u>	<u><u>\$ 2,218</u></u>

**CITY OF DELAWARE, OHIO**

## Schedule Of Revenues, Expenditures And Changes In Fund Balance

Budget And Actual [Budget Basis]

Year Ending December 31, 2002

	Police And Fire Pension		
	Revised		Variance
	Budget	Actual	Favorable
			(Unfavorable)
<b>Revenues</b>			
Intergovernmental	\$ 29,648	\$ 28,575	\$ (1,073)
Property And Other Taxes	265,252	265,208	(44)
Total Revenues	<u>294,900</u>	<u>293,783</u>	<u>(1,117)</u>
<b>Expenditures</b>			
Current:			
Public Safety			
Personal Services	294,200	295,267	(1,067)
Total Expenditures	<u>294,200</u>	<u>295,267</u>	<u>(1,067)</u>
Excess (Deficiency) Of Revenues Over Expenditures	700	(1,484)	(2,184)
<b>Fund Balance At Beginning Of Year</b>	<u><b>1,484</b></u>	<u><b>1,484</b></u>	<u><b>0</b></u>
<b>Fund Balance At End Of Year</b>	<u><u><b>\$ 2,184</b></u></u>	<u><u><b>\$ 0</b></u></u>	<u><u><b>\$ (2,184)</b></u></u>

**CITY OF DELAWARE, OHIO**

## Schedule Of Revenues, Expenditures And Changes In Fund Balance

Budget And Actual [Budget Basis]

Year Ending December 31, 2002

	<u>Community Development Block Grant</u>		
	<u>Revised</u>		<u>Variance</u>
	<u>Budget</u>	<u>Actual</u>	<u>Favorable</u>
			<u>(Unfavorable)</u>
<b>Revenues</b>			
Intergovernmental	\$ 11,829	\$ 11,829	\$ 0
Total Revenues	<u>11,829</u>	<u>11,829</u>	<u>0</u>
<b>Expenditures</b>			
Current:			
Community Development			
Capital Outlay	<u>101,000</u>	<u>101,000</u>	<u>0</u>
Total Expenditures	<u>101,000</u>	<u>101,000</u>	<u>0</u>
Excess (Deficiency) Of Revenues Over Expenditures	(89,171)	(89,171)	0
<b>Fund Balance (Deficit) At Beginning Of Year</b>	<b><u>(1,228)</u></b>	<b><u>(1,228)</u></b>	<b><u>0</u></b>
<b>Fund Balance At End Of Year</b>	<b><u><u>\$ (90,399)</u></u></b>	<b><u><u>\$ (90,399)</u></u></b>	<b><u><u>\$ 0</u></u></b>

**CITY OF DELAWARE, OHIO**

## Schedule Of Revenues, Expenditures And Changes In Fund Balance

Budget And Actual [Budget Basis]

Year Ending December 31, 2002

	<u>Community Police Block Grant</u>		
	<u>Revised</u>		<u>Variance</u>
	<u>Budget</u>	<u>Actual</u>	<u>Favorable</u>
			<u>(Unfavorable)</u>
<b>Revenues</b>			
Intergovernmental	\$ 6,142	\$ 6,337	\$ 195
Miscellaneous	195	0	(195)
Interest Income	350	225	(125)
Total Revenues	<u>6,687</u>	<u>6,562</u>	<u>(125)</u>
<b>Expenditures</b>			
Current:			
Public Safety			
Capital Outlay	25,741	10,598	15,143
Total Expenditures	<u>25,741</u>	<u>10,598</u>	<u>15,143</u>
Excess (Deficiency) Of Revenues Over Expenditures	(19,054)	(4,036)	15,018
<b>Fund Balance At Beginning Of Year</b>	<b><u>18,765</u></b>	<b><u>18,765</u></b>	<b><u>0</u></b>
<b>Fund Balance At End Of Year</b>	<b><u><u>\$ (289)</u></u></b>	<b><u><u>\$ 14,729</u></u></b>	<b><u><u>\$ 15,018</u></u></b>

**CITY OF DELAWARE, OHIO**

## Schedule Of Revenues, Expenditures And Changes In Fund Balance

Budget And Actual [Budget Basis]

Year Ending December 31, 2002

	<u>Economic Development</u>		
	<u>Revised</u>		<u>Variance</u>
	<u>Budget</u>	<u>Actual</u>	<u>Favorable</u>
			<u>(Unfavorable)</u>
<b>Revenues</b>			
Intergovernmental	\$ 0	\$ 80,281	\$ 80,281
Total Revenues	<u>0</u>	<u>80,281</u>	<u>80,281</u>
<b>Expenditures</b>			
Current:			
Community Development			
Capital Outlay	<u>400,000</u>	<u>400,000</u>	<u>0</u>
Total Expenditures	<u>400,000</u>	<u>400,000</u>	<u>0</u>
Excess (Deficiency) Of Revenues Over Expenditures	(400,000)	(319,719)	80,281
<b>Fund Balance At Beginning Of Year</b>	<u>1</u>	<u>1</u>	<u>0</u>
<b>Fund Balance At End Of Year</b>	<u><u>\$ (399,999)</u></u>	<u><u>\$ (319,718)</u></u>	<u><u>\$ 80,281</u></u>



**CITY OF DELAWARE, OHIO**

## Schedule Of Revenues, Expenditures And Changes In Fund Balance

Budget And Actual [Budget Basis]

Year Ending December 31, 2002

	<u>Rental Rehabilitation Grant</u>		
	<u>Revised</u>		<u>Variance</u>
	<u>Budget</u>	<u>Actual</u>	<u>Favorable</u>
			<u>(Unfavorable)</u>
<b>Revenues</b>			
Intergovernmental	\$ 277,259	\$ 297,525	\$ 20,266
Miscellaneous	0	8,900	8,900
Total Revenues	<u>277,259</u>	<u>306,425</u>	<u>29,166</u>
<b>Expenditures</b>			
Current:			
Community Development			
Services & Charges	170,000	151,398	18,602
Capital Outlay	330,000	348,048	(18,048)
Total Expenditures	<u>500,000</u>	<u>499,446</u>	<u>554</u>
Excess (Deficiency) Of Revenues Over Expenditures	(222,741)	(193,021)	29,720
<b>Fund Balance (Deficit) At Beginning Of Year</b>	<b><u>(2,999)</u></b>	<b><u>(2,999)</u></b>	<b><u>0</u></b>
<b>Fund Balance At End Of Year</b>	<b><u><u>\$ (225,740)</u></u></b>	<b><u><u>\$ (196,020)</u></u></b>	<b><u><u>\$ 29,720</u></u></b>

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## Debt Service Funds

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General Obligation Bond Retirement Fund – To account for transfers in, interest earned, and proceeds of debt, that are utilized for the repayment of general obligation bonds of the City.

Special Assessment Bond Retirement Fund – To account for the collection of special assessments levied against certain property owners used for the payment of special assessment bonds and related interest.

**CITY OF DELAWARE, OHIO**

Combining Balance Sheet--

All Debt Service Funds

As of December 31, 2002

	General Obligation Bond Retirement	Special Assessment Bond Retirement	Totals
<b>Assets</b>			
Equity in Pooled Cash & Cash Equivalents	\$ 91,728	\$ 5,445	\$ 97,173
Taxes Receivable	0	20,150	20,150
Unamortized Bond Discount	28,369	0	28,369
Unamortized Bond Issue Costs	109,907	0	109,907
Total Assets	<u>230,004</u>	<u>25,595</u>	<u>255,599</u>
<b>Liabilities</b>			
Accrued Interest Payable	0	1,166	1,166
Deferred Revenue	0	20,150	20,150
Total Liabilities	<u>0</u>	<u>21,316</u>	<u>21,316</u>
<b>Fund Equity</b>			
Fund Balances:			
Reserved For Debt Service	230,004	4,279	234,283
Total Fund Equity	<u>230,004</u>	<u>4,279</u>	<u>234,283</u>
Total Liabilities & Fund Equity	<u>\$ 230,004</u>	<u>\$ 25,595</u>	<u>\$ 255,599</u>

**CITY OF DELAWARE, OHIO**

Combining Statement Of Revenues, Expenditures &  
Changes In Fund Balances  
All Debt Service Funds  
For the Year Ended December 31, 2002

	General Obligation Bond Retirement	Special Assessment Bond Retirement	Totals
<b>Revenues:</b>			
Interest Income	\$ 47,960	\$ 53	\$ 48,013
Special Assessments	0	40,779	40,779
Total Revenues	<u>47,960</u>	<u>40,832</u>	<u>88,792</u>
<b>Expenditures:</b>			
Debt Service:			
Principal Retirement	0	24,888	24,888
Professional Services	6,244	0	6,244
Interest And Fiscal Charges	3,301	16,732	20,033
Total Expenditures	<u>9,545</u>	<u>41,620</u>	<u>51,165</u>
Excess (Deficiency) Of Revenues Over Expenditures	<u>38,415</u>	<u>(788)</u>	<u>37,627</u>
<b>Other Financing Sources (Uses):</b>			
Proceeds From Bonds	4,468,276	0	4,468,276
Operating Transfers In	32,747	15,000	47,747
Operating Transfers Out	(4,671,233)	(2,112)	(4,673,345)
Total Other Financing Sources (Uses)	<u>(170,210)</u>	<u>12,888</u>	<u>(157,322)</u>
Excess (Deficiency) Of Revenues And Other Financing Sources Over Expenditures And Other Financing Uses	<u>(131,795)</u>	<u>12,100</u>	<u>(119,695)</u>
<b>Fund Balances At Beginning Of Year</b>	<u>361,799</u>	<u>(7,821)</u>	<u>353,978</u>
<b>Fund Balances At End Of Year</b>	<u>\$ 230,004</u>	<u>\$ 4,279</u>	<u>\$ 234,283</u>

**CITY OF DELAWARE, OHIO**

Schedule Of Revenue , Expenditures, And Changes In Fund Balance

Budget And Actual [Budget Basis]

For The Year Ended December 31, 2002

General Obligation Bond Retirement

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>			
Interest Income	\$ 51,294	\$ 47,960	\$ (3,334)
Total Revenues	<u>51,294</u>	<u>47,960</u>	<u>(3,334)</u>
<b>Expenditures:</b>			
Debt Service:			
Professional Services	100,000	116,152	(16,152)
Principal Retirement	7,117,836	6,251,586	866,250
Interest And Fiscal Charges	249,647	255,973	(6,326)
Total Expenditures	<u>7,467,483</u>	<u>6,623,711</u>	<u>843,772</u>
Excess (Deficiency) Of Revenues Over Expenditures	(7,416,189)	(6,575,751)	840,438
<b>Other Financing Sources (Uses):</b>			
Proceeds Of Bond Issuance	5,480,000	4,439,907	(1,040,093)
Proceeds Of Note Issuance	1,848,025	1,848,025	0
Operating Transfer In	91,586	32,747	(58,839)
Operating Transfers Out	0	(15,000)	(15,000)
Total Other Financing Sources (Uses)	<u>7,419,611</u>	<u>6,305,679</u>	<u>(1,113,932)</u>
Excess (Deficiency) Of Revenues And Other Financing Sources Over Expenditures And Other Financing Uses	<u>3,422</u>	<u>(270,072)</u>	<u>(273,494)</u>
<b>Fund Balance At Beginning Of Year</b>	<b><u>361,800</u></b>	<b><u>361,800</u></b>	<b><u>0</u></b>
<b>Fund Balance At End Of Year</b>	<b><u>\$ 365,222</u></b>	<b><u>\$ 91,728</u></b>	<b><u>\$ (273,494)</u></b>

**CITY OF DELAWARE, OHIO**

Schedule Of Revenue , Expenditures, And Changes In Fund Balance

Budget And Actual [Budget Basis]

For The Year Ended December 31, 2002

## Special Assessment Bond Retirement

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>			
Special Assessments	\$ 44,015	\$ 40,779	\$ (3,236)
Interest Income	0	53	53
Total Revenues	<u>44,015</u>	<u>40,832</u>	<u>(3,183)</u>
<b>Expenditures:</b>			
Interest And Fiscal Charges	16,983	16,982	1
Special Assessment Retirement	27,000	27,000	0
Total Expenditures	<u>43,983</u>	<u>43,982</u>	<u>1</u>
Excess (Deficiency) Of Revenues Over Expenditures	32	(3,150)	(3,182)
<b>Other Financing Sources:</b>			
Operating Transfer In	0	15,000	15,000
Total Other Financing Sources	<u>0</u>	<u>15,000</u>	<u>15,000</u>
Excess (Deficiency) Of Revenues And Other Financing Sources Over Expenditures	<u>32</u>	<u>11,850</u>	<u>11,818</u>
<b>Fund Balance At Beginning Of Year</b>	<b><u>(6,405)</u></b>	<b><u>(6,405)</u></b>	<b><u>0</u></b>
<b>Fund Balance At End Of Year</b>	<b><u>\$ (6,373)</u></b>	<b><u>\$ 5,445</u></b>	<b><u>\$ 11,818</u></b>

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## Capital Projects Funds

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Capital Improvement Fund – To account for the various capital projects of the City financed by bond proceeds and general fund subsidies.

Downtown Streetscape Fund – To account for capital improvements made to the downtown and eastside business section of the City.

FAA Airport Expansion Fund – To account for Federal and State funds used for the relocation and expansion of the City’s Municipal Airport.

FAA Allocation Improvement Grant Fund – To account for Federal funds used for the Automatic Weather Observation System [AWOS] installation and the replacement of the non-directional beacon [NDB].

Equipment Replacement Fund – To account for transfers from departments to provide for the future replacement of equipment.

Airport Improvement Construction Fund – To account for funds used for the expansion of the City’s T-hangars.

Park Impact Fees Fund – To account for developers’ fees collected to maintain a level of service associated with the City’s parks required with the increased growth.

Police Impact Fees Fund – To account for developers’ fees collected to maintain a level of service associated with the City’s Police Department required with the increased growth.

Fire Impact Fees Fund – To account for developers’ fees collected to maintain a level of service associated with the City’s Fire Department required with the increased growth.

**CITY OF DELAWARE, OHIO**

Combining Balance Sheet--  
All Capital Projects Funds

As of December 31, 2002

	<u>Capital Improvements</u>	<u>Downtown Streetscape</u>	<u>FAA Airport Expansion</u>	<u>FAA Airport Allocation Improvements</u>
<b>Assets</b>				
Equity in Pooled Cash & Cash Equivalents	\$ 1,037,001	\$ 0	\$ 5	\$ 27,509
Accounts Receivable	250	0	0	0
Unamortized Bond Discount	2,948	4,586	0	0
Unamortized Bond Issue Costs	11,422	17,768	0	0
Due From:				
Federal Government	0	715,000	0	2,488
County Government	0	25,000	0	0
Restricted Cash:				
Equity in Pooled Cash & Cash Equivalents	1,833	100,240	0	0
<b>Total Assets</b>	<u>1,053,454</u>	<u>862,594</u>	<u>5</u>	<u>29,997</u>
<b>Liabilities</b>				
Accounts Payable	205,767	88,957	0	2,765
Accrued Interest Payable	43,355	0	0	0
Payables From Restricted Assets:				
Contracts Payable	1,833	100,240	0	0
Interfund Payable	0	401,592	0	0
Notes Payable	0	0	0	0
<b>Total Liabilities</b>	<u>250,955</u>	<u>590,789</u>	<u>0</u>	<u>2,765</u>
<b>Fund Equity</b>				
Fund Balances:				
Reserved For Encumbrances	964,177	141,058	0	247,041
Unreserved	(161,678)	130,747	5	(219,809)
<b>Total Fund Equity</b>	<u>802,499</u>	<u>271,805</u>	<u>5</u>	<u>27,232</u>
<b>Total Liabilities &amp; Fund Equity</b>	<u>\$ 1,053,454</u>	<u>\$ 862,594</u>	<u>\$ 5</u>	<u>\$ 29,997</u>

(continued)



**CITY OF DELAWARE, OHIO**

Combining Balance Sheet--  
All Capital Projects Funds

As of December 31, 2002  
(continued)

**Assets**

	Equipment Replacement	Airport Improvement Construction	Park Impact Fees	Police Impact Fees
Equity in Pooled Cash & Cash Equivalents	\$ 36,864	\$ 0	\$ 392,950	\$ 75,561
Accounts Receivable	0	0	0	0
Unamortized Bond Discount	0	0	0	0
Unamortized Bond Issue Costs	0	0	0	0
Due From:				
Federal Government	0	0	0	0
County Government	0	0	0	0
Restricted Cash:				
Equity in Pooled Cash & Cash Equivalents	0	0	0	0
<b>Total Assets</b>	<b>36,864</b>	<b>0</b>	<b>392,950</b>	<b>75,561</b>

**Liabilities**

Accounts Payable	0	0	7,511	12,360
Accrued Interest Payable	0	13,575	0	0
Payables From Restricted Assets:				
Contracts Payable	0	0	0	0
Interfund Payable	0	0	0	0
Notes Payable	0	1,145,000	0	0
<b>Total Liabilities</b>	<b>0</b>	<b>1,158,575</b>	<b>7,511</b>	<b>12,360</b>

**Fund Equity**

Fund Balances:				
Reserved For Encumbrances	0	0	174,151	679
Unreserved	36,864	(1,158,575)	211,288	62,522
<b>Total Fund Equity</b>	<b>36,864</b>	<b>(1,158,575)</b>	<b>385,439</b>	<b>63,201</b>
<b>Total Liabilities &amp; Fund Equity</b>	<b>\$ 36,864</b>	<b>\$ 0</b>	<b>\$ 392,950</b>	<b>\$ 75,561</b>

(continued)

**CITY OF DELAWARE, OHIO**

Combining Balance Sheet--  
All Capital Projects Funds

As of December 31, 2002 (continued)	Fire Impact Fees	Totals
<b>Assets</b>		
Equity in Pooled Cash & Cash Equivalents	\$ 405,286	\$ 1,975,176
Accounts Receivable	0	250
Unamortized Bond Discount	0	7,534
Unamortized Bond Issue Costs	0	29,190
Due From:		
Federal Government	0	717,488
County Government	0	25,000
Restricted Cash:		
Equity in Pooled Cash & Cash Equivalents	0	102,073
Total Assets	<u>405,286</u>	<u>2,856,711</u>
<b>Liabilities</b>		
Accounts Payable	0	317,360
Accrued Interest Payable	0	56,930
Payables From Restricted Assets:		
Contracts Payable	0	102,073
Interfund Payable	0	401,592
Notes Payable	0	1,145,000
Total Liabilities	<u>0</u>	<u>2,022,955</u>
<b>Fund Equity</b>		
Fund Balances:		
Reserved For Encumbrances	110,660	1,637,766
Unreserved	294,626	(804,010)
Total Fund Equity	<u>405,286</u>	<u>833,756</u>
Total Liabilities & Fund Equity	<u>\$ 405,286</u>	<u>\$ 2,856,711</u>

**CITY OF DELAWARE, OHIO**

Combining Statement Of Revenues, Expenditures &  
 Changes In Fund Balances  
 All Capital Project Funds  
 For the Year Ended December 31, 2002

	Capital Improvements	Downtown Streetscape	FAA Airport Expansion	FAA Allocation Improvement
<b>Revenues:</b>				
Intergovernmental	\$ 778,984	\$ 740,000	\$ 0	\$ 26,243
Interest Income	0	2,306	0	0
Miscellaneous	117,608	0	0	0
Impact Fees	0	0	0	0
Total Revenues	<u>896,592</u>	<u>742,306</u>	<u>0</u>	<u>26,243</u>
<b>Expenditures:</b>				
Capital Outlay	2,303,674	1,132,140	0	29,159
Debt Service:				
Professional Services	113,107	72,936	0	0
Interest and Fiscal Charges	81,768	63,368	0	0
Total Expenditures	<u>2,498,549</u>	<u>1,268,444</u>	<u>0</u>	<u>29,159</u>
Excess (Deficiency) Of Revenues Over Expenditures	<u>(1,601,957)</u>	<u>(526,138)</u>	<u>0</u>	<u>(2,916)</u>
<b>Other Financing Sources (Uses):</b>				
Proceeds From Bonds	464,370	722,354	0	0
Operating Transfer In	3,242,561	3,244,500	0	30,148
Operating Transfers Out	(1,306,976)	0	0	0
Total Other Financing Sources (Uses)	<u>2,399,955</u>	<u>3,966,854</u>	<u>0</u>	<u>30,148</u>
Excess (Deficiency) Of Revenues And Other Financing Sources Over Expenditures And Other Financing Uses	<u>797,998</u>	<u>3,440,716</u>	<u>0</u>	<u>27,232</u>
<b>Fund Balances At Beginning Of Year</b>	<u>4,501</u>	<u>(3,168,911)</u>	<u>5</u>	<u>0</u>
<b>Fund Balances At End Of Year</b>	<u>\$ 802,499</u>	<u>\$ 271,805</u>	<u>\$ 5</u>	<u>\$ 27,232</u>

(continued)

**CITY OF DELAWARE, OHIO**

Combining Statement Of Revenues, Expenditures &  
 Changes In Fund Balances  
 All Capital Project Funds  
 For the Year Ended December 31, 2002  
 (continued)

	Equipment Replacement	Airport Improvement Construction	Park Impact Fees	Police Impact Fees
<b>Revenues:</b>				
Intergovernmental	\$ 0	\$ 0	\$ 0	\$ 0
Interest Income	0	0	0	0
Miscellaneous	0	0	0	0
Impact Fees	0	0	326,135	109,667
Total Revenues	<u>0</u>	<u>0</u>	<u>326,135</u>	<u>109,667</u>
<b>Expenditures:</b>				
Capital Outlay	95,418	0	251,029	121,998
Debt Service:				
Professional Services	0	0	0	0
Interest and Fiscal Charges	0	28,675	0	0
Total Expenditures	<u>95,418</u>	<u>28,675</u>	<u>251,029</u>	<u>121,998</u>
Excess (Deficiency) Of Revenues Over Expenditures	<u>(95,418)</u>	<u>(28,675)</u>	<u>75,106</u>	<u>(12,331)</u>
<b>Other Financing Sources (Uses):</b>				
Proceeds From Bonds	0	0	0	0
Operating Transfer In	120,643	32,747	0	0
Operating Transfers Out	0	0	0	0
Total Other Financing Sources (Uses)	<u>120,643</u>	<u>32,747</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) Of Revenues And Other Financing Sources Over Expenditures And Other Financing Uses	<u>25,225</u>	<u>4,072</u>	<u>75,106</u>	<u>(12,331)</u>
<b>Fund Balances At Beginning Of Year</b>	<u>11,639</u>	<u>(1,162,647)</u>	<u>310,333</u>	<u>75,532</u>
<b>Fund Balances At End Of Year</b>	<u>\$ 36,864</u>	<u>\$ (1,158,575)</u>	<u>\$ 385,439</u>	<u>\$ 63,201</u>

(continued)

**CITY OF DELAWARE, OHIO**

Combining Statement Of Revenues, Expenditures &  
Changes In Fund Balances  
All Capital Project Funds  
For the Year Ended December 31, 2002  
(continued)

	Fire Impact Fees	Totals
	<u>          </u>	<u>          </u>
<b>Revenues:</b>		
Intergovernmental	\$ 0	\$ 1,545,227
Interest Income	0	2,306
Miscellaneous	0	117,608
Impact Fees	231,030	666,832
Total Revenues	<u>231,030</u>	<u>2,331,973</u>
<b>Expenditures:</b>		
Capital Outlay	0	3,933,418
Debt Service:		
Professional Services	0	186,043
Interest and Fiscal Charges	0	173,811
Total Expenditures	<u>0</u>	<u>4,293,272</u>
Excess (Deficiency) Of Revenues Over Expenditures	<u>231,030</u>	<u>(1,961,299)</u>
<b>Other Financing Sources (Uses):</b>		
Proceeds From Bonds	0	1,186,724
Operating Transfer In	0	6,670,599
Operating Transfers Out	0	(1,306,976)
Total Other Financing Sources (Uses)	<u>0</u>	<u>6,550,347</u>
Excess (Deficiency) Of Revenues And Other Financing Sources Over Expenditures And Other Financing Uses	<u>231,030</u>	<u>4,589,048</u>
<b>Fund Balances At Beginning Of Year</b>	<u>174,256</u>	<u>(3,755,292)</u>
<b>Fund Balances At End Of Year</b>	<u>\$ 405,286</u>	<u>\$ 833,756</u>

**CITY OF DELAWARE**

## Schedule Of Revenues, Expenses And Changes In Fund Balance

Budget And Actual [Budget Basis]

Year Ended December 31, 2002

## Capital Improvements Fund

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Intergovernmental	\$ 0	\$ 778,984	\$ 778,984
Miscellaneous	0	117,702	117,702
Total Revenues	<u>0</u>	<u>896,686</u>	<u>896,686</u>
<b>Expenditures</b>			
Current:			
General Government			
Services & Charges	145,023	154,098	(9,075)
Capital Outlay	2,988,311	3,240,415	(252,104)
Debt Service:			
Principal Retirement	2,448,414	2,448,414	0
Total Expenditures	<u>5,581,748</u>	<u>5,842,927</u>	<u>(261,179)</u>
Excess (Deficiency) Of Revenues Over Expenditures	(5,581,748)	(4,946,241)	635,507
<b>Other Financing Sources (Uses)</b>			
Proceeds of Bonds	0	461,422	461,422
Transfers In	1,556,433	671,747	(884,686)
Transfers Out	(228,686)	(115,148)	113,538
Total Other Financing Sources (Uses)	<u>1,327,747</u>	<u>1,018,021</u>	<u>(309,726)</u>
Excess (Deficiency) Of Revenues And Other Financing Sources Over Expenditures And Other Financing Uses	(4,254,001)	(3,928,220)	325,781
<b>Fund Balance At Beginning Of Year</b>	<b>3,333,169</b>	<b>3,333,169</b>	<b>0</b>
Unexpended Prior Years Encumbrances	604,593	604,593	0
<b>Fund Balance At End Of Year</b>	<b><u><u>\$ (316,239)</u></u></b>	<b><u><u>\$ 9,542</u></u></b>	<b><u><u>\$ 325,781</u></u></b>

**CITY OF DELAWARE**

## Schedule Of Revenues, Expenses And Changes In Fund Balance

Budget And Actual [Budget Basis]

Year Ended December 31, 2002

## Downtown Streetscape

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Interest Income	\$ 2,306	\$ 2,306	\$ 0
Total Revenues	<u>2,306</u>	<u>2,306</u>	<u>0</u>
<b>Expenditures</b>			
Current:			
General Government			
Services & Charges	44,714	106,484	(61,770)
Capital Outlay	1,650,000	1,192,346	457,654
Total Expenditures	<u>1,694,714</u>	<u>1,298,830</u>	<u>395,884</u>
Excess (Deficiency) Of Revenues Over Expenditures	(1,692,408)	(1,296,524)	395,884
<b>Other Financing Sources</b>			
Proceeds of Bonds	0	717,768	717,768
Total Other Financing Sources	<u>0</u>	<u>717,768</u>	<u>717,768</u>
Excess (Deficiency) Of Revenues And Other Financing Sources Over Expenditures And Other Financing Uses	(1,692,408)	(578,756)	1,113,652
<b>Fund Balance At Beginning Of Year</b>	<b>2,675</b>	<b>2,675</b>	<b>0</b>
Unexpended Prior Years Encumbrances	44,714	44,714	0
<b>Fund Balance At End Of Year</b>	<b><u>\$ (1,645,019)</u></b>	<b><u>\$(531,367)</u></b>	<b><u>\$ 1,113,652</u></b>

**CITY OF DELAWARE**

## Schedule Of Revenues, Expenses And Changes In Fund Balance

Budget And Actual [Budget Basis]

Year Ended December 31, 2002

	FAA Airport Expansion		
	Revised		Variance
	Budget	Actual	Favorable (Unfavorable)
<b>Revenues</b>			
Interest Income	\$ 5	\$ 0	\$ (5)
Total Revenues	<u>5</u>	<u>0</u>	<u>(5)</u>
<b>Expenditures</b>			
Capital Outlay	445,000	0	445,000
Total Expenditures	<u>445,000</u>	<u>0</u>	<u>445,000</u>
Excess (Deficiency) Of Revenues Over Expenditures	(444,995)	0	444,995
<b>Fund Balance At Beginning Of Year</b>	<u>5</u>	<u>5</u>	<u>0</u>
<b>Fund Balance At End Of Year</b>	<u><u>\$ (444,990)</u></u>	<u><u>\$ 5</u></u>	<u><u>\$ 444,995</u></u>



**CITY OF DELAWARE**

## Schedule Of Revenues, Expenses And Changes In Fund Balance

Budget And Actual [Budget Basis]

Year Ended December 31, 2002

## FAA Airport Allocation/Improvement Fund

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Intergovernmental	\$ 0	\$ 23,755	\$ 23,755
Total Revenues	<u>0</u>	<u>23,755</u>	<u>23,755</u>
<b>Expenditures</b>			
Capital Outlay	276,200	276,200	0
Total Expenditures	<u>276,200</u>	<u>276,200</u>	<u>0</u>
Excess (Deficiency) Of Revenues Over Expenditures	<u>(276,200)</u>	<u>(252,445)</u>	<u>23,755</u>
<b>Other Financing Sources</b>			
Transfers In	0	30,148	30,148
Total Other Financing Sources	<u>0</u>	<u>30,148</u>	<u>30,148</u>
Excess (Deficiency) Of Revenues And Other Financing Sources Over Expenditures	<u>(276,200)</u>	<u>(222,297)</u>	<u>53,903</u>
<b>Fund Balance At Beginning Of Year</b>	<b><u>0</u></b>	<b><u>0</u></b>	<b><u>0</u></b>
<b>Fund Balance At End Of Year</b>	<b><u><u>\$ (276,200)</u></u></b>	<b><u><u>\$ (222,297)</u></u></b>	<b><u><u>\$ 53,903</u></u></b>

**CITY OF DELAWARE**

## Schedule Of Revenues, Expenses And Changes In Fund Balance

Budget And Actual [Budget Basis]

Year Ended December 31, 2002

	Equipment Replacement		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Total Revenues	\$ 0	\$ 0	\$ 0
<b>Expenditures</b>			
Capital Outlay	186,993	168,123	18,870
Total Expenditures	<u>186,993</u>	<u>168,123</u>	<u>18,870</u>
Excess (Deficiency) Of Revenues Over Expenditures	(186,993)	(168,123)	18,870
<b>Other Financing Sources</b>			
Transfers In	120,643	120,643	0
Total Other Financing Sources	<u>120,643</u>	<u>120,643</u>	<u>0</u>
Excess (Deficiency) Of Revenues And Other Financing Sources Over Expenditures	(66,350)	(47,480)	18,870
<b>Fund Balance At Beginning Of Year</b>	<b>11,127</b>	<b>11,127</b>	<b>0</b>
Unexpended Prior Years Encumbrances	<u>73,217</u>	<u>73,217</u>	<u>0</u>
<b>Fund Balance At End Of Year</b>	<b><u>\$ 17,994</u></b>	<b><u>\$ 36,864</u></b>	<b><u>\$ 18,870</u></b>

**CITY OF DELAWARE**

## Schedule Of Revenues, Expenses And Changes In Fund Balance

Budget And Actual [Budget Basis]

Year Ended December 31, 2002

	Airport Improvement Construction		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Total Revenues	\$ 0	\$ 0	\$ 0
<b>Expenditures</b>			
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) Of Revenues Over Expenditures	0	0	0
<b>Other Financing Uses</b>			
Transfers Out	<u>(14,167)</u>	<u>0</u>	<u>14,167</u>
Total Other Financing Uses	<u>(14,167)</u>	<u>0</u>	<u>14,167</u>
Excess (Deficiency) Of Revenues Over Expenditures And Other Financing Uses	(14,167)	0	14,167
<b>Fund Balance At Beginning Of Year</b>	<u><b>0</b></u>	<u><b>0</b></u>	<u><b>0</b></u>
<b>Fund Balance At End Of Year</b>	<u><u><b>\$ (14,167)</b></u></u>	<u><u><b>\$ 0</b></u></u>	<u><u><b>\$ 14,167</b></u></u>

**CITY OF DELAWARE**

## Schedule Of Revenues, Expenses And Changes In Fund Balance

Budget And Actual [Budget Basis]

Year Ended December 31, 2002

	Park Impact Fees		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Impact Fees	\$ 325,000	\$ 326,135	\$ 1,135
Total Revenues	<u>325,000</u>	<u>326,135</u>	<u>1,135</u>
<b>Expenditures</b>			
Capital Outlay	1,110,853	438,483	672,370
Total Expenditures	<u>1,110,853</u>	<u>438,483</u>	<u>672,370</u>
Excess (Deficiency) Of Revenues Over Expenditures	(785,853)	(112,348)	673,505
<b>Fund Balance At Beginning Of Year</b>	<b>61,991</b>	<b>61,991</b>	<b>0</b>
Unexpended Prior Years Encumbrances	<u>262,853</u>	<u>262,853</u>	<u>0</u>
<b>Fund Balance At End Of Year</b>	<b><u>\$ (461,009)</u></b>	<b><u>\$ 212,496</u></b>	<b><u>\$ 673,505</u></b>

**CITY OF DELAWARE**

## Schedule Of Revenues, Expenses And Changes In Fund Balance

Budget And Actual [Budget Basis]

Year Ended December 31, 2002

	Police Impact Fees		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Impact Fees	\$ 125,000	\$109,667	\$ (15,333)
Total Revenues	<u>125,000</u>	<u>109,667</u>	<u>(15,333)</u>
<b>Expenditures</b>			
Capital Outlay	<u>140,900</u>	<u>122,678</u>	<u>18,222</u>
Total Expenditures	<u>140,900</u>	<u>122,678</u>	<u>18,222</u>
Excess (Deficiency) Of Revenues Over Expenditures	(15,900)	(13,011)	2,889
<b>Fund Balance At Beginning Of Year</b>	<b>70,632</b>	<b>70,632</b>	<b>0</b>
Unexpended Prior Years Encumbrances	<u>4,900</u>	<u>4,900</u>	<u>0</u>
<b>Fund Balance At End Of Year</b>	<b><u>\$ 59,632</u></b>	<b><u>\$ 62,521</u></b>	<b><u>\$ 2,889</u></b>

**CITY OF DELAWARE**

## Schedule Of Revenues, Expenses And Changes In Fund Balance

Budget And Actual [Budget Basis]

Year Ended December 31, 2002

## Fire Impact Fees

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues</b>			
Impact Fees	\$ 230,500	\$ 231,030	\$ 530
Total Revenues	<u>230,500</u>	<u>231,030</u>	<u>530</u>
<b>Expenditure</b>			
Capital Outlay	<u>160,000</u>	<u>110,660</u>	<u>49,340</u>
Total Expenditures	<u>160,000</u>	<u>110,660</u>	<u>49,340</u>
Excess (Deficiency) Of Revenues Over Expenditures	70,500	120,370	49,870
<b>Fund Balance At Beginning Of Year</b>	<u><b>174,256</b></u>	<u><b>174,256</b></u>	<u><b>0</b></u>
<b>Fund Balance At End Of Year</b>	<u><u><b>\$244,756</b></u></u>	<u><u><b>\$294,626</b></u></u>	<u><u><b>\$ 49,870</b></u></u>

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## Enterprise Funds

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Golf Course Fund – To account for funds received and used at the City’s Municipal Golf Course.

Parking Lots Fund – To account for funds received from the rental of City-owned parking lots and meters. The receipts are used to purchase and maintain traffic enforcement equipment, parking lots, and meters.

Water Fund – To account for the provision of water treatment and distribution to the residential and commercial users of the City. The costs of these services are financed primarily through user charges.

Sewer Fund – To account for sanitary sewer services provided to the residential and commercial users of the City. The costs of these services are financed primarily through user charges.

Refuse Fund – To account for the provision of refuse and recycling services to the residential and commercial users of the City. The costs of these services are financed primarily through user charges.

**CITY OF DELAWARE, OHIO**

Combining Balance Sheet--

All Enterprise Funds

As of December 31, 2002

	Golf Course	Parking Lots	Water	Sewer
<b>Assets</b>				
<i>Current Assets</i>				
Equity in Pooled Cash & Cash Equivalents	\$ 178,232	\$ 10,416	\$ 7,116,249	\$ 6,262,786
Accounts Receivable	0	0	501,804	566,214
Prepaid Items	2,684	0	22,628	34,106
Interest Receivable	0	0	0	305
Due from County Government	0	0	0	200,000
Inventory	686	0	11,294	2,669
Total Current Assets	<u>181,602</u>	<u>10,416</u>	<u>7,651,975</u>	<u>7,066,080</u>
<i>Restricted Assets:</i>				
Equity in Pooled Cash & Cash Equivalents	0	0	221,739	16,108
Total Restricted Assets	<u>0</u>	<u>0</u>	<u>221,739</u>	<u>16,108</u>
<i>Long-Term Assets</i>				
Unamortized Bond Issuance Costs	0	0	0	156,323
Deferred Charges	0	0	0	153,735
Fixed Assets (Net Of Accumulated Depreciation)	179,932	206,811	16,202,051	23,697,545
Total Assets	<u><u>361,534</u></u>	<u><u>217,227</u></u>	<u><u>24,075,765</u></u>	<u><u>31,089,791</u></u>
<b>Liabilities</b>				
<i>Current Liabilities</i>				
Accounts Payable	1,191	5,188	125,629	147,924
Accrued Wages and Benefits	6,518	0	127,147	174,979
Compensated Absences Payable	282		17,738	11,474
Accrued Interest Payable	0	0	117	10,971
<i>Payables From Restricted Assets:</i>				
Contracts Payable	0	0	33,588	16,108
Customer Deposits	0	0	188,151	0
Total Current Liabilities	<u>7,991</u>	<u>5,188</u>	<u>492,370</u>	<u>361,456</u>
<i>Long-Term Liabilities</i>				
Landfill Post-Closure Obligation	0	0	0	0
Compensated Absences Payable	7,885	0	207,122	135,978
Unamortized Bond Premium	0	0	0	8,639
General Obligation Bonds Payable	0	0	0	7,735,000
Special Assessment Bonds Payable	0	0	23,400	0
Total Long-Term Liabilities	<u>7,885</u>	<u>0</u>	<u>230,522</u>	<u>7,879,617</u>
Total Liabilities	<u><u>15,876</u></u>	<u><u>5,188</u></u>	<u><u>722,892</u></u>	<u><u>8,241,073</u></u>
<b>Fund Equity</b>				
Contributed Capital	111,831	0	4,896,561	10,903,353
Retained Earnings	233,827	212,039	18,456,312	11,945,365
Total Fund Equity	<u>345,658</u>	<u>212,039</u>	<u>23,352,873</u>	<u>22,848,718</u>
Total Liabilities & Fund Equity	<u><u>\$ 361,534</u></u>	<u><u>\$ 217,227</u></u>	<u><u>\$ 24,075,765</u></u>	<u><u>\$ 31,089,791</u></u>

(continued)



**CITY OF DELAWARE, OHIO**Combining Balance Sheet--  
All Enterprise FundsAs of December 31, 2002  
(continued)

	<u>Refuse</u>	<u>Totals</u>
<b>Assets</b>		
<i>Current Assets</i>		
Equity in Pooled Cash & Cash Equivalents	\$ 365,237	\$ 13,932,920
Accounts Receivable	222,177	1,290,195
Prepaid Items	13,131	72,549
Interest Receivable	0	305
Due from County Government	0	200,000
Inventory	0	14,649
Total Current Assets	<u>600,545</u>	<u>15,510,618</u>
<i>Restricted Assets:</i>		
Equity in Pooled Cash & Cash Equivalents	0	237,847
Total Restricted Assets	<u>0</u>	<u>237,847</u>
<i>Long-Term Assets</i>		
Unamortized Bond Issuance Costs	0	156,323
Deferred Charges	0	153,735
Fixed Assets (Net Of Accumulated Depreciation)	<u>811,375</u>	<u>41,097,714</u>
Total Assets	<u><u>1,411,920</u></u>	<u><u>57,156,237</u></u>
<b>Liabilities</b>		
<i>Current Liabilities</i>		
Accounts Payable	31,787	311,719
Accrued Wages and Benefits	31,603	340,247
Compensated Absences Payable	6,571	36,065
Accrued Interest Payable	0	11,088
<i>Payables From Restricted Assets:</i>		
Contracts Payable	0	49,696
Customer Deposits	0	188,151
Total Current Liabilities	<u>69,961</u>	<u>936,966</u>
<i>Long-Term Liabilities</i>		
Landfill Post-Closure Obligation	285,000	285,000
Compensated Absences Payable	12,069	363,054
Unamortized Bond Premium	0	8,639
General Obligation Bonds Payable	0	7,735,000
Special Assessment Bonds Payable	0	23,400
Total Long-Term Liabilities	<u>297,069</u>	<u>8,415,093</u>
Total Liabilities	<u><u>367,030</u></u>	<u><u>9,352,059</u></u>
<b>Fund Equity</b>		
Contributed Capital	11,667	15,923,412
Retained Earnings	1,033,223	31,880,766
Total Fund Equity	<u>1,044,890</u>	<u>47,804,178</u>
Total Liabilities & Fund Equity	<u><u>\$ 1,411,920</u></u>	<u><u>\$ 57,156,237</u></u>

**CITY OF DELAWARE, OHIO**

Combining Statement Of Revenues, Expenses &

Changes In Fund Equity

All Enterprise Funds

For the Year Ended December 31, 2002

	Golf Course	Parking Lots	Water	Sewer
<b>Operating Revenues:</b>				
Charges For Services	\$ 171,561	\$ 30,112	\$ 2,864,549	\$ 3,256,117
Capacity Fees	0	0	924,797	569,771
Miscellaneous	0	0	21,068	84,061
Total Revenues	<u>171,561</u>	<u>30,112</u>	<u>3,810,414</u>	<u>3,909,949</u>
<b>Operating Expenses:</b>				
Personal Services	97,542	0	1,123,674	1,050,474
Cost Of Services	0	0	412,000	412,000
Depreciation	18,513	3,834	567,850	955,732
Services and Charges	24,535	30,554	1,118,403	1,062,792
Materials And Supplies	23,103	4,950	364,094	62,963
Total Expenses	<u>163,693</u>	<u>39,338</u>	<u>3,586,021</u>	<u>3,543,961</u>
Operating Income/(Loss)	<u>7,868</u>	<u>(9,226)</u>	<u>224,393</u>	<u>365,988</u>
<b>Non-Operating Revenues (Expenses):</b>				
Intergovernmental	0	0	0	200,000
Interest Income	0	0	0	64,473
Interest Expense & Fiscal Charges	0	0	(117)	(200,489)
Donated Water and Sewer Lines	0	0	1,888,197	2,010,119
Other Revenue/(Expense)	(56)	0	(7,952)	(56,922)
Total Non-Operating Revenues (Expenses)	<u>(56)</u>	<u>0</u>	<u>1,880,128</u>	<u>2,017,181</u>
Income (Loss) Before Operating Transfers	7,812	(9,226)	2,104,521	2,383,169
Operating Transfers In	0	0	2,112	0
Net Income/(Loss)	<u>7,812</u>	<u>(9,226)</u>	<u>2,106,633</u>	<u>2,383,169</u>
Add Depreciation On Fixed Assets				
Acquired By Contributed Capital	105	0	135,108	515,136
Increase (Decrease) In Retained Earnings	<u>7,917</u>	<u>(9,226)</u>	<u>2,241,741</u>	<u>2,898,305</u>
<b>Fund Equity At Beginning Of Year [as restated; see Note 2]</b>	<u>225,910</u>	<u>221,265</u>	<u>16,214,571</u>	<u>9,047,060</u>
<b>Fund Equity At End Of Year</b>	<u>\$ 233,827</u>	<u>\$ 212,039</u>	<u>\$ 18,456,312</u>	<u>\$ 11,945,365</u>

(continued)

**CITY OF DELAWARE, OHIO**

Combining Statement Of Revenues, Expenses &  
 Changes In Fund Equity  
 All Enterprise Funds  
 For the Year Ended December 31, 2002  
 (continued)

	Refuse	Totals
<b>Operating Revenues:</b>		
Charges For Services	\$ 1,781,964	\$ 8,104,303
Capacity Fees	0	1,494,568
Miscellaneous	0	105,129
Total Revenues	<u>1,781,964</u>	<u>9,704,000</u>
<b>Operating Expenses:</b>		
Personal Services	498,797	2,770,487
Cost Of Services	185,000	1,009,000
Depreciation	230,345	1,776,274
Services and Charges	799,191	3,035,475
Materials And Supplies	36,511	491,621
Total Expenses	<u>1,749,844</u>	<u>9,082,857</u>
Operating Income/(Loss)	<u>32,120</u>	<u>621,143</u>
<b>Non-Operating Revenues (Expenses):</b>		
Intergovernmental	0	200,000
Interest Income	0	64,473
Interest Expense	0	(200,606)
Donated Water and Sewer Lines	0	3,898,316
Other Revenue/(Expense)	(489)	(65,419)
Total Non-Operating Revenues (Expenses)	<u>(489)</u>	<u>3,896,764</u>
Income (Loss) Before Operating Transfers	31,631	4,517,907
Operating Transfers In	0	2,112
Net Income/(Loss)	<u>31,631</u>	<u>4,520,019</u>
Add Depreciation On Fixed Assets Acquired By Contributed Capital	15,250	665,599
Increase (Decrease) In Retained Earnings	<u>46,881</u>	<u>5,185,618</u>
<b>Fund Equity At Beginning Of Year [as restated; see Note 2]</b>	<u>986,342</u>	<u>26,695,148</u>
<b>Fund Equity At End Of Year</b>	<u>\$ 1,033,223</u>	<u>\$ 31,880,766</u>

**CITY OF DELAWARE, OHIO**

Schedule Of Revenues, Expenses, And Changes In Fund Balance

Budget And Actual [Budget Basis]

For The Year Ended December 31, 2002

	Golf Course		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Charges For Service	\$ 192,840	\$ 171,561	\$ (21,279)
Total Revenues	192,840	171,561	(21,279)
<b>Expenses</b>			
Personal Services	108,630	98,525	10,105
Materials & Supplies	23,675	23,395	280
Services & Charges	34,295	26,329	7,966
Reimbursements	375	56	319
Capital Outlay	5,700	10,666	(4,966)
Total Expenses	172,675	158,971	13,704
Excess (Deficiency) Of Revenues Over Expenses	20,165	12,590	(7,575)
<b>Fund Balance At Beginning Of Year</b>	<b>162,837</b>	<b>162,837</b>	<b>0</b>
Unexpended Prior Years Encumbrances	2,505	2,505	0
<b>Fund Balance At End Of Year</b>	<b>\$ 185,507</b>	<b>\$ 177,932</b>	<b>\$ (7,575)</b>

**CITY OF DELAWARE, OHIO**

Schedule Of Revenues, Expenses, And Changes In Fund Balance

Budget And Actual [Budget Basis]

For The Year Ended December 31, 2002

	Parking Lots		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Charges For Service	\$ 32,550	\$ 30,112	\$ (2,438)
Total Revenues	32,550	30,112	(2,438)
<b>Expenses</b>			
Services & Charges	32,623	30,231	2,392
Capital Outlay	4,950	4,950	0
Total Expenses	37,573	35,181	2,392
Excess (Deficiency) Of Revenues Over Expenses	(5,023)	(5,069)	(46)
<b>Fund Balance At Beginning Of Year</b>	<b>14,285</b>	<b>14,285</b>	<b>0</b>
Unexpended Prior Years Encumbrances	1,200	1,200	0
<b>Fund Balance At End Of Year</b>	<b>\$ 10,462</b>	<b>\$ 10,416</b>	<b>\$ (46)</b>

**CITY OF DELAWARE, OHIO**

## Schedule Of Revenues, Expenses, And Changes In Fund Balance

Budget And Actual [Budget Basis]

For The Year Ended December 31, 2002

	Water		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Charges For Service	\$ 2,930,000	\$ 2,808,617	\$ (121,383)
Capacity Fees	952,600	924,797	(27,803)
Water Deposits	33,000	32,897	(103)
Miscellaneous	63,012	68,631	5,619
Total Revenues	<u>3,978,612</u>	<u>3,834,942</u>	<u>(143,670)</u>
<b>Expenses</b>			
Administration			
Personal Services	158,741	140,849	17,892
Services & Charges	463,000	418,667	44,333
Reimbursements	15,000	20,554	(5,554)
Treatment			
Personal Services	584,062	582,176	1,886
Materials & Supplies	243,624	216,187	27,437
Services & Charges	313,245	276,970	36,275
Capital Outlay	34,097	29,637	4,460
Distribution			
Personal Services	394,934	372,160	22,774
Materials & Supplies	160,547	149,331	11,216
Services & Charges	829,746	253,665	576,081
Reimbursements	26,000	23,739	2,261
Capital Outlay	6,815,901	1,836,504	4,979,397
Total Expenses	<u>10,038,897</u>	<u>4,320,439</u>	<u>5,718,458</u>
Excess (Deficiency) Of Revenues Over Expenses	(6,060,285)	(485,497)	5,574,788
Other Financing Sources			
Proceeds Of Note Issuance	2,500,000	0	(2,500,000)
Total Other Financing Sources	<u>2,500,000</u>	<u>0</u>	<u>(2,500,000)</u>
Excess (Deficiency) Of Revenues And Other Financing Sources Over Expenses	<u>(3,560,285)</u>	<u>(485,497)</u>	<u>3,074,788</u>
<b>Fund Balance At Beginning Of Year</b>	<b>6,597,077</b>	<b>6,597,077</b>	<b>0</b>
Unexpended Prior Years Encumbrances	673,483	673,483	0
<b>Fund Balance At End Of Year</b>	<b><u>\$ 3,710,275</u></b>	<b><u>\$ 6,785,063</u></b>	<b><u>\$ 3,074,788</u></b>

**CITY OF DELAWARE, OHIO**

## Schedule Of Revenues , Expenses, And Changes In Fund Balance

Budget And Actual [Budget Basis]

For The Year Ended December 31, 2002

	Sewer		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Charges For Service	\$ 3,118,000	\$ 3,177,799	\$ 59,799
Capacity Fees	550,000	569,771	19,771
Interest Income	63,000	73,570	10,570
Miscellaneous	91,000	92,467	1,467
Total Revenues	<u>3,822,000</u>	<u>3,913,607</u>	<u>91,607</u>
<b>Expenses</b>			
Administration			
Personal Services	158,741	139,645	19,096
Services & Charges	468,000	420,394	47,606
Reimbursements	46,670	56,922	(10,252)
Capital Outlay	60,000	60,000	0
Treatment			
Personal Services	682,172	697,103	(14,931)
Materials & Supplies	105,697	83,335	22,362
Services & Charges	540,725	519,090	21,635
Capital Outlay	23,150	19,489	3,661
Collection			
Personal Services	256,939	259,628	(2,689)
Materials & Supplies	82,822	42,031	40,791
Services & Charges	125,491	79,900	45,591
Capital Outlay	23,010,085	3,868,996	19,141,089
Debt Service			
Principal Retirement	708,572	708,572	0
Interest & Fiscal Charges	210,156	211,238	(1,082)
Bond Issuance Costs	156,323	156,323	0
Total Expenses	<u>26,635,543</u>	<u>7,322,666</u>	<u>19,312,877</u>
Excess (Deficiency) Of Revenues Over Expenses	(22,813,543)	(3,409,059)	19,404,484
Other Financing Sources & Uses			
Proceeds of Bond Issuance	7,743,639	7,743,639	0
Payment to Refunded Debt Escrow Agent	(2,966,871)	(2,966,871)	0
Total Other Financing Sources & Uses	<u>4,776,768</u>	<u>4,776,768</u>	<u>0</u>
Excess (Deficiency) Of Revenues And Other Financing Sources Over Expenses	<u>(18,036,775)</u>	<u>1,367,709</u>	<u>19,404,484</u>
<b>Fund Balance At Beginning Of Year</b>	<b>2,652,780</b>	<b>2,652,780</b>	<b>0</b>
Unexpended Prior Years Encumbrances	1,502,809	1,502,809	0
<b>Fund Balance At End Of Year</b>	<b><u>\$ (13,881,186)</u></b>	<b><u>\$ 5,523,298</u></b>	<b><u>\$ 19,404,484</u></b>

**CITY OF DELAWARE, OHIO**

## Schedule Of Revenues, Expenses, And Changes In Fund Balance

## Budget And Actual [Budget Basis]

For The Year Ended December 31, 2002

	Refuse		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Charges For Service	\$1,705,000	\$1,720,044	\$ 15,044
Miscellaneous	31,000	0	(31,000)
Total Revenues	<u>1,736,000</u>	<u>1,720,044</u>	<u>(15,956)</u>
<b>Expenses</b>			
Administration			
Services & Charges	238,370	234,871	3,499
Reimbursements	750	489	261
Capital Outlay	217,000	56,580	160,420
Collection			
Personal Services	310,110	296,848	13,262
Materials & Supplies	177,528	213,941	(36,413)
Services & Charges	769,320	753,809	15,511
Capital Outlay	247,600	221,954	25,646
Recycling			
Personal Services	217,017	195,284	21,733
Materials & Supplies	34,700	30,697	4,003
Services & Charges	63,528	63,323	205
Capital Outlay	2,500	2,425	75
Total Expenses	<u>2,278,423</u>	<u>2,070,221</u>	<u>208,202</u>
Excess (Deficiency) Of Revenues Over Expenses	<u>(542,423)</u>	<u>(350,177)</u>	<u>192,246</u>
<b>Fund Balance At Beginning Of Year</b>	<b>194,042</b>	<b>194,042</b>	<b>0</b>
Unexpended Prior Years Encumbrances	<u>269,187</u>	<u>269,187</u>	<u>0</u>
<b>Fund Balance At End Of Year</b>	<b><u>\$ (79,194)</u></b>	<b><u>\$ 113,052</u></b>	<b><u>\$ 192,246</u></b>



**CITY OF DELAWARE, OHIO**  
Combining Statement Of Cash Flows  
All Enterprise Funds  
For The Year Ended December 31, 2002

	<u>Golf Course</u>	<u>Parking Lot</u>	<u>Water</u>
<b>Cash flows from operating activities:</b>			
Cash received from customers	\$ 171,561	\$ 30,112	\$ 3,733,414
Customer deposits received	0	0	32,897
Customer deposits returned	0	0	(23,739)
Cash payments for personal services	(98,525)	0	(1,095,185)
Cash payments for materials and supplies	(23,396)	0	(413,001)
Cash payments for services and charges	(26,029)	(35,181)	(1,543,039)
Other cash received or paid	0	0	56,029
	<u>23,611</u>	<u>(5,069)</u>	<u>747,376</u>
<i>Net cash provided by (used for) operating activities</i>			
<b>Cash Flows from Noncapital Financing Activities</b>			
Cash received from land rent	0	0	12,602
Cash payments for reimbursements	(56)	0	(20,554)
	<u>(56)</u>	<u>0</u>	<u>(7,952)</u>
<i>Net cash provided by (used for) noncapital financing activities</i>			
<b>Cash flows from capital and related financing activities</b>			
Acquisition and construction of capital assets	(10,666)	0	(671,998)
Cash received from refunded bond proceeds	0	0	0
Cash received from general obligation bond proceeds	0	0	0
Interest received from refunded bond proceeds	0	0	0
Interest received from general obligation bond proceeds	0	0	0
Refunded bond issuance costs	0	0	0
Payment to refunded bond escrow agent	0	0	0
General obligation bond issuance costs	0	0	0
Interest paid on capital debt	0	0	0
Principal paid on capital debt	0	0	0
	<u>(10,666)</u>	<u>0</u>	<u>(671,998)</u>
<i>Net cash provided by (used for) capital and related financing activities</i>			
<b>Cash flows from investing activities</b>			
Interest received	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>
<b>Net increase (decrease) in cash and cash equivalents</b>			
	<u>12,889</u>	<u>(5,069)</u>	<u>67,426</u>
Cash and cash equivalents at beginning of year	<u>165,343</u>	<u>15,485</u>	<u>7,270,562</u>
Cash and cash equivalents at end of year	<u>\$ 178,232</u>	<u>\$ 10,416</u>	<u>\$ 7,337,988</u>

(continued)

**CITY OF DELAWARE, OHIO**  
Combining Statement Of Cash Flows  
All Enterprise Funds  
For The Year Ended December 31, 2002  
(continued)

	Sewer	Refuse	Totals
<b>Cash flows from operating activities:</b>			
Cash received from customers	\$ 3,747,570	\$ 1,720,044	\$ 9,402,701
Customer deposits received	0	0	32,897
Customer deposits returned	0	0	(23,739)
Cash payments for personal services	(1,096,376)	(492,132)	(2,782,218)
Cash payments for materials and supplies	(138,271)	(36,334)	(611,002)
Cash payments for services and charges	(1,571,450)	(1,008,730)	(4,184,429)
Other cash received or paid	92,467	0	148,496
<i>Net cash provided by (used for) operating activities</i>	1,033,940	182,848	1,982,706
<b>Cash Flows from Noncapital Financing Activities</b>			
Cash received from land rent	0	0	12,602
Cash payments for reimbursements	(56,922)	(489)	(78,021)
<i>Net cash provided by (used for) noncapital financing activities</i>	(56,922)	(489)	(65,419)
<b>Cash flows from capital and related financing activities</b>			
Acquisition and construction of capital assets	(2,627,918)	(280,351)	(3,590,933)
Cash received from refunded bond proceeds	3,033,422	0	3,033,422
Cash received from general obligation bond proceeds	4,710,217	0	4,710,217
Interest received from refunded bond proceeds	1,910	0	1,910
Interest received from general obligation bond proceeds	3,903	0	3,903
Refunded bond issuance costs	(62,557)	0	(62,557)
Payment to refunded bond escrow agent	(2,966,871)	0	(2,966,871)
General obligation bond issuance costs	(93,765)	0	(93,765)
Interest paid on capital debt	(211,238)	0	(211,238)
Principal paid on capital debt	(708,572)	0	(708,572)
<i>Net cash provided by (used for) capital and related financing activities</i>	1,078,531	(280,351)	115,516
<b>Cash flows from investing activities</b>			
Interest received	67,756	0	67,756
<b>Net increase (decrease) in cash and cash equivalents</b>	2,123,305	(97,992)	2,100,559
Cash and cash equivalents at beginning of year	4,155,589	463,229	12,070,208
Cash and cash equivalents at end of year	\$ 6,278,894	\$ 365,237	\$ 14,170,767

(continued)

**CITY OF DELAWARE, OHIO**

Combining Statement Of Cash Flows

All Enterprise Funds

For The Year Ended December 31, 2002

(continued)

	<u>Golf Course</u>	<u>Parking Lot</u>	<u>Water</u>
<b>Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:</b>			
Operating income (loss)	\$ 7,868	\$ (9,226)	\$ 224,393
<i>Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:</i>			
Depreciation	18,513	3,834	567,850
Landfill amortization	0	0	0
<i>Changes in Assets and Liabilities:</i>			
(Increase) decrease in accounts receivable	0	0	(20,972)
(Increase) decrease in prepaid items	(1,517)	0	(7,864)
(Increase) decrease in inventory	(407)	0	(2,482)
Increase (decrease) in accounts payable	137	323	(17,295)
Increase (decrease) in contracts payable	0	0	(33,913)
Increase (decrease) in customer deposits	0	0	9,156
Increase (decrease) in accrued wages & benefits	1,018	0	(48,058)
Increase (decrease) in compensated absences payable	(2,001)	0	76,561
Total Adjustments	<u>15,743</u>	<u>4,157</u>	<u>522,983</u>
Net cash provided by (used for) operating activities	<u>\$ 23,611</u>	<u>\$ (5,069)</u>	<u>\$ 747,376</u>

(continued)

Noncash capital transactions:

The Water fund received water lines donated by developers with a fair value of \$1,888,197. These lines were recorded as fixed assets.

The Sewer fund received sewer lines donated by developers with a fair value of \$2,010,119. These lines were recorded as fixed assets.

**CITY OF DELAWARE, OHIO**

Combining Statement Of Cash Flows

All Enterprise Funds

For The Year Ended December 31, 2002

(continued)

	<u>Sewer</u>	<u>Refuse</u>	<u>Totals</u>
<b>Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:</b>			
Operating income (loss)	\$ 365,988	\$ 32,120	\$ 621,143
<i>Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:</i>			
Depreciation	955,732	230,345	1,776,274
Landfill amortization	0	(5,000)	(5,000)
<i>Changes in Assets and Liabilities:</i>			
(Increase) decrease in accounts receivable	(69,912)	(61,920)	(152,804)
(Increase) decrease in prepaid items	(13,973)	(7,295)	(30,649)
(Increase) decrease in inventory	(614)	0	(3,503)
Increase (decrease) in accounts payable	(89,455)	(11,152)	(117,442)
Increase (decrease) in contracts payable	(67,886)	0	(101,799)
Increase (decrease) in customer deposits	0	0	9,156
Increase (decrease) in accrued wages & benefits	(50,813)	873	(96,980)
Increase (decrease) in compensated absences payable	4,873	4,877	84,310
Total Adjustments	<u>667,952</u>	<u>150,728</u>	<u>1,361,563</u>
Net cash provided by (used for) operating activities	<u>\$ 1,033,940</u>	<u>\$ 182,848</u>	<u>\$ 1,982,706</u>

## Noncash capital transactions:

The Water fund received water lines donated by developers with a fair value of \$1,888,197. These lines were recorded as fixed assets.

The Sewer fund received sewer lines donated by developers with a fair value of \$2,010,119. These lines were recorded as fixed assets.

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## Internal Service Funds

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Garage Rotary Fund – To account for the fuel, maintenance and repair for all City vehicles and machinery. The cost is allocated to the various departments.

Self-insurance Fund – To account for premiums charged to various City funds for the payment of employee health care claims.

Worker's Compensation Fund – To account for the potential worker's compensation claims of the City. The City utilizes a retro-payment system where annual premiums are paid, as are retroactive claims. The City charges various departments for these premiums and payments.

**CITY OF DELAWARE, OHIO**Combining Balance Sheet--  
All Internal Service Funds

As of December 31, 2002

	Garage Rotary	Self- Insurance	Workers Comp	Totals
<b>Assets</b>				
<i>Current Assets</i>				
Equity in Pooled Cash & Cash Equivalents	\$ 159,037	\$ 180,640	\$ 927,751	\$ 1,267,428
Inventory	7,096	0	0	7,096
Total Current Assets	<u>166,133</u>	<u>180,640</u>	<u>927,751</u>	<u>1,274,524</u>
<i>Long-Term Assets</i>				
Fixed Assets (Net Of Accumulated Depreciation)	<u>29,948</u>	<u>0</u>	<u>0</u>	<u>29,948</u>
Total Assets	<u><u>196,081</u></u>	<u><u>180,640</u></u>	<u><u>927,751</u></u>	<u><u>1,304,472</u></u>
<b>Liabilities</b>				
<i>Current Liabilities</i>				
Accounts Payable	11,826	30	0	11,856
Accrued Wages and Benefits	10,732	0	0	10,732
Compensated Absences Payable	153	0	0	153
Total Current Liabilities	<u>22,711</u>	<u>30</u>	<u>0</u>	<u>22,741</u>
<i>Long-Term Liabilities</i>				
Compensated Absences Payable	17,531	0	0	17,531
Claims Payable	0	282,888	639,940	922,828
Total Long-Term Liabilities	<u>17,531</u>	<u>282,888</u>	<u>639,940</u>	<u>940,359</u>
Total Liabilities	<u>40,242</u>	<u>282,918</u>	<u>639,940</u>	<u>963,100</u>
<b>Fund Equity</b>				
Retained Earnings	155,839	(102,278)	287,811	341,372
Total Fund Equity	<u>155,839</u>	<u>(102,278)</u>	<u>287,811</u>	<u>341,372</u>
Total Liabilities & Fund Equity	<u><u>\$ 196,081</u></u>	<u><u>\$ 180,640</u></u>	<u><u>\$ 927,751</u></u>	<u><u>\$ 1,304,472</u></u>

**CITY OF DELAWARE, OHIO**

Combining Statement Of Revenues, Expenses &  
 Changes In Fund Equity  
 All Internal Service Funds  
 For the Year Ended December 31, 2002

	Garage Rotary	Self- Insurance	Workers Comp	Totals
<b>Operating Revenues:</b>				
Charges For Service	\$ 595,346	\$ 1,784,463	\$ 251,166	\$ 2,630,975
Total Revenues	<u>595,346</u>	<u>1,784,463</u>	<u>251,166</u>	<u>2,630,975</u>
<b>Operating Expenses</b>				
Personal Services	175,549	0	0	175,549
Depreciation	8,865	0	0	8,865
Services and Charges	47,404	366,554	0	413,958
Claims	0	2,092,457	239,534	2,331,991
Materials And Supplies	290,815	0	0	290,815
Total Expenses	<u>522,633</u>	<u>2,459,011</u>	<u>239,534</u>	<u>3,221,178</u>
Operating Income/(Loss)	<u>72,713</u>	<u>(674,548)</u>	<u>11,632</u>	<u>(590,203)</u>
Non-Operating (Expenses)				
Other Expense	0	(15,655)	0	(15,655)
Total Non-Operating (Expenses)	<u>0</u>	<u>(15,655)</u>	<u>0</u>	<u>(15,655)</u>
Net Income/(Loss)	<u>72,713</u>	<u>(690,203)</u>	<u>11,632</u>	<u>(605,858)</u>
<b>Fund Equity At Beginning Of Year</b>	<u>83,126</u>	<u>587,925</u>	<u>276,179</u>	<u>947,230</u>
<b>Fund Equity At End Of Year</b>	<u>\$ 155,839</u>	<u>\$ (102,278)</u>	<u>\$ 287,811</u>	<u>\$ 341,372</u>

**CITY OF DELAWARE, OHIO**

Schedule Of Revenues , Expenses, And Changes In Fund Balance  
 Budget And Actual [Budget Basis]  
 For The Year Ended December 31, 2002

	Garage Rotary		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>			
Charges For Services	\$ 595,346	\$ 595,346	\$ 0
Total Revenues	<u>595,346</u>	<u>595,346</u>	<u>0</u>
<b>Expenses:</b>			
Personal Services	161,803	178,749	(16,946)
Materials & Supplies	352,965	308,840	44,125
Services & Charges	83,214	75,448	7,766
Capital Outlay	10,794	9,154	1,640
Total Expenses	<u>608,776</u>	<u>572,191</u>	<u>36,585</u>
Excess (Deficiency) Of Revenues Over Expenses	(13,430)	23,155	36,585
<b>Fund Balance At Beginning Of Year</b>	<b>59,838</b>	<b>59,838</b>	<b>0</b>
Unexpended Prior Years Encumbrances	<u>28,232</u>	<u>28,232</u>	<u>0</u>
<b>Fund Balance At End Of Year</b>	<b><u>\$ 74,640</u></b>	<b><u>\$ 111,225</u></b>	<b><u>\$ 36,585</u></b>



**CITY OF DELAWARE, OHIO**

Schedule Of Revenues , Expenses, And Changes In Fund Balance  
Budget And Actual [Budget Basis]  
For The Year Ended December 31, 2002

	Self-Insurance		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>			
Charges For Services	\$ 1,781,000	\$ 1,784,463	\$ 3,463
Total Revenues	<u>1,781,000</u>	<u>1,784,463</u>	<u>3,463</u>
<b>Expenses:</b>			
Services & Charges	2,195,665	2,337,617	(141,952)
Reimbursements	25,500	15,655	9,845
Total Expenses	<u>2,221,165</u>	<u>2,353,272</u>	<u>(132,107)</u>
Excess (Deficiency) Of Revenues Over Expenses	(440,165)	(568,809)	(128,644)
<b>Fund Balance At Beginning Of Year</b>	<b><u>749,448</u></b>	<b><u>749,448</u></b>	<b><u>0</u></b>
<b>Fund Balance At End Of Year</b>	<b><u>\$ 309,283</u></b>	<b><u>\$ 180,639</u></b>	<b><u>\$ (128,644)</u></b>

**CITY OF DELAWARE, OHIO**

Schedule Of Revenues , Expenses, And Changes In Fund Balance  
Budget And Actual [Budget Basis]  
For The Year Ended December 31, 2002

## Worker's Compensation

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>			
Charges For Services	\$ 176,612	\$ 251,166	\$ 74,554
Total Revenues	<u>176,612</u>	<u>251,166</u>	<u>74,554</u>
<b>Expenses:</b>			
Services & Charges	<u>352,000</u>	<u>82,554</u>	<u>269,446</u>
Total Expenses	<u>352,000</u>	<u>82,554</u>	<u>269,446</u>
Excess (Deficiency) Of Revenues Over Expenses	(175,388)	168,612	344,000
<b>Fund Balance At Beginning Of Year</b>	<u><b>759,139</b></u>	<u><b>759,139</b></u>	<u><b>0</b></u>
<b>Fund Balance At End Of Year</b>	<u><u><b>\$ 583,751</b></u></u>	<u><u><b>\$ 927,751</b></u></u>	<u><u><b>\$ 344,000</b></u></u>

**CITY OF DELAWARE, OHIO**  
Combining Statement Of Cash Flows  
All Internal Service Funds  
For The Year Ended December 31, 2002

	Garage Rotary	Self-Insurance	Worker's Compensation	Totals
<b>Cash flows from operating activities:</b>				
Cash received from customers	\$ 595,346	\$ 0	\$ 0	\$ 595,346
Cash received for premiums	0	1,736,468	176,612	1,913,080
Cash received for services	0	47,995	74,554	122,549
Cash payments for personal services	(178,749)	0	0	(178,749)
Cash payments for materials and supplies	(291,436)	0	0	(291,436)
Cash payments for services and charges	(45,719)	(2,337,616)	(82,554)	(2,465,889)
<i>Net cash provided by (used for) operating activities</i>	79,442	(553,153)	168,612	(305,099)
<b>Cash Flows from Noncapital Financing Activities</b>				
Cash payments for reimbursements	0	(15,655)	0	(15,655)
<i>Net cash used for noncapital financing activities</i>	0	(15,655)	0	(15,655)
<b>Cash flows from capital and related financing activities</b>				
Acquisition and construction of capital assets	(8,475)	0	0	(8,475)
<i>Net cash used for capital and related financing activities</i>	(8,475)	0	0	(8,475)
<b>Net increase (decrease) in cash and cash equivalents</b>	70,967	(568,808)	168,612	(329,229)
Cash and cash equivalents at beginning of year	88,070	749,448	759,139	1,596,657
Cash and cash equivalents at end of year	\$ 159,037	\$ 180,640	\$ 927,751	\$ 1,267,428
<b>Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:</b>				
Operating income (loss)	\$ 72,713	\$ (674,548)	\$ 11,632	\$ (590,203)
<i>Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:</i>				
Depreciation	8,865	0	0	8,865
<i>Changes in Assets and Liabilities:</i>				
Increase (decrease) in accounts payable	1,051	30	0	1,081
Increase (decrease) in claims payable	0	121,365	156,980	278,345
Increase (decrease) in accrued wages & benefits	1,084	0	0	1,084
Increase (decrease) in compensated absences payable	(4,271)	0	0	(4,271)
Total Adjustments	6,729	121,395	156,980	285,104
Net cash provided by (used for) operating activities	\$ 79,442	\$ (553,153)	\$ 168,612	\$ (305,099)

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## Trust and Agency Funds

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### **Expendable Trust Funds**

Police Donations Fund – To account for donations given to the City Police Department. Most of the donations are used to purchase new equipment.

Park Donations Fund – To account for donations received by the City to help beautify and decorate the City's parks.

Fire Donations Fund – To account for donations received by the City's Fire Department. The donations are used, in part, to purchase equipment for the Fire Department.

Mayor's Donations Fund – To account, in part, for donations received for marriage ceremonies performed by the Mayor.

Project Trust Fund – To account for money received from developers prior to the development of land to assure the developers provide the required elements, such as park land, water retention site, etc.

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### **Agency Funds**

Highway Patrol Transfer Fund – To account for money received from fines and forfeitures used to support the Delaware County Law Library.

County Hotel/Motel Tax Fund – To account for tax money received from hotels and motels located outside the City and inside the County. The money collected is turned over to the County. The County began collecting their portion effective January 1, 2002 and the final distribution to the County occurred early in 2002.

State Building Permit Fund – To account for the allocation of permit fees collected by the City that are due to the State.

Municipal Court – To account for the collection and distribution of court fines and forfeitures through the Municipal Court.

**CITY OF DELAWARE, OHIO**

Combining Balance Sheet--  
All Fiduciary Fund Types

As of December 31, 2002

*Expendable Trust Funds*

	<u>Police Donations</u>	<u>Park Donations</u>	<u>Fire Donations</u>	<u>Mayor's Donations</u>	<u>Project Trust</u>
<b>Assets</b>					
Equity in Pooled Cash & Cash Equivalents	\$ 1,245	\$ 85,128	\$ 2,285	\$ 2,674	\$ 125,418
Accounts Receivable	0	52,000	0	0	0
Due From Municipal Court	0	0	0	0	0
Total Assets	<u>1,245</u>	<u>137,128</u>	<u>2,285</u>	<u>2,674</u>	<u>125,418</u>
<b>Liabilities And Fund Equity</b>					
<b>Liabilities</b>					
Due To Other Governments	0	0	0	0	0
Due To Others	0	0	0	0	0
Total Liabilities	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Fund Equity</b>					
Unreserved	<u>1,245</u>	<u>137,128</u>	<u>2,285</u>	<u>2,674</u>	<u>125,418</u>
Total Fund Equity	<u>1,245</u>	<u>137,128</u>	<u>2,285</u>	<u>2,674</u>	<u>125,418</u>
Total Liabilities and Fund Equity	<u>\$ 1,245</u>	<u>\$ 137,128</u>	<u>\$ 2,285</u>	<u>\$ 2,674</u>	<u>\$ 125,418</u>

(continued)

**CITY OF DELAWARE, OHIO**Combining Balance Sheet--  
All Fiduciary Fund TypesAs of December 31, 2002  
(continued)*Agency Funds*

	Highway Patrol Transfer	Hotel/Motel Tax	Building Permit	Municipal Court	Totals
<b>Assets</b>					
Equity in Pooled Cash & Cash Equivalents	\$ 0	\$ 0	\$ 1,858	\$ 415,530	634,138
Accounts Receivable	0	0	0	0	52,000
Due From Municipal Court	5,272	0	0	0	5,272
Total Assets	<u>5,272</u>	<u>0</u>	<u>1,858</u>	<u>415,530</u>	<u>691,410</u>
<b>Liabilities And Fund Equity</b>					
<b>Liabilities</b>					
Due To Other Governments	5,272	0	1,858	0	7,130
Due to Others	0	0	0	415,530	415,530
Total Liabilities	<u>5,272</u>	<u>0</u>	<u>1,858</u>	<u>415,530</u>	<u>422,660</u>
<b>Fund Equity</b>					
Unreserved	0	0	0	0	268,750
Total Fund Equity	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>268,750</u>
Total Liabilities and Fund Equity	<u>\$ 5,272</u>	<u>\$ 0</u>	<u>\$ 1,858</u>	<u>\$ 415,530</u>	<u>\$ 691,410</u>

**CITY OF DELAWARE, OHIO**Combining Statement Of Revenues, Expenditures &  
Changes In Fund Balances

All Expendable Trust Funds

For the Year Ended December 31, 2002

	<u>Police Donation</u>	<u>Park Donations</u>	<u>Fire Donations</u>	<u>Mayor's Donations</u>
<b>Revenues:</b>				
Donations	\$ 1,000	\$ 350	\$ 610	\$ 2,576
Developers Fees	0	122,264	0	0
Total Revenues	<u>1,000</u>	<u>122,614</u>	<u>610</u>	<u>2,576</u>
<b>Expenditures:</b>				
Current:				
General Government	0	0	0	4,603
Public Safety	0	0	200	0
Recreation And Parks	0	6,527	0	0
Total Expenditures	<u>0</u>	<u>6,527</u>	<u>200</u>	<u>4,603</u>
Excess (Deficiency) Of Revenues Over Expenditures	<u>1,000</u>	<u>116,087</u>	<u>410</u>	<u>(2,027)</u>
<b>Fund Balances At Beginning Of Year</b>	<u>245</u>	<u>21,041</u>	<u>1,875</u>	<u>4,701</u>
<b>Fund Balances At End Of Year</b>	<u>\$ 1,245</u>	<u>\$ 137,128</u>	<u>\$ 2,285</u>	<u>\$ 2,674</u>

(continued)

**CITY OF DELAWARE, OHIO**

Combining Statement Of Revenues, Expenditures &  
Changes In Fund Balances

All Expendable Trust Funds

For the Year Ended December 31, 2002

(continued)

	Project Trust	Totals
	<u>          </u>	<u>          </u>
<b>Revenues:</b>		
Donations	\$      0	\$   4,536
Developers Fees	40,000	162,264
Total Revenues	<u>40,000</u>	<u>166,800</u>
 <b>Expenditures:</b>		
Current:		
General Government	0	4,603
Public Safety	0	200
Recreation And Parks	0	6,527
Total Expenditures	<u>0</u>	<u>11,330</u>
 Excess (Deficiency) Of Revenues Over Expenditures	<u>40,000</u>	<u>155,470</u>
 <b>Fund Balances At Beginning Of Year</b>	<u>85,418</u>	<u>113,280</u>
 <b>Fund Balances At End Of Year</b>	<u>\$ 125,418</u>	<u>\$ 268,750</u>



**CITY OF DELAWARE, OHIO**

## Schedule Of Revenue , Expenditures, and Changes In Fund Balance

Budget And Actual [Budget Basis]

For The Year Ended December 31, 2002

## Police Donations

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues:</b>			
Donations	\$ 1,053	\$ 1,000	\$ (53)
Total Revenues	<u>1,053</u>	<u>1,000</u>	<u>(53)</u>
<b>Expenditures:</b>			
Public Safety	<u>245</u>	<u>0</u>	<u>245</u>
Total Expenditures	<u>245</u>	<u>0</u>	<u>245</u>
 Excess (Deficiency) Of Revenues Over Expenditures	808	1,000	192
<b>Fund Balance At Beginning Of Year</b>	<u>245</u>	<u>245</u>	<u>0</u>
<b>Fund Balance At End Of Year</b>	<u><u>\$ 1,053</u></u>	<u><u>\$ 1,245</u></u>	<u><u>\$ 192</u></u>

**CITY OF DELAWARE, OHIO**

## Schedule Of Revenue , Expenditures, and Changes In Fund Balance

Budget And Actual [Budget Basis]

For The Year Ended December 31, 2002

	Park Donations		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>			
Donations	\$ 225	\$ 350	\$ 125
Developers' Fees	75,000	70,264	(4,736)
Total Revenues	<u>75,225</u>	<u>70,614</u>	<u>(4,611)</u>
<b>Expenditures:</b>			
Recreation and Parks	35,500	34,717	783
Total Expenditures	<u>35,500</u>	<u>34,717</u>	<u>783</u>
Excess (Deficiency) Of Revenues Over Expenditures	39,725	35,897	(3,828)
<b>Fund Balance At Beginning Of Year</b>	<b><u>21,041</u></b>	<b><u>21,041</u></b>	<b><u>0</u></b>
<b>Fund Balance At End Of Year</b>	<b><u>\$ 60,766</u></b>	<b><u>\$ 56,938</u></b>	<b><u>\$ (3,828)</u></b>

**CITY OF DELAWARE, OHIO**

## Schedule Of Revenue , Expenditures, and Changes In Fund Balance

Budget And Actual [Budget Basis]

For The Year Ended December 31, 2002

	Fire Donations		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>			
Donations	\$ 600	\$ 610	\$ 10
Total Revenues	600	610	10
<b>Expenditures:</b>			
Public Safety	1,800	200	1,600
Total Expenditures	1,800	200	1,600
Excess (Deficiency) Of Revenues Over Expenditures	(1,200)	410	1,610
<b>Fund Balance At Beginning Of Year</b>	<b>1,875</b>	<b>1,875</b>	<b>0</b>
<b>Fund Balance At End Of Year</b>	<b>\$ 675</b>	<b>\$ 2,285</b>	<b>\$ 1,610</b>

**CITY OF DELAWARE, OHIO**

## Schedule Of Revenue , Expenditures, and Changes In Fund Balance

Budget And Actual [Budget Basis]

For The Year Ended December 31, 2002

## Mayor's Donations

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues:</b>			
Donations	\$ 2,500	\$ 2,576	\$ 76
Total Revenues	<u>2,500</u>	<u>2,576</u>	<u>76</u>
<b>Expenditures:</b>			
Services & Charges	<u>8,000</u>	<u>4,603</u>	<u>3,397</u>
Total Expenditures	<u>8,000</u>	<u>4,603</u>	<u>3,397</u>
 Excess (Deficiency) Of Revenues Over Expenditures	(5,500)	(2,027)	3,473
<b>Fund Balance At Beginning Of Year</b>	<u><b>4,701</b></u>	<u><b>4,701</b></u>	<u><b>0</b></u>
<b>Fund Balance At End Of Year</b>	<u><u><b>\$ (799)</b></u></u>	<u><u><b>\$ 2,674</b></u></u>	<u><u><b>\$ 3,473</b></u></u>

**CITY OF DELAWARE, OHIO**

## Schedule Of Revenue , Expenditures, and Changes In Fund Balance

Budget And Actual [Budget Basis]

For The Year Ended December 31, 2002

	Project Trust		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>			
Developers' Fees	\$ 80,000	\$ 40,000	\$ (40,000)
Total Revenues	<u>80,000</u>	<u>40,000</u>	<u>(40,000)</u>
<b>Expenditures:</b>			
Capital Outlay	<u>85,000</u>	<u>0</u>	<u>85,000</u>
Total Expenditures	<u>85,000</u>	<u>0</u>	<u>85,000</u>
Excess (Deficiency) Of Revenues Over Expenditures	(5,000)	40,000	45,000
<b>Fund Balance At Beginning Of Year</b>	<b><u>85,418</u></b>	<b><u>85,418</u></b>	<b><u>0</u></b>
<b>Fund Balance At End Of Year</b>	<b><u><u>\$ 80,418</u></u></b>	<b><u><u>\$ 125,418</u></u></b>	<b><u><u>\$ 45,000</u></u></b>

**CITY OF DELAWARE, OHIO**  
 Combining Statement Of Changes  
 In Assets and Liabilities  
 All Agency Funds  
 For the Year Ended December 31, 2002

	Beginning Balance 12/31/2001	Additions	Deductions	Ending Balance 12/31/2002
<b>Highway Patrol Transfer Fund</b>				
<i>Assets</i>				
Equity in Pooled Cash and Cash Equivalents	\$ 4,078	\$ 0	\$ 4,078	\$ 0
Due from Municipal Court	5,162	5,272	5,162	5,272
<b>Total Assets</b>	<b>\$ 9,240</b>	<b>\$ 5,272</b>	<b>\$ 9,240</b>	<b>\$ 5,272</b>
<i>Liabilities</i>				
Due to Other Governments	\$ 9,240	\$ 5,272	\$ 9,240	\$ 5,272
<b>Total Liabilities</b>	<b>\$ 9,240</b>	<b>\$ 5,272</b>	<b>\$ 9,240</b>	<b>\$ 5,272</b>
<b>County Hotel/Motel Tax Fund</b>				
<i>Assets</i>				
Equity in Pooled Cash and Cash Equivalents	\$ 8,777	\$ 0	\$ 8,777	\$ 0
Due from Others	45	0	45	0
<b>Total Assets</b>	<b>\$ 8,822</b>	<b>\$ 0</b>	<b>\$ 8,822</b>	<b>\$ 0</b>
<i>Liabilities</i>				
Due to Other Governments	\$ 8,822	\$ 0	\$ 8,822	\$ 0
<b>Total Liabilities</b>	<b>\$ 8,822</b>	<b>\$ 0</b>	<b>\$ 8,822</b>	<b>\$ 0</b>
<b>State Building Permit Fund</b>				
<i>Assets</i>				
Equity in Pooled Cash and Cash Equivalents	\$ 103	\$ 1,858	\$ 103	\$ 1,858
<b>Total Assets</b>	<b>\$ 103</b>	<b>\$ 1,858</b>	<b>\$ 103</b>	<b>\$ 1,858</b>
<i>Liabilities</i>				
Due to Other Governments	\$ 103	\$ 1,858	\$ 103	\$ 1,858
<b>Total Liabilities</b>	<b>\$ 103</b>	<b>\$ 1,858</b>	<b>\$ 103</b>	<b>\$ 1,858</b>

(continued)

**CITY OF DELAWARE, OHIO**

Combining Statement Of Changes

In Assets and Liabilities

All Agency Funds

For the Year Ended December 31, 2002

(continued)

	Beginning Balance 12/31/2001	Additions	Deductions	Ending Balance 12/31/2002
<b>Municipal Court</b>				
<i>Assets</i>				
Equity in Pooled Cash and Cash Equivalents	\$ 386,647	\$ 4,446,766	\$ 4,417,883	\$ 415,530
Total Assets	<u>\$ 386,647</u>	<u>\$ 4,446,766</u>	<u>\$ 4,417,883</u>	<u>\$ 415,530</u>
<i>Liabilities</i>				
Due to Others	\$ 386,647	\$ 4,446,766	\$ 4,417,883	\$ 415,530
Total Liabilities	<u>\$ 386,647</u>	<u>\$ 4,446,766</u>	<u>\$ 4,417,883</u>	<u>\$ 415,530</u>
<b>Totals</b>				
<i>Assets</i>				
Equity in Pooled Cash and Cash Equivalents	\$ 399,605	\$ 4,448,624	\$ 4,430,841	\$ 417,388
Accounts Receivable	45	0	45	0
Due from Municipal Court	5,162	5,272	5,162	5,272
Total Assets	<u>\$ 404,812</u>	<u>\$ 4,453,896</u>	<u>\$ 4,436,048</u>	<u>\$ 422,660</u>
<i>Liabilities</i>				
Due to Other Governments	\$ 18,165	\$ 7,130	\$ 18,165	\$ 7,130
Due to Others	386,647	4,446,766	4,417,883	415,530
Total Liabilities	<u>\$ 404,812</u>	<u>\$ 4,453,896</u>	<u>\$ 4,436,048</u>	<u>\$ 422,660</u>

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## General Fixed Asset Account Group

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The general fixed assets account group is used to account for all land, buildings, equipment and vehicles not used in the operation of the proprietary-type funds.



**CITY OF DELAWARE, OHIO**  
Schedule of General Fixed Assets  
By Function  
As of December 31, 2002

<u>Function</u>	<u>Total</u>	<u>Land</u>	<u>Buildings and Improvements</u>	<u>Machinery and Equipment</u>	<u>Construction- in-Progress</u>
General Government	\$ 9,229,555	\$ 648,721	\$ 6,987,424	\$ 1,593,410	\$ 0
Public Safety	6,751,438	102,090	1,645,086	5,004,262	0
Airport	8,797,834	57,500	8,661,648	78,686	0
Public Works	3,935,405	0	771,738	1,995,675	1,167,992
Parks & Recreational Services	4,801,052	317,751	3,447,924	800,761	234,616
Total General Fixed Assets	<u>\$ 33,515,284</u>	<u>\$ 1,126,062</u>	<u>\$ 21,513,820</u>	<u>\$ 9,472,794</u>	<u>\$ 1,402,608</u>

**CITY OF DELAWARE, OHIO**  
 Schedule of Changes in General Fixed Assets  
 By Function  
 For the Year Ended December 31, 2002

Function	Balance January 1, 2002	Additions	Deletions	Balance December 31, 2002
General Government	\$ 8,646,757	\$ 582,798	\$ 0	\$ 9,229,555
Public Safety	6,356,596	394,842	0	6,751,438
Airport	8,755,580	42,254	0	8,797,834
Public Works	2,238,527	528,886	0	2,767,413
Parks & Recreational Services	4,439,474	126,962	0	4,566,436
Total General Fixed Assets Allocated to Programs	30,436,934	1,675,742	0	32,112,676
Construction - in- Progress	616,783	1,464,667	678,842	1,402,608
Total General Fixed Assets	\$ 31,053,717	\$ 3,140,409	\$ 678,842	\$ 33,515,284

**CITY OF DELAWARE, OHIO**  
 Schedule of General Fixed Assets  
 By Source  
 As of December 31, 2002

General Fixed Assets:

Land	\$ 1,126,062
Buildings and Improvements	21,513,820
Machinery and Equipment	9,472,794
Construction - in- Progress	1,402,608
Total General Fixed Assets	<u>\$ 33,515,284</u>

Investment in General Fixed Assets by Source:

General Fund	\$ 4,992,980
Special Revenue Fund	5,128,208
Capital Projects Funds	23,362,570
Expendable Trust Funds	31,526
Total Investment in General Fixed Assets	<u>\$ 33,515,284</u>

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City of Delaware, Ohio

Statistical Section

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**CITY OF DELAWARE, OHIO**

*General Government Expenditures by Program  
Last Ten Years  
Table 1*

<i>Year</i>	<i>Public Safety</i>	<i>General Government</i>	<i>Airport <sup>2</sup></i>	<i>Public Works <sup>2</sup></i>	<i>Recreation &amp; Parks</i>	<i>Community Development <sup>1</sup></i>	<i>Capital Outlay</i>	<i>Debt Service</i>	<i>Total</i>
1993	\$ 4,555,622	\$ 2,991,564	n/a	\$ 979,228	\$ 607,490	n/a	\$ 2,252,768	\$ 668,076	\$ 12,054,748
1994	4,610,767	3,238,870	n/a	1,084,145	694,419	n/a	2,653,215	652,848	12,934,264
1995	5,128,217	3,269,005	n/a	1,413,631	682,901	n/a	2,126,428	652,605	13,272,787
1996	5,298,793	3,987,061	n/a	1,374,835	686,690	n/a	2,193,061	654,638	14,195,078
1997	5,384,278	3,818,296	211,684	1,142,431	777,998	n/a	3,880,483	654,490	15,869,660
1998	5,583,547	4,090,211	179,587	1,123,957	772,151	n/a	5,851,893	2,108,602	19,709,948
1999	6,189,253	4,667,427	257,704	1,497,528	907,526	n/a	5,076,327	1,677,950	20,273,715
2000	7,206,197	5,217,744	220,002	1,838,396	988,874	n/a	5,304,776	2,379,382	23,155,371
2001	7,475,394	5,824,033	287,357	2,314,450	1,120,855	367,771	1,948,591	546,435	19,884,886
2002	7,743,647	5,878,322	369,265	2,548,826	1,121,938	654,257	3,933,418	411,019	22,660,692

Includes General, Special Revenue, Debt Service, Capital Projects & Expendable Trust Funds

Source: City of Delaware Finance Department

<sup>1</sup> The City began showing Community Development as a separate function for 2001

<sup>2</sup> In 2002, the City began showing Airport & Public Works as separate functions. Due to availability of records, these functions are shown separately back to 1997.

**CITY OF DELAWARE, OHIO**

*General Government Revenues by Source  
Last Ten Years  
Table 2*

<i>Year</i>	<i>Income Taxes</i>	<i>Property &amp; Other Taxes</i>	<i>Inter- governmental</i>	<i>Charges for Services</i>	<i>Fines &amp; Court Fees</i>	<i>Licenses &amp; Permits</i>	<i>Impact Fees</i>	<i>Interest Income</i>	<i>Miscellaneous</i>	<i>Total</i>
1993	\$ 6,038,070	\$ 924,440	\$ 1,572,093	\$ 450,878	\$ 891,349	\$ 146,674	n/a	\$ 140,179	\$ 373,339	\$ 10,537,022
1994	6,540,083	1,034,179	2,728,209	523,150	984,549	198,507	n/a	183,827	571,519	12,764,023
1995	7,268,755	973,681	2,250,113	632,089	976,939	207,023	n/a	259,681	407,679	12,975,960
1996	7,352,230	1,205,274	3,157,300	966,066	1,142,347	293,542	n/a	253,703	505,673	14,876,135
1997	7,844,104	1,261,532	3,861,339	1,014,193	1,173,753	269,294	n/a	336,467	379,705	16,140,387
1998	8,517,434	1,227,360	4,948,575	914,627	1,288,233	308,441	n/a	416,498	457,453	18,078,621
1999	8,773,744	1,360,406	3,817,206	1,075,354	1,307,329	560,009	n/a	527,192	483,776	17,905,016
2000	8,935,628	1,610,472	3,722,253	852,812	1,660,790	427,603	n/a	675,754	449,902	18,335,214
2001	9,410,685	1,480,509	3,120,269	1,883,641	1,653,540	451,097	706,551	454,767	224,762	19,385,821
2002	8,812,813	1,513,728	5,530,654	2,421,532	1,844,675	741,040	666,832	292,901	608,678	22,432,853

Includes General, Special Revenue, Debt Service, Capital Projects & Expendable Trust Funds

Source: City of Delaware Finance Department

**CITY OF DELAWARE, OHIO**

*Real Property Tax Levies and Collections  
Last Ten Years  
Table 3*

<i>Collection Year</i>	<i>Total Tax Levy</i>	<i>Current Tax Collections<sup>1</sup></i>	<i>Percentage of Current Collections to Current Levy</i>	<i>Delinquent Tax Collections</i>	<i>Total Tax Collections</i>	<i>Percentage of Total Collections to Total Tax Levy</i>	<i>Outstanding Delinquent Taxes<sup>2</sup></i>	<i>Percentage of Outstanding Delinquent Taxes to Total Tax Levy</i>
1993	\$ 497,718	\$ 497,427	99.94 %	n/a	\$ 497,427	99.94 %	\$ 12,142	2.44 %
1994	582,863	570,944	97.96	n/a	570,944	97.96	14,369	2.47
1995	599,199	600,525	100.22	n/a	600,525	100.22	13,345	2.23
1996	624,311	628,882	100.73	n/a	628,882	100.73	13,101	2.10
1997	744,079	748,735	100.63	n/a	748,735	100.63	12,854	1.73
1998	796,856	844,444	105.97	4,517	848,961	106.54	9,185	1.15
1999	840,563	836,901	99.56	63,377	900,278	107.10	17,951	2.14
2000	1,014,744	996,574	98.21	61,691	1,058,265	104.29	20,548	2.02
2001	1,065,848	988,055	92.70	60,358	1,048,413	98.36	32,853	3.08
2002	1,094,996	1,054,791	96.33	32,259	1,087,050	99.27	34,330	3.14

<sup>1</sup> State reimbursement of homestead and rollback exemptions are included.

<sup>2</sup> Amounts listed include penalties and interest.

n/a - data was not available for the year shown

Source: Delaware County Auditor's Office, City of Delaware Finance Department

**CITY OF DELAWARE, OHIO**

*Tangible Personal Property Tax Levies and Collections  
Last Ten Years*  
Table 4

<i>Year</i>	<i>Current Tax Levy <sup>1</sup></i>	<i>Current Tax Collections <sup>1</sup></i>	<i>Delinquent Tax Collections</i>	<i>Total Tax Collections</i>
1993	\$ 149,384	\$ 150,798	n/a	\$ 150,798
1994	147,856	146,597	n/a	146,597
1995	141,328	141,773	n/a	141,773
1996	128,910	137,186	n/a	137,186
1997	147,046	146,688	n/a	146,688
1998	151,445	158,037	5,646	163,683
1999	163,391	157,575	4,339	161,914
2000	191,509	179,982	6,521	186,503
2001	194,324	183,962	9,402	193,364
2002	236,165	215,459	1,661	217,120

<sup>1</sup> State reimbursement of homestead and rollback exemptions are included.

<sup>2</sup> Amounts listed include penalties and interest.

n/a - data was not available for the year shown

Source: Delaware County Auditor's Office



**CITY OF DELAWARE, OHIO**

*Assessed and Estimated Actual Value of Taxable Property  
Last Ten Years  
Table 5*

<i>Year</i>	<i>Real Property</i>		<i>Public Utility Property</i>		<i>Tangible Personal Property</i>		<i>Total</i>		<i>Percentage of Total Assessed Value to Total Est. Actual Value</i>
	<i>Assessed Value</i>	<i>Est. Actual Value</i>	<i>Assessed Value</i>	<i>Est. Actual Value</i>	<i>Assessed Value</i>	<i>Est. Actual Value</i>	<i>Assessed Value</i>	<i>Est. Actual Value</i>	
1993	\$ 169,711,030	\$ 484,888,657	\$ 14,629,110	\$ 41,797,457	\$ 55,327,555	\$ 221,310,220	\$ 239,667,695	\$ 747,996,334	32.04 %
1994	200,514,400	572,898,286	15,360,870	43,888,200	54,761,605	219,046,420	270,636,875	835,832,906	32.38
1995	205,421,320	586,918,057	16,504,530	47,158,800	52,344,058	209,373,232	274,269,908	843,450,089	32.52
1996	215,799,340	616,569,543	15,427,260	44,077,886	47,744,809	190,979,236	278,971,409	851,626,665	32.76
1997	259,832,180	742,377,657	15,762,540	45,035,829	54,462,085	217,848,340	330,056,805	1,005,261,826	32.83
1998	279,358,680	798,167,657	15,803,630	45,153,229	56,090,928	224,363,712	351,253,238	1,067,684,598	32.90
1999	295,846,500	845,275,714	15,509,380	44,312,514	60,515,581	242,062,324	371,871,461	1,131,650,552	32.86
2000	360,747,750	1,030,707,857	15,152,440	43,292,686	70,931,282	283,725,128	446,831,472	1,357,725,671	32.91
2001	380,318,060	1,086,623,029	15,066,510	43,047,171	71,981,283	287,925,132	467,365,853	1,417,595,332	32.97
2002	405,554,140	1,158,726,114	12,133,020	34,665,771	75,335,524	301,342,096	493,022,684	1,494,733,981	32.98

Source: Delaware County Auditor's Office

**CITY OF DELAWARE, OHIO**

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

Table 6

<i>Collection Year</i>	<i>City of Delaware</i>			<i>County</i>	<i>School District</i>	<i>Other</i>	<i>Total Tax Levy</i>
	<i>General Fund</i>	<i>Police &amp; Fire Pension</i>	<i>Total</i>				
1993	\$ 2.10	\$ 0.60	\$ 2.70	\$ 5.62	\$ 49.50	\$ 3.20	\$ 61.02
1994	2.10	0.60	2.70	5.62	51.00	8.30	67.62
1995	2.10	0.60	2.70	5.62	51.60	7.80	67.72
1996	2.10	0.60	2.70	5.62	56.10	7.80	72.22
1997	2.10	0.60	2.70	5.62	64.14	8.30	80.76
1998	2.10	0.60	2.70	5.62	63.89	8.30	80.51
1999	2.10	0.60	2.70	5.62	66.91	8.30	83.53
2000	2.10	0.60	2.70	5.62	65.95	8.30	82.57
2001	2.10	0.60	2.70	5.62	66.00	8.30	82.62
2002	2.10	0.60	2.70	5.61	64.97 <sup>1</sup>	4.05 <sup>1</sup>	77.33

<sup>1</sup> Estimated for 2002

Source: Delaware County Auditor's Office

**CITY OF DELAWARE, OHIO**

*Principal Property Taxpayers*

*December 31, 2002*

Table 7

<i>Taxpayer</i>	<i>Real/Public Utility Property Assessed Valuation</i>	<i>% of Total City Assessed Valuation (2002 Collection Year)</i>
Columbus Southern Power Co	\$ 7,961,569	1.96 %
Bowtown Apartments, Inc.	4,974,200	1.23
USPG Portfolio Two, LLC	4,693,395	1.16
SARBG Delaware, LTD	4,594,765	1.13
Glimcher Properties	4,413,150	1.09
Willow Brook Christian	4,230,380	1.04
Long Real Estate Inc	3,051,650	0.75
Olentangy Building	2,794,400	0.69
PPG Industries	2,785,125	0.69
Western Auto Supply	2,434,075	0.60
Liebert North America Inc	2,271,500	0.56
Hayes Colony Ltd	2,234,855	0.55
City of Delaware	2,228,170	0.55
Delaware Land Company	2,178,715	0.54
Verizon North Inc	1,981,921	0.49
DMI Distribution	1,826,125	0.45
Crown Group Ltd.	1,746,850	0.43
Delaware Housing Trust	1,700,265	0.42
Kroger Company	1,698,795	0.42
Nippert Electrical Products Co	1,647,695	0.41
Buehler Food Markets	1,635,025	0.40
Total City Valuation	\$ 405,554,140	15.55 %

Source: Delaware County Auditor's Office

**CITY OF DELAWARE, OHIO**

*Special Assessment Billings and Collections  
Last Ten Years  
Table 8*

<i>Collection Year</i>	<i>Special Assessment Billings<sup>1</sup></i>	<i>Total Assessments Collected<sup>2</sup></i>	<i>Percentage of Collections to Amount Billed</i>
1993	n/a	\$ 4,532	n/a
1994	n/a	4,683	n/a
1995	n/a	4,283	n/a
1996	n/a	1,715	n/a
1997	\$ 1,863	1,756	94.26 %
1998	1,584	1,337	84.41
1999	673	323	47.99
2000	19,954	18,775	94.09
2001	151,256	45,687	30.21
2002	37,553	37,200	99.06

Source: Delaware County Auditor

<sup>1</sup> Only governmental fund type assessments are included in this table. Assessments include service assessments and debt service assessments, which includes interest. Delaware County collects these assessments on behalf of the City.

<sup>2</sup> Prepayments of future assessments are not included.

n/a - data was not available for the year shown

**CITY OF DELAWARE, OHIO**

*Computation of Legal Debt Margin*

*December 31, 2002*

Table 9

	<i>Total Debt Limit 10.5%</i>	<i>Total Unvoted Limit 5.5%</i>
Total Assessed Valuation	\$ 493,022,684	\$ 493,022,684
Legal Debt Limit Of Assessed Value	51,767,382	27,116,248
Total Outstanding Debt December 31, 2002		
Special Assessment Bonds Payable	261,000	261,000
General Obligation Bonds Payable	13,390,000	13,390,000
Notes Payable	1,145,000	1,145,000
Total Outstanding Debt	<u>14,796,000</u>	<u>14,796,000</u>
Less Exemptions		
Special Assessment Bonds Payable	261,000	261,000
General Obligation Bonds Payable	13,390,000	13,390,000
Notes Payable	1,145,000	1,145,000
Debt Service Fund Balance <sup>1</sup>	230,004	230,004
Total Exemptions:	<u>15,026,004</u>	<u>15,026,004</u>
Net Debt	<u>(230,004)</u>	<u>(230,004)</u>
Total Legal Debt Margin	<u>\$ 51,997,386</u>	<u>\$ 27,346,252</u>
[Debt Limit minus Net Debt]		
Net Debt as Percentage of Assessed Value	-0.05%	-0.05%

Source: City of Delaware; Finance Department

<sup>1</sup> The fund balance is only from the General Obligation Bond Retirement Fund because the Special Assessment Bond Retirement Fund is associated with Special Assessment Bonds.

**CITY OF DELAWARE, OHIO**

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

Table 10

<i>Year</i>	<i>Net General Bonded Debt</i> <sup>1</sup>	<i>Assessed Value</i> <sup>2</sup>	<i>Population</i> <sup>3</sup>	<i>Percentage of Net Bonded Debt to Assessed Value</i>	<i>Net Bonded Debt per Capita</i>
1993	\$ 4,613,530	\$ 239,668	20,400	19.25 %	\$ 226
1994	4,143,449	270,637	20,700	15.31	200
1995	3,702,646	274,270	21,000	13.50	176
1996	3,243,267	278,971	22,000	11.63	147
1997	2,763,818	330,057	23,000	8.37	120
1998	2,262,894	351,253	24,000	6.44	94
1999	1,893,572	371,871	25,000	5.09	76
2000	(465,403)	446,831	25,243	(1.04)	(18)
2001	(311,864)	467,366	26,000	(0.67)	(12)
2002	5,424,996	493,023	27,450	11.00	198

<sup>1</sup> Net general bonded debt equals the amount of general obligations bonds outstanding minus the debt service fund balance available to pay general obligation debt.

<sup>2</sup> Shown in thousands of dollars

<sup>3</sup> Source: Delaware County Auditor's Office, City of Delaware Finance Department, U.S. Census Bureau  
When unavailable, estimates are interpolated based on increases in construction of single and double family homes.

**CITY OF DELAWARE, OHIO**

*Ratio of Annual Debt Service Expenditures for General Bonded Debt to Total General Governmental Expenditures  
Last Ten Years*  
Table 11

<i>Year</i>	<i>Principal</i>	<i>Interest and Fiscal Charges</i>	<i>Debt Service on General Obligation Bonded Debt</i>	<i>General Governmental Expenditures</i>	<i>Ratio</i>
1993	\$ 417,000	\$ 233,515	\$ 650,515	\$ 12,054,748	5.40 %
1994	432,000	220,848	652,848	12,934,264	5.05
1995	447,000	205,605	652,605	13,272,787	4.92
1996	467,000	187,637	654,637	14,195,078	4.61
1997	487,000	167,490	654,490	15,869,660	4.12
1998	507,000	145,043	652,043	19,709,948	3.31
1999	530,000	124,077	654,077	20,273,715	3.23
2000	1,766,000	602,731	2,368,731	22,096,371	10.72
2001	0	0	0	19,879,188	0.00
2002	0	0	0	22,587,404	0.00

Source: City of Delaware, Finance Department

**CITY OF DELAWARE, OHIO**

*Computation of Direct and Overlapping General Obligation Bonded Debt  
December 31, 2002  
Table 12*

<u>Jurisdiction</u>	<u>Net Debt Outstanding<sup>1</sup></u>	<u>Percentage Applicable to the City of Delaware<sup>2</sup></u>	<u>Amount Applicable to the City of Delaware</u>
City of Delaware	\$ 5,655,000	100.00	\$ 5,655,000
Delaware City Schools	43,420,215	89.53	38,874,118
Delaware County	19,930,000	13.77	2,744,361
Delaware Township	0	1.80	0

Sources: City of Delaware, Finance Department, Delaware County Auditor's Office,  
State of Ohio Auditor's Office, Delaware City Schools Treasurer's Office

<sup>1</sup> Net debt outstanding equals the amount of general obligation bonds outstanding minus the debt service fund balance available to pay non-special assessment general obligation debt.

<sup>2</sup> Percentages determine by dividing each overlapping subdivision's assessed valuation within the City by the subdivision's total assessed valuation.



**CITY OF DELAWARE, OHIO**

Revenue Bond Coverage: Enterprise Funds

Last Ten Years

Table 13

Year	Gross Revenues <sup>1</sup>	Operating Expenses <sup>2</sup>	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
<b>Water Enterprise Fund</b>							
1993	\$ 2,141,199	\$ 1,285,355	\$ 855,844	\$ 85,000	\$ 31,830	\$ 116,830	7.33
1994	2,218,324	1,428,616	789,708	90,000	26,560	116,560	6.78
1995	2,123,301	1,422,399	700,902	315,000	22,950	337,950	2.07
1996	2,187,338	1,335,432	851,906	-	-	-	0.00
1997	2,231,484	1,210,380	1,021,104	-	-	-	0.00
1998	2,310,822	1,380,327	930,495	-	-	-	0.00
1999	2,571,258	1,675,855	895,403	-	-	-	0.00
2000	2,784,610	1,592,348	1,192,262	-	-	-	0.00
2001	2,722,086	2,927,335	(205,249)	-	-	-	0.00
2002	2,885,617	3,018,171	(132,554)	-	-	-	0.00
<b>Sewer Enterprise Fund</b>							
1993	\$ 1,690,713	\$ 1,213,000	\$ 477,713	\$ 170,000	\$ 290,322	\$ 460,322	1.04
1994	1,876,189	1,249,852	626,337	170,833	285,307	456,140	1.37
1995	1,887,797	1,440,979	446,818	180,417	279,252	459,669	0.97
1996	1,950,378	1,436,186	514,192	185,834	271,997	457,831	1.12
1997	2,221,125	1,287,171	933,954	192,170	262,286	454,456	2.06
1998	2,302,501	1,286,388	1,016,113	200,833	255,223	456,056	2.23
1999	2,443,258	1,538,810	904,448	211,250	245,640	456,890	1.98
2000	2,782,637	1,594,389	1,188,248	226,667	234,103	460,770	2.58
2001	2,901,374	2,321,664	579,710	236,667	222,503	459,170	1.26
2002	3,340,178	2,619,899	720,279	247,557	211,238	458,795	1.57

Sources: City of Delaware Finance Department

<sup>1</sup>Total Revenues exclusive of interest income, capacity fees, and donated assets.

<sup>2</sup>Total operating expenses exclusive of depreciation.

**CITY OF DELAWARE, OHIO**

*Demographic Statistics  
Last Ten Years  
Table 10*

<i>Year</i>	<i>Population 1</i>	<i>Per Capita Income 1</i>	<i>School Enrollment 2</i>	<i>Delaware County Unemployment Rate 3</i>
1993	20,400	\$ 26,425	3,846	4.80 %
1994	20,700	28,353	3,939	3.60
1995	21,000	29,632	3,952	3.00
1996	22,000	30,544	4,011	3.50
1997	23,000	31,873	4,101	2.90
1998	24,000	33,242	4,122	2.00
1999	25,000	34,333	4,121	2.10
2000	25,243	35,000	4,105	1.80
2001	26,500	35,600	4,165	2.80
2002	27,450	36,700	4,454	3.70

Sources: U.S Census Bureau, Bureau of Economic Analysis

<sup>1</sup> "Population estimates and Projections", published by the U.S. Department of Commerce, Bureau of the Census, when available. When unavailable, estimates are interpolated based on increases in construction of single and double family homes.

<sup>2</sup> Delaware City School District

<sup>3</sup> Ohio Bureau of Employment Services, Civilian Labor Force Research and Statistics Estimates

**CITY OF DELAWARE, OHIO**

*Property Value, Construction, and Bank Deposits  
Last Ten Years  
Table 15*

<i>Collection Year</i>	<i>Real Property Value</i>		<i>New Construction</i>		<i>Total Value</i>	<i>Domestic Bank Deposits in County <sup>3</sup></i>
	<i>Agricultural/ Residential Value <sup>1</sup></i>	<i>Commercial/ Industrial Value <sup>1</sup></i>	<i>Agricultural/ Residential Value <sup>2</sup></i>	<i>Commercial/ Industrial Value <sup>2</sup></i>		
1993	\$ 2,101,260	\$ 1,101,290	\$ 9,940,291	n/a	\$ 9,940,291	\$ 217,640,000
1994	2,970,420	3,735,400	20,431,254	n/a	20,431,254	229,752,000
1995	3,256,360	2,718,180	18,338,004	n/a	18,338,004	243,856,000
1996	6,249,050	1,463,840	28,972,393	n/a	28,972,393	279,091,000
1997	6,991,050	3,029,550	32,321,537	n/a	32,321,537	322,576,000
1998	9,608,430	4,402,700	35,700,671	n/a	35,700,671	n/a
1999	11,746,350	2,565,920	49,058,980	23,727,540	72,786,520	n/a
2000	13,081,560	3,762,030	43,353,781	23,275,534	66,629,315	n/a
2001	14,152,460	4,811,210	58,074,335	29,264,163	87,338,498	n/a
2002	12,289,590	8,208,670	43,911,346	72,474,628	116,385,974	n/a

Sources:

<sup>1</sup> Delaware County Auditor

<sup>2</sup> City of Delaware Planning Department

<sup>3</sup> Federal Reserve Bank of Cleveland shown in thousands of dollars for commercial banks headquartered in Delaware County

n/a - data was not available for the year shown

**CITY OF DELAWARE, OHIO**

*Miscellaneous Statistics*

*December 31, 2001*

Table 16

Date of Incorporation:	1816	Delaware City School District:	
Effective Date of Charter:	November 6, 1951	Elementary Schools	5
Form of Government:	Council/City Manager	Secondary Schools	3
Area:	16 square miles	Staff Members	
Miles of Streets:	135	Certified staff	373
Number of Street Lights:	900	Classified & support	245
Number of Traffic Signs:	5000	Total Staff	618
Number of Traffic Lights:	54	2002/2003 Student Enrollment	
Miles of Sanitary Sewers:	112	Elementary Enrollment	1828
Miles of Storm Sewers:	35	Secondary Enrollment	3118
Miles of Water Distribution:	125	Total Enrollment	4946
Fire Protection:		Student/Teacher Ratio	13.3
Number of Stations	2	Recreation and Culture:	
Number of Firemen and Officers [FT]	44	Number of Parks	12
Number of Firemen [PT]	0	Acreage of Parks	250
Police Protection:		Number of Playgrounds	11
Number of Stations	1	Number of Swimming Pools	1
Number of Policemen and Officers	40	Number of Tennis Courts	8
Hospitals:		Number of Golf Courses	1
Grady Memorial Hospital		Number of Community Centers	1
		Public Libraries	1

Sources: City of Delaware Public Works Department, Engineering Department, Recreational Services Department, Finance Department, Delaware City Schools Treasurer's Department

**CITY OF DELAWARE  
DELAWARE, OHIO**

***SUPPLEMENTAL REPORTS***

*DECEMBER 31, 2002*

**MR. DEAN P. STELZER, FINANCE DIRECTOR**

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**CITY OF DELAWARE  
DELAWARE COUNTY, OHIO**

TABLE OF CONTENTS

Independent Auditors' Report on Supplementary Schedule of Expenditures of Federal Awards .....	1
Schedule of Expenditures of Federal Awards.....	2
Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of General Purpose Financial Statements Performed in Accordance With <i>Government Auditing Standards</i> .....	3 - 4
Report on Compliance With Requirements Applicable to Its Major Federal Program and on Internal Control Over Compliance in Accordance With <i>OMB Circular A-133</i> .....	5 - 6
Schedule of Findings <i>OMB Circular A-133 § .505</i> .....	7 - 9

# TRIMBLE, JULIAN & GRUBE, INC.

“SERVING OHIO LOCAL GOVERNMENTS”

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## **Independent Auditors’ Report on Supplementary Schedule of Expenditures of Federal Awards**

Members of Council and Mayor  
City of Delaware  
1 South Sandusky Street  
Delaware, OH 43015

Our audit was performed for the purpose of forming an opinion on the general purpose financial statements of the City of Delaware as of and for the year ended December 31, 2002. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the general purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as whole.

Trimble, Julian & Grube, Inc.  
June 13, 2003



**CITY OF DELAWARE  
DELAWARE COUNTY  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2002**

<b>FEDERAL GRANTOR PASS-THROUGH GRANTOR PROGRAM TITLE</b>	<b>FEDERAL CFDA NUMBER</b>	<b>PASS-THROUGH ENTITY NUMBER</b>	<b>FEDERAL DISBURSEMENTS</b>
<b><u>UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u></b>			
<i>Passed Through Ohio Department of Development:</i>			
Community Development Block Grant	14.228	A-C-01-112-1	113,899
Community Development Block Grant	14.228	A-E-01-112-1	294,079
Community Development Block Grant	14.228	A-F-01-112-1	<u>9,000</u>
Total Passed Through Ohio Department of Development			<u>416,978</u>
<i>Passed Through Delaware County:</i>			
Community Development Block Grant	14.228	N/A	<u>25,000</u>
Total Community Development Block Grant			441,978
Home Investment Partnership Program - Direct Program	14.239	A-C-01-112-2	<u>206,159</u>
Total United States Department of Housing and Urban Development			<u>648,137</u>
<b><u>UNITED STATES DEPARTMENT OF JUSTICE</u></b>			
Local Law Enforcement Block Grants	16.592	2001-LB-BX-0375	5,096
Bulletproof Vest Program	16.607	N/A	500
Community Oriented Policing Services	16.726	1996-CM-WX-0777	<u>4,648</u>
Total United States Department of Justice			<u>10,244</u>
<b><u>UNITED STATES DEPARTMENT OF TRANSPORTATION</u></b>			
Airport Improvement Program	20.106	3-39-0032-1002	26,393
<i>Passed Through Mid-Ohio Regional Planning Commission:</i>			
Highway Planning and Construction Grant	20.205	21130	<u>715,000</u>
Total United States Department of Transportation			<u>741,393</u>
<b>TOTAL FEDERAL AWARDS EXPENDITURES</b>			<u><u>\$1,399,774</u></u>

(A) - The accompanying Schedule of Expenditures of Federal Awards (the Schedule) summarizes activity of the City's federal award programs. The Schedule has been prepared on the cash basis of accounting.

(B) - Certain federal programs require that the City contribute non-federal funds (matching funds) to support the federally-funded programs. The City has complied with the matching requirements. The expenditure of non-federal matching funds is not included on the Schedule.

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

Members of Council and Mayor  
City of Delaware  
1 South Sandusky Street  
Delaware, OH 43015

We have audited the general purpose financial statements of the City of Delaware, Delaware County, Ohio, as of and for the year ended December 31, 2002, and have issued our report thereon dated June 13, 2003. 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 Delaware’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 instances of noncompliance that are required to be reported under *Government Auditing Standards* which are described in the accompanying schedule of findings as items 2002-COD-001 and 2002-COD-002. We also noted certain immaterial instances of noncompliance which we have reported to the management of the City of Delaware in a separate letter dated June 13, 2003.

Members of Council and Mayor  
City of Delaware

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City of Delaware's, internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operations that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that do not require inclusion in this report that we have reported to the management of the City of Delaware in a separate letter dated June 13, 2003.

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

Trimble, Julian & Grube, Inc.  
June 13, 2003

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

Members of Council and Mayor  
City of Delaware  
1 South Sandusky Street  
Delaware, OH 43015

### Compliance

We have audited the compliance of the City of Delaware, Delaware County, Ohio, with the types of compliance requirements described in the *U. S. Office of Management and Budget (OMB) Circular A-133, Compliance Supplement* that are applicable to its major federal program for the year ended December 31, 2002. The City of Delaware’s major federal program is identified in the summary of auditor’s results section of the accompanying schedule of findings. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal program is the responsibility of the City of Delaware’s management. Our responsibility is to express an opinion on the City of Delaware’s compliance based on our audit.

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

Members of Council and Mayor  
City of Delaware

In our opinion, the City of Delaware complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended December 31, 2002.

#### Internal Control Over Compliance

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

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

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

Trimble, Julian & Grube, Inc.  
June 13, 2003

**CITY OF DELAWARE  
DELAWARE COUNTY, OHIO**

**SCHEDULE OF FINDINGS  
OMB CIRCULAR A-133 § .505  
DECEMBER 31, 2002**

**1. SUMMARY OF AUDITOR'S RESULTS**

(d)(1)(i)	Type of Financial Statement Opinion	Unqualified
(d)(1)(ii)	Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported non-compliance at the financial statement level (GAGAS)?	Yes
(d)(1)(iv)	Were there any material internal control weakness conditions reported to the major federal program?	No
(d)(1)(iv)	Were there any other reportable internal control weakness conditions reported to the major federal program?	No
(d)(1)(v)	Type of Major Program Compliance Opinion	Unqualified
(d)(1)(vi)	Are there any reportable findings under § .510?	No
(d)(1)(vii)	Major Program:	Highway Planning and Construction, CFDA #20.205
(d)(1)(viii)	Dollar Threshold: Type A/B Programs	Type A: >\$300,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee?	Yes

**CITY OF DELAWARE  
DELAWARE COUNTY, OHIO**

**SCHEDULE OF FINDINGS  
OMB CIRCULAR A-133 § .505  
DECEMBER 31, 2002**

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

Finding Number	2002-COD-001
----------------	--------------

Ohio Revised Code Section 5705.39 states in part that the total appropriation from each fund shall not exceed total estimated resources. It was noted that the following funds had appropriation which exceeded estimated resources:

<u>Fund Type/Fund</u>	<u>Estimated Resources</u>	<u>Appropriations</u>	<u>Variance</u>
<u>Special Revenue</u>			
State Highway Improvement	\$ 120,402	\$ 140,437	\$ (20,035)
License Fee	405,836	418,378	(12,542)
Parks & Recreation	1,092,732	1,184,909	(92,177)
Airport Improvement	351,968	361,114	(9,146)
Court/Police Building Income Tax	123,962	134,612	(10,650)
Municipal court	1,488,000	1,595,000	(107,000)
Computer Legal Research	166,527	166,573	(46)
Indigent EMHA	42,282	52,000	(9,718)
Community Development Block Grant	10,601	101,000	(90,399)
Community Police Block Grant	25,452	25,741	(289)
Economic Development	1	400,000	(399,999)
Rental Rehabilitation Grant	274,260	500,000	(225,740)
<u>Debt Service</u>			
Special Assessment Bond Retirement	37,610	43,983	(6,373)
<u>Capital Projects</u>			
Capital Improvements	5,494,195	5,810,434	(316,239)
Downtown Streetscape	49,695	1,694,714	(1,645,019)
FAA Airport Expansion	10	445,000	(444,990)
FAA Airport Allocation/Improvement	-	276,200	(276,200)
Airport Improvement Construction	-	14,167	(14,167)
Park Impact Fees	649,844	1,110,853	(461,009)
<u>Enterprise</u>			
Sewer	15,721,228	29,602,414	(13,881,186)
Refuse	2,199,229	2,278,423	(79,194)
<u>Expendable Trust</u>			
Mayor's Donation	7,201	8,000	(799)

**CITY OF DELAWARE  
DELAWARE COUNTY, OHIO**

**SCHEDULE OF FINDINGS  
OMB CIRCULAR A-133 § .505  
DECEMBER 31, 2002**

<b>2. FINDINGS RELATED TO THE GENERAL PURPOSE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS - (Continued)</b>	
Finding Number	2002-COD-001 (Continued)

We recommend that the City comply with the Ohio Revised Code and Auditor of State Bulletin 97-010 by keeping more accurate appropriations versus estimated resource records and amending the budget as needed and prior to year end. If appropriations are increased it is determined that estimated resources will be greater than initially anticipated, the City should amend its official estimate in order to provide for any additional appropriations; however, appropriations should not exceed estimated resources. In addition, the City should monitor its budgetary process on a continual basis.

Finding Number	2002-COD-002
----------------	--------------

Ohio Revised Code Section 5705.10 in part requires that money paid into any fund shall be used only for the purposes for which the fund was established. The existence of a deficit balance in any fund indicates that money from another fund or funds have been used to pay obligations of the fund carrying the deficit balance.

It was noted during the audit that the City had overspent monies in the following funds at 12/31/02 - Special Revenue Fund Type: Community Development Block Grant - Economic Development (\$87,593) and Capital Projects Fund Type - Downtown Streetscape (\$301,352). The deficit fund balances were attributed to the City awaiting reimbursement from grantors for funds legally expended by the City.

We recommend that the City properly expend monies only after funds have been received. If funds are anticipated, but not yet received and expenditures are necessary, the City should advance or transfer funds from the General Fund with proper Council approval.

<b>3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS</b>
--

None





**Auditor of State  
Betty Montgomery**

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**CITY OF DELAWARE**

**DELAWARE 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 26, 2003**