



**Auditor of State  
Betty Montgomery**



**CITY OF MAUMEE  
LUCAS COUNTY**

**TABLE OF CONTENTS**

<u>TITLE</u>	<u>PAGE</u>
Schedule of Federal Awards Expenditures.....	1
Notes to the Schedule of Federal Awards Expenditures.....	2
Independent Accountants' Report on Compliance and on Internal Control Required by <i>Government Auditing Standards</i> .....	3
Independent Accountants' Report on Compliance with Requirements Applicable to Major Federal Programs and Internal Control Over Compliance in Accordance with <i>OMB Circular A-133</i> .....	5
Schedule of Findings.....	9

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**CITY OF MAUMEE  
LUCAS COUNTY**

**SCHEDULE OF FEDERAL AWARDS EXPENDITURES  
FOR THE YEAR ENDED DECEMBER 31, 2003**

<b>FEDERAL GRANTOR</b> <i>Pass Through Grantor</i> Program Title	Pass Through Entity Number	Federal CFDA Number	Disbursements
<b>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>			
<i>Passed Through Ohio Department of Development:</i>			
Small Cities Community Development Block Grant Program:			
Downtown Revitalization Program	AT-01-146-1	14.228	\$ 400,000
Discretionary Program	AD-00-146-1		300,000
Total U.S. Department of Housing and Urban Development			<b>700,000</b>
 <b>U.S. DEPARTMENT OF JUSTICE:</b>			
<i>Passed Through Ohio Department of Criminal Justice Services:</i>			
Juvenile Justice and Delinquency Prevention- Allocation to States			
Lift Up Juvenile Diversion Program	02-DG-C01-81014	16.579	11,407
Total U.S. Department of Justice			<b>11,407</b>
 <b>U.S. DEPARTMENT OF HOMELAND SECURITY</b>			
<i>Passed Through the Ohio Emergency Management Agency:</i>			
Public Assistance Grants- Disaster Assistance	EM-3187-OH	97.036	7,156
Total U.S. Department of Homeland Security			<b>7,156</b>
 <b>Total - ALL FEDERAL ASSISTANCE</b>			<b>\$ 718,563</b>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THIS SCHEDULE.

**CITY OF MAUMEE  
LUCAS COUNTY**

**NOTES TO THE SCHEDULE OF FEDERAL AWARDS EXPENDITURES  
FISCAL YEAR ENDED DECEMBER 31, 2003**

**NOTE A - SIGNIFICANT ACCOUNTING POLICIES**

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

**NOTE B - MATCHING REQUIREMENTS**

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.



**Auditor of State  
Betty Montgomery**

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

City of Maumee  
Lucas County  
400 Conant Street  
Maumee, Ohio 43537-3381

To the Honorable Mayor and Members of Council:

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Maumee, Lucas County, (the City) as of and for the year ended December 31, 2003, which collectively comprise the City's basic financial statements and have issued our report thereon dated October 25, 2004, in which we indicated that the City has adopted *Governmental Accounting Standards Board Statement 34*. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Compliance**

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*. However, we noted certain immaterial instances of noncompliance that we have reported to the City's management in a separate letter dated October 25, 2004.

**Internal Control over Financial Reporting**

In planning and performing our audit, we considered the City's internal control over financial reporting to determine our auditing procedures for the purpose of expressing our opinions on the

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financial statements and not to provide assurance on the internal control over financial reporting. However, we noted a certain matter involving the internal control over financial reporting and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the City's ability to record, process, summarize, and report financial data consistent with management's assertions in the financial statements. A reportable condition is described in the accompanying schedule of findings as item 2003-001.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we do not believe the reportable condition described above is a material weakness. 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 City's management in a separate letter dated October 25, 2004.

This report is intended for the information and use of the audit committee, management, council, 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.



**Betty Montgomery**  
Ohio Auditor of State

October 25, 2004





**Auditor of State  
Betty Montgomery**

**INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH REQUIREMENTS  
APPLICABLE TO MAJOR FEDERAL PROGRAMS AND INTERNAL CONTROL OVER  
COMPLIANCE IN ACCORDANCE WITH *OMB CIRCULAR A-133***

City of Maumee  
Lucas County  
400 Conant Street  
Maumee, Ohio 43537-3381

To the Honorable Mayor and Members of Council:

**Compliance**

We have audited the compliance of the City of Maumee, Lucas County, 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, 2003. The City's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings. Compliance with the requirements of laws, regulations, contracts, and grants applicable to its major federal program is the responsibility of the City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

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

In our opinion, the City complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended December 31, 2003. We noted certain instances of noncompliance that do not require inclusion in this report that we have reported to management of the City in a separate letter dated October 25, 2004.

### **Internal Control over Compliance**

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

We noted a certain matter involving the internal control over compliance and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over compliance that, in our judgment, could adversely affect the City's ability to administer a major federal program in accordance with applicable requirements of laws, regulations, contracts, and grants. A reportable condition is described in the accompanying schedule of findings as item 2003-002.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe the reportable condition described above is not a material weakness. We also noted other matters involving the internal control over federal compliance that do not require inclusion in this report, that we have reported to management of the City in a separate letter dated October 25, 2004.

### **Schedule of Federal Awards Expenditures**

We have audited the basic financial statements of the City as of and for the year ended December 31, 2003, and have issued our report thereon dated October 25, 2004, in which we noted that the City has adopted *Governmental Accounting Standards Board Statement 34*. Our audit was performed for the purpose of forming an opinion on the basic financial statements

City of Maumee  
Lucas County  
Independent Accountants' Report on Compliance with Requirements  
Applicable to Major Federal Programs and Internal Control Over  
Compliance in Accordance with *OMB Circular A-133*  
Page 3

taken as a whole. The accompanying schedule of federal awards expenditures is presented for purposes of additional analysis as required by *OMB Circular A-133* and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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

A handwritten signature in black ink that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

**Betty Montgomery**  
Ohio Auditor of State

October 25, 2004

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**CITY OF MAUMEE  
LUCAS COUNTY**

SCHEDULE OF FINDINGS  
OMB CIRCULAR A -133 § .505  
FISCAL YEAR ENDED DECEMBER 31, 2003

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

<i>(d)(1)(i)</i>	<b>Type of Financial Statement Opinion</b>	Unqualified
<i>(d)(1)(ii)</i>	<b>Were there any material control weakness conditions reported at the financial statement level (GAGAS)?</b>	No
<i>(d)(1)(ii)</i>	<b>Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?</b>	Yes
<i>(d)(1)(iii)</i>	<b>Was there any reported material noncompliance at the financial statement level (GAGAS)?</b>	No
<i>(d)(1)(iv)</i>	<b>Were there any material internal control weakness conditions reported for major federal programs?</b>	No
<i>(d)(1)(iv)</i>	<b>Were there any other reportable internal control weakness conditions reported for major federal programs?</b>	Yes
<i>(d)(1)(v)</i>	<b>Type of Major Programs' Compliance Opinion</b>	Unqualified
<i>(d)(1)(vi)</i>	<b>Are there any reportable findings under § .510?</b>	No
<i>(d)(1)(vii)</i>	<b>Major Program (list):</b>	Small Cities Community Development Block Grant Program CFDA #14.228
<i>(d)(1)(viii)</i>	<b>Dollar Threshold: Type A\B Programs</b>	Type A: > \$ 300,000 Type B: all others
<i>(d)(1)(ix)</i>	<b>Low Risk Auditee?</b>	No

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

**Finding Number 2003-001**

**SAS 70 Reports**

The City currently has a contract with a third-party provider to administer the City’s self insurance program. The contract requires the provider to provide the City with an annual Report on the Processing of Transactions by Service Organization prepared in accordance with Statement of Auditing Standards 70 (SAS 70). There are two types of SAS 70 reports; Tier I - Report on Controls Placed in Operation, and Tier II - Report on Controls Placed in Operation and Tests of Operating Effectiveness.

When a user organization uses a service organization, transactions that affect the user organizations financial statements are subjected to controls that are, at least in part, physically and operationally separate from the user organization. Further, when the service organization executes the user organization’s transactions and maintains the related accountability, there is a lower degree of interaction between the controls at the service organization and those at the user organization.

The City has a requirement of third party administrators to provide the City with a Tier II SAS 70 report, however, the contract does not identify this as an annual requirement.

We recommend the City establish procedures to ensure third party administrators provide the City with Tier II SAS70 reports on an annual basis.

**3. FINDINGS FOR FEDERAL AWARDS**

**1. Federal Grant Accounting**

<b>Finding Number</b>	2003-002
<b>CFDA Title and Number</b>	Small Cities Community Development Block Grant Program 14.228
<b>Federal Award Number / Year</b>	AT-01-146-1/ 2001 AD-00-146-1/ 2000
<b>Federal Agency</b>	U.S. Department of Housing and Urban Development
<b>Pass-Through Agency</b>	Ohio Department of Development

The City has not established an accounting system to properly monitor its usage of federal monies. The City disbursed federal monies from both the general fund and certain special revenue funds. This situation resulted in the City claiming reimbursement for invoices from other nonfederal projects. We recommend the City establish separate special revenue funds by grant to record all receipt and disbursement activity.





*Lucas County, Ohio*



COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED  
DECEMBER 31, 2003



COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED  
DECEMBER 31, 2003

*Prepared by the Finance Department*

David C. Hazard  
Director



TABLE OF CONTENTS

CITY OF MAUMEE  
LUCAS COUNTY, OHIO

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**I** INTRODUCTORY SECTION

**A** Letter of Transmittal ..... v  
**B** List of Principal Officials ..... xvi  
**C** City Organizational Chart ..... xvii  
**D** Certificate of Achievement for Excellence in Financial Reporting..... xviii

**II** FINANCIAL SECTION

**A** Independent Accountants' Report ..... 1  
**B** Management's Discussion and Analysis ..... 3  
**C** Basic Financial Statements:  
    Government-wide Financial Statements:  
        Statement of Net Assets ..... 13  
        Statement of Activities ..... 14  
    Fund Financial Statements:  
        *Governmental Funds:*  
            Balance Sheet ..... 16  
            Reconciliation of Total Governmental Fund Balances to Net Assets of  
            Governmental Activities ..... 18  
            Statement of Revenues, Expenditures and Changes in Fund Balances ..... 20  
            Reconciliation of the Statement of Revenues, Expenditures and Changes  
            in Fund Balances to the Statement of Activities ..... 22  
            Statement of Revenues, Expenditures and Changes in Fund Balance  
            (Budget and Actual):  
                General Fund ..... 23  
                Income Tax "A" (1%) Fund ..... 24  
                Income Tax "B" (0.5%) Fund ..... 25  
        *Proprietary Funds:*  
            Statement of Net Assets ..... 26  
            Statement of Revenues, Expenses and Changes in Fund Net Assets ..... 27  
            Statement of Cash Flows ..... 28  
        *Fiduciary Funds:*  
            Statement of Net Assets ..... 29  
Notes to the Basic Financial Statements ..... 30

**D Combining and Individual Fund Statements and Schedules:**

Nonmajor Governmental Financial Statements:

Combining Balance Sheet.....	64
Combining Statement of Revenues, Expenditures and Changes in Fund Balances.....	65
Combining Balance Sheet – Nonmajor Special Revenue Funds.....	66
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Special Revenue Funds.....	69
Combining Balance Sheet – Nonmajor Debt Service Funds.....	72
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Debt Service Funds.....	73
Combining Balance Sheet – Nonmajor Capital Projects Funds.....	74
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Capital Projects Funds.....	75

Individual Schedules of Revenues, Expenditures and Changes in Fund Balance (Budget and Actual):

Major Governmental Funds:

<i>General Fund</i> .....	76
<i>Special Revenue Funds:</i>	
Income Tax “A” (1%) Fund.....	82
Income Tax “B” (0.5%) Fund.....	83
<i>Debt Service Fund:</i>	
Special Assessment Bond Retirement Fund.....	84
<i>Capital Projects Funds:</i>	
Permanent Improvement Fund.....	85

Nonmajor Governmental Funds:

<i>Special Revenue Funds:</i>	
Street Construction, Maintenance and Repair Fund.....	86
State Highway Improvement Fund.....	87
Permissive Auto License Tax Fund.....	88
Street Lighting Fund.....	89
Law Enforcement Trust Fund.....	90
Mandatory Drug Law Fund.....	91
Enforcement and Education Fund.....	92

*Special Revenue Funds: (Continued)*

Indigent Driver Alcohol Treatment Fund.....	93
Municipal Court Capital Improvement Fund .....	94
Community Housing Improvement Program Fund.....	95
Community Development Block Grant Fund.....	96
Job Creation and Retention Fund .....	97
Maumee Revolving Loan Fund.....	98
Police Pension Fund .....	99
Street Opening Fund.....	100

*Debt Service Funds:*

Ohio Water Development Authority Debt Service Fund .....	101
--	-----

*Capital Projects Funds:*

Sewer Construction Fund .....	102
Waterline Construction Fund .....	103
Street Construction Fund.....	104
Sidewalk Construction Fund .....	105

*Fiduciary Funds – Agency Funds:*

Combining Statement of Changes in Assets and Liabilities.....	107
---	-----

*Capital Assets Used in the Operation of Governmental Funds:*

Schedule by Source.....	109
Schedule by Function and Activity.....	110
Schedule of Changes by Function and Activity.....	112

**III**

**STATISTICAL SECTION**

General Governmental Expenditures by Function - Last Ten Years ..... S 2  
General Governmental Revenues by Source - Last Ten Years..... S 3  
Property Tax Levies and Collections - Last Ten Years ..... S 4  
Tangible Tax Collected - Last Ten Years..... S 5  
Assessed Valuations and Estimated True Values of Taxable Property - Last Ten Years ..... S 6  
Property Tax Rates - Direct and Overlapping Governments - Last Ten Years ..... S 7  
Special Assessment Billings and Collections - Last Ten Years ..... S 8  
Computation of Legal Debt Margin ..... S 9  
Ratio of Net General Obligation Debt to Assessed Value and  
Net General Obligation Debt Per Capita - Last Ten Years..... S 10  
Ratio of Annual Debt Service Expenditures for General Obligation Bonded Debt to  
Total General Governmental Expenditures - Last Ten Years..... S 11  
Computation of All Direct and Overlapping Government Debt..... S 12  
Demographic Statistics - Last Ten Years ..... S 13  
Property Value, Construction and Bank Deposits - Last Ten Years..... S 14  
Principal Taxpayers (Property Tax) ..... S 15  
Principal Taxpayers (Income Tax) ..... S 16  
Principal Employers ..... S 17  
Miscellaneous Statistics..... S 18



## *INTRODUCTORY SECTION*

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# CITY OF MAUMEE

400 Conant Street • Maumee, Ohio 43537  
David C. Hazard, Director of Finance

phone (419) 897-7115

fax (419)-897-7114

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October 25, 2004

Mayor Timothy L. Wagener, City Council  
and the Citizens of the City of Maumee, Ohio:

We are pleased to present the Comprehensive Annual Financial Report for the City of Maumee (the "City") for the fiscal year ended December 31, 2003. The report has been prepared in conformity with generally accepted accounting principles (GAAP) and guidelines recommended by the Government Finance Officers Association of the United States and Canada (GFOA).

## INTRODUCTION

While there is no legal requirement for the preparation of this report, it represents a commitment by the City of Maumee to conform to nationally recognized standards of excellence in financial reporting. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data, as presented, is accurate in all material respects; is presented in a manner designed to fairly set forth the financial position and results of operations of the City; and includes all disclosures necessary to enable the reader to gain an understanding of the City's financial activity.

This Comprehensive Annual Financial Report (CAFR) is designed to assist and guide the reader in understanding its contents. The report is comprised of the following three major sections:

1. The Introductory Section includes this letter of transmittal, which presents the City's organization, operational structure and accomplishments; an organizational chart; and a list of elected officials.
2. The Financial Section contains the City's basic financial statements and explanatory notes thereto; the combining and individual fund and account group financial statements and schedules; and the Report of the Independent Auditors.
3. The Statistical Section presents social, economic and historical data in a multi-year format which can be used to identify financial trends and data relative to the fiscal capacity of the City.

***Letter of Transmittal***

***For the Year Ended December 31, 2003***

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**Reporting Entity**

The accompanying basic financial statements comply with the provisions of Governmental Accounting Standards Board (the "GASB") Statement No. 14, *"The Financial Reporting Entity,"* in that the financial statements include all the organizations, activities, functions and component units for which the City (the reporting entity) is financially accountable. Financial accountability is defined as the appointment of a voting majority of the component unit's board and either (1) the City's ability to impose its will over the component unit, or (2) the possibility that the component unit will provide financial benefit to or impose a financial burden on the City. There were no potential component units to be included in the City's reporting entity that met the criteria imposed by GASB Statement No. 14. Therefore, the reporting entity of the City includes the following services as authorized by its Charter: public safety, highways and streets, sanitation, health and social services, culture-recreation, public improvements, planning and zoning, and general administrative services. In addition, the City owns the water distribution system and the wastewater collection system, both of which are reported as enterprise funds. The City of Toledo provides treatment services for water and the Lucas County Sanitary Engineer provides wastewater services, both on a contractual basis.

**The City of Maumee**

The City of Maumee, Lucas County, Ohio, is situated in the beautiful Maumee River Valley, approximately nine miles southwest of downtown Toledo. Its 10.6 square mile area serves a residential population of 15,074 (revised 2000 Census). The land use is broken down as follows: 51% is residential, 40% is commercial or industrial, 8% is governmental or educational, and 1% is agricultural. The City's elevation is approximately 638 feet above sea level with median temperatures of 75 degrees in summer and 30.2 degrees in winter. Interstate Highways 80/90 (the Ohio Turnpike) and 475 serve as the City's major transportation arteries. The City is also served by one state highway (State Route 25) and four U.S. highways (U.S. Routes 20, 20A, 23 and 24). Another transportation route aiding the City is the north-south Interstate Highway I-75 that joins I-475 approximately 3 miles east.

**Historical Information**

Much of Ohio's Indian population was concentrated along the Maumee River, which served as a vital link to the British army post in Detroit, Michigan during the latter part of the 1700's. General Anthony Wayne led American troops against the Indians and won the decisive Battle of Fallen Timbers in 1794, opening the area to settlement. The War of 1812 permanently secured the area for the United States. The site of Maumee was first surveyed in 1817 by William Oliver, a former scout and officer at Fort Meigs. In 1820 Waynesfield Township was formed and in 1838 was incorporated as Maumee City.

During the mid 1800's, the Wabash and Lake Erie Canal and the newly completed Miami and Erie Canal turned Maumee into a bustling trade center. The large lake ships were unable to use the docks at Maumee because the river was too shallow in spots. Toledo gradually became the leading port in the Maumee Valley. Maumee served as the county seat of Lucas County until 1852 when the county seat moved to Toledo. The locks that connected the canal and the Maumee River are still visible today in the City's Towpath Park. Old Fort Miamis, held by the British during the War of 1812 and the site of Dudley's Massacre lie within Maumee. The site of Fort Miamis is owned by the City of Maumee and is also maintained as a park. Fort Meigs, a strategic location during the War of 1812 and later reconstructed as a historical monument, lies directly across the Maumee River in Perrysburg.

***Letter of Transmittal  
For the Year Ended December 31, 2003***

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**Form of Government**

The City of Maumee, Ohio is a home-rule municipal corporation created under the laws of the State of Ohio. The City operates under its own Charter. The current Charter, which provides for a Council/Mayor form of government, was adopted in 1951 and has been amended five times (1958, 1968, 1976, 1989 and 1994).

Legislative authority is vested in a seven-member City Council. All members are elected at-large to serve four-year terms. The Council establishes compensation of City officials and employees and enacts ordinances and resolutions relating to City services, tax levies, the appropriation and borrowing of money, the licensing and regulation of businesses and trades and other municipal purposes. The presiding officer is the Mayor, who has no vote unless there is a tie vote of the members of City Council. The Charter establishes certain administrative departments and the City Council may establish divisions of those departments and/or additional departments.

The City's chief executive and administrative officer is the Mayor, who is elected by the voters specifically to that office for a four-year term. The Mayor appoints, subject to the approval of Council, all the directors of the City's departments. The key appointed officials are the Finance Director, Law Director and the Directors of Public Service and Public Safety. The Director of Public Safety has also been appointed the City Administrator. The Mayor also appoints members to a number of boards and commissions and appoints and removes, in accordance with civil service requirements and various contract provisions, all non-elected City employees.

**Municipal Services**

**Police:**

Current authorized strength of the Maumee Police Division includes thirty patrol officers, four detectives, eight sergeants, two lieutenants and a Chief. This force is supported by eleven dispatchers, four clerical employees and an animal control officer. The division has nine patrol cars and is responsible for patrolling about 93 miles of streets. Due to its full-time status, the Police Division is entirely self-sufficient and provides 24-hour protection. However, in an unusually demanding situation, the division can call upon other local law enforcement agencies for assistance through a mutual aid contract entered into with other municipalities in Lucas County.

**Fire and Emergency Medical Services:**

The City's firefighting personnel include twenty full-time and approximately sixty volunteer employees. Equipment includes five fire trucks, two heavy rescue trucks and three fully equipped paramedic vans for emergency medical service. Maumee has a Class 4 ISO rating. In addition, the City houses and operates a Lucas County EMS life squad staffed by full-time paramedics.

***Letter of Transmittal***

***For the Year Ended December 31, 2003***

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**Parks and Recreation:**

The City owns thirteen parks totaling nearly 120 acres including a 40 acre site purchased in 2002 from the Maumee City School District that has been improved at a cost of over \$1,000,000. Fred J. Rolf Park contains five soccer fields, eight softball diamonds, two tennis courts, sand volleyball courts and a concession building. S. E. Klewer Towpath Park is located along the Maumee River, adjacent to Sidecut Metropark, and contains remnants of locks from the days of the Miami and Erie Canal. The City also has within its boundaries Sidecut Metropark, one of the parks of the Metropolitan Park District of the Toledo Area. Maumee is the site of the Lucas County Recreation Center containing many sporting facilities and the home of the Lucas County Fair.

**Service Department:**

Streets, parks, and other City facilities are maintained by 32 full time equipment operators, laborers, and supervisors of the service department.

**Water and Wastewater:**

Water is treated by the City of Toledo and purchased on a contractual basis for delivery through the distribution system owned and maintained by the City of Maumee. Wastewater collection is handled through the City's sanitary sewer system, which it owns and maintains. Wastewater treatment is provided by Lucas County on a contractual basis. Seventeen employees of the Water and Sewers Divisions maintain the City's lines and pumping stations.

**ECONOMIC CONDITION AND OUTLOOK**

**Local Economy**

Much of Maumee's recent economic growth is due to its access to diverse transportation facilities. Immediate access is available to Exit 59 of the Ohio Turnpike (Interstate Highways 80/90), to one state highway, to four U.S. highways and to Interstate Highway 475. The City is served by the Norfolk and Southern Railroad. The County is served by Conrail and Amtrak and by the Toledo Express Airport. The City is also served by the Toledo Area Regional Transit Authority (TARTA), a public mass transit system. In addition, the Toledo-Lucas County Port Authority provides nearby international and Great Lakes shipping facilities.

The City initiated a Job Creation and Retention Grant Pilot Program in 1992 as a means of fostering business growth and development within the City without sacrificing school district revenues through tax abatements. The innovative program provides grants of up to \$20,000 per year for up to ten years for businesses locating or expanding in the City. The amount of the payments is based on income tax withholding and the length of the payments is based on the number of new jobs created. The program has proven quite successful with fifty-three grants in excess of \$5,089,000 being awarded to forty-six companies. A minimum of 3,058 new jobs have been created or retained with conservative estimates of additional annual payrolls of over \$102,000,000. Ten businesses were awarded maximum grants of \$20,000 a year for ten years.

## ***CITY OF MAUMEE, OHIO***

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### ***Letter of Transmittal***

***For the Year Ended December 31, 2003***

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As permitted by State Law, Council in 1995 created an enterprise zone and in 1996 created a community reinvestment area. To encourage investments in capital improvements and the creation of jobs, subject to applicable program guidelines, real and personal property tax incentives may be granted within the enterprise zone and real property tax incentives may be granted within the community reinvestment area. To date, nine businesses have been granted tax abatement incentives within the enterprise zone and eight within the community reinvestment area. In 2002, the City created an additional Community Reinvestment Area to encourage redevelopment in the east end of the City.

In 2002, the City entered into a Cooperative Economic Development Agreement (CEDA) with the City of Toledo and Monclova Township for a project to encourage the relocation and consolidation of the research and development division of the Dana Corporation to Maumee. The property owner, City of Toledo, petitioned for annexation of nearly ninety acres to the City of Maumee. Income tax from this area will be shared with the City of Toledo. Dana projects 430 jobs to be located at a new facility under construction at the end of the year.

Also in 2002 the City entered into an agreement with the City of Toledo and Monclova Township for the creation of a Joint Economic Development Zone (JEDZ). In 2003, the voters of Monclova Township approved a ballot issue which authorized a JEDZ and a governing board was created to determine what services to provide within the Zone. Discussions continue on the services to be provided and the imposition of an income tax to generate a revenue stream.

The City is also home to a very successful business park development. Arrowhead Park (the "Park") and the adjacent industrial and commercial property has been touted as the hallmark of industrial/commercial development in northwest Ohio. The area includes 1,100 plus acres with approximately 800 acres presently developed. The Park's success is attributed to systematic land use planning and the willingness of property owners and the City to install the necessary infrastructure so that business construction commences and continues without interruption. The infrastructure includes the following: sanitary sewers, water lines, drainage and storm sewers, street construction, underground wiring for street lighting, traffic control signals, water storage facilities, an auxiliary fire station and the Dussel Drive/I-475 Interchange. The major financial commitment (in excess of \$25 million) was made with the knowledge that without the improvements, development would not occur. The Park is presently occupied by over 200 businesses, which collectively employ over 12,500 people.

Maumee's business community consists of warehousing and distribution, light manufacturing, health services, financial services, corporate offices and service and retail facilities. Maumee's major employers include the Ford Motor Company, Meijer, Inc., United Parcel Service, The Andersons, Inc., St. Luke's Hospital, Dana Corporation, Maumee City School District, Paramount Care, Inc., and Hickory Farms, Inc.

### **Unemployment Rates**

The 2003 unemployment rate for Lucas County of 7.8%, was slightly above the state average of 6.1% and the federal average of 6.0%. The Ohio Bureau of Employment Services does not maintain statistics for the City of Maumee, but unemployment within the City was estimated to be less than 6.0%.

**CITY OF MAUMEE, OHIO**

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***Letter of Transmittal  
For the Year Ended December 31, 2003***

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**Employee Relations**

The City has 170 full-time and approximately 100 part-time employees. A statewide public employee collective bargaining law generally applies to public employee relations and collective bargaining.

A portion of employees are represented by the following bargaining units:

<u>Bargaining Unit</u>	<u>Agreement Expiration Date</u>	<u>Number of Employees Covered</u>
Fraternal Order of Police, Ohio Labor Council	December 18, 2005	52
AFSCME, Ohio Council 8 Local 649	February 18, 2005	50
Maumee Professional Firefighter/Paramedic Association	December 14, 2006	14

All other employees are governed by legislative action of City Council. In the judgment of the City, its employee relations have been and are considered to be good.

**MAJOR INITIATIVES**

The following major capital improvement projects and expenditures were underway/completed in the City of Maumee during 2003:

***Highway Improvements***

The City has entered into a joint cooperative agreement with the Lucas County Board of commissioners and Toledo-Lucas County Port Authority to facilitate the improvement of interchange of I-475/U.S. 23 and the Dussel Drive/Illinois Avenue corridor. The City provided \$1,960,000 for the purchase and preservation of property for potential right-of-way improvements. The City also engaged an engineering firm to update the improvement plans for application for state highway funding.

***Theater Restoration***

In 2000, the City purchased the former Maumee Indoor Theater, which had been closed since 1996. Built in 1946 in the Art Modern style, the theater is located at the entrance to the old central business district. Plans were prepared to renovate the theater for cinema and for live performances. Renovations began in 2003 for the original theater and for addition of a small theater/multipurpose room. Construction contracts totaling \$2,991,800 were awarded and construction began in August. Construction of a parking lot to serve the theater was completed in 2003 at a cost of \$409,617. The theater opened in May 2004. CDBG funds totaling \$500,000 were allocated to this project by the Ohio Department of Development and Revolving Loan Funds totaling \$651,876 were dedicated to the improvement.

***Neighborhood Parks***

The City continued its program to improve neighborhood parks with the installation of new playground equipment at a cost of \$43,000 for Ford and Fairfield Parks. Also construction of a skateboard park and an ice skating rink at Fairfield Park was completed at a cost of \$86,000.



***Letter of Transmittal***

***For the Year Ended December 31, 2003***

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***Swimming Pool***

Construction of a community swimming pool was begun on land purchased from the Maumee City School District in 2002. The pool contract totals \$3,263,000 and the pool features two large water slides and a zero depth entry area. The pool was opened in June 2004.

***Fire Equipment***

The Fire Division ordered a new triple action pumper at a cost of \$442,000. The pumper was delivered in 2004.

***Street Construction***

In 2000, the City began a four-year program of street reconstruction in the Uptown neighborhood streets. Each street is nearly one mile long and construction includes drainage, curbing, and paving reconstruction. In 2003, William Street was completed at a cost of \$934,000 and it complemented improvements for the Indoor Theater and the new theater parking lots.

***Pump Station Improvement***

In 2002, the City began design of pump station improvements for water and sewer pump stations. Construction of the improvements was contracted for in 2003 for the 2004 season in the amount of \$908,000.

***Land Acquisition***

The City completed the purchase of nearly thirty-nine acres of land from the Maumee City School District. The land was previously leased and is in use for softball, soccer and other recreational activities and is also the site of the new swimming pool.

The City also purchased land overlooking the Maumee River at the site of the former Edison Club property. A passive park is being planned for this scenic overlook.

***Police Station***

Plans for a new police station and parking lot were nearly completed in 2003. The existing police building will be demolished and the new building constructed on the same site. One residential property was acquired and two residential properties are being sought for parking for the new building. The building plan is 54,606 square feet with an estimated project cost in excess of ten million dollars.

***Overlook And Streetscape Project***

The Fort Meigs Memorial Bridge was replaced in 2002 and the site of the former bridge provides a scenic overlook of the Maumee River. In 2003, overlook improvements were completed and streetscape improvements begun. Decorative streetlights were installed using "period" lighting of cast iron.

***Community Development Block Grant***

The City was recipient of a Downtown Revitalization Grant for use in improving the historic uptown area. In 2003, over \$150,000 was granted as matching funds to business owners for façade, utility, and other building improvements. In addition, \$200,000 was allocated to the theater project. The City also received a \$300,000 discretionary grant for use in the theater project.

*Letter of Transmittal  
For the Year Ended December 31, 2003*

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**FINANCIAL INFORMATION**

**Internal Control, Budgetary Control and the Accounting System**

Development of the City's accounting system included substantial consideration of the adequacy of the internal accounting controls. Internal accounting controls are designed to provide reasonable but not absolute assurance that:

1. The City's assets are protected against loss and unauthorized use or disposition; and
2. Reliable financial reports for preparing financial statements and providing accountability for assets are maintained.

The concept of reasonable assurance states that internal controls should be evaluated by applying the following criteria:

1. The expense associated with providing the internal controls should not exceed the benefits likely to be derived from their implementation; and
2. The evaluation of the offsetting costs and benefits involves estimates and judgment by the City administration and the Finance Director's Office.

All internal control evaluations occur within this framework. It is the belief of the administrative and financial management personnel that the City's financial controls adequately safeguard existing assets and provide reasonable assurance of the proper recording of financial transactions.

The City Finance Department is responsible for the auditing and analysis of all purchase orders and vouchers of the City. Finance Department personnel carefully review purchase orders and requisitions to ensure the availability of monies in the proper funds and accounts prior to the certification and payment of approved invoices. The City utilizes a fully automated accounting system as well as an automated system of controls for fixed assets accounting and payroll. These systems, coupled with the review and examination performed by the Finance Department, ensure that the financial information generated is both accurate and reliable.

Budgetary control is maintained at the object level for each department within each fund by way of legislation approved by City Council. The various objects are:

Personal Services	Materials and Supplies
Contractual Services	Capital Outlay
Other (Miscellaneous)	Debt Service: Principal
Transfers	Interest

**CITY OF MAUMEE, OHIO**

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**Letter of Transmittal  
For the Year Ended December 31, 2003**

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Lower levels within each object are accounted for and reported internally for management control purposes. Such lower levels are referred to as line items of expenditure. Estimated amounts must be encumbered prior to final approval of purchase orders or other contracts to vendors. Encumbrances in excess of the available object level appropriations are not approved unless additional appropriations are authorized. Unencumbered appropriations return (lapse) to the unappropriated balances in the individual funds at the end of each fiscal year, which coincides with the calendar year. Appropriations, both original and supplemental, must be authorized by City Council. Supplemental appropriations were made several times during the year, primarily for capital expenditures.

**Debt Administration**

The debt service funds accumulate resources for the payment of principal, interest and associated administrative costs on the City's general and special assessment long-term bonds and the Ohio Water Development Authority loan. Resources are derived from property taxes (real and personal), special assessments and operating transfers.

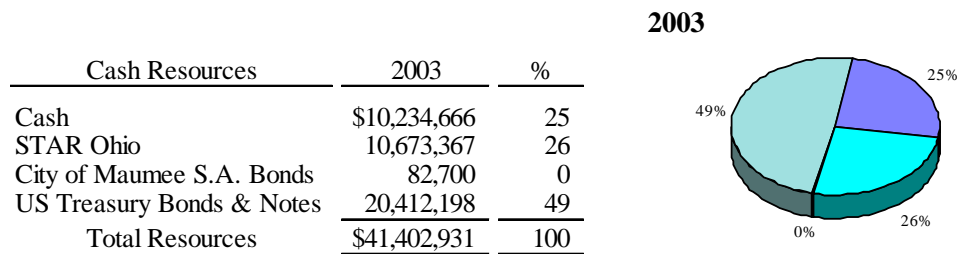
Moody's Investors Service has issued a rating of A1 the rating on the City's general obligation limited tax debt. The rating reflects the City's favorable financial position, low debt burden and diverse local economy. The total bonded debt of the City at December 31, 2003 was \$1,312,700, which consisted of Special Assessment Bonds (with Governmental Commitment).

**Cash Management**

Cash management is a vital component of the City of Maumee's overall financial strategy. The primary objective of the City's investment activity is preservation of capital and protection of invested principal. The City pools its cash for maximum investing efficiency, except for that held by fiscal and escrow agents and certain debt service funds.

Public funds are invested to achieve maximum return without assuming unreasonable risk. Investments are diversified to avoid incurring unreasonable risks relating to a specific type of security or to a particular individual financial institution. Portfolio investments remain sufficiently liquid to ensure that all operating requirements are satisfied in a timely manner.

The City's cash resources were invested at December 31, 2003 as follows:



The City earned interest on investments of \$570,871 for fiscal year 2003. Interest earned was allocated to the governmental funds.

## ***CITY OF MAUMEE, OHIO***

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### ***Letter of Transmittal***

***For the Year Ended December 31, 2003***

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At December 31, 2003, the City had bank deposits of \$1,874,810 collateralized by pooled collateral. The Ohio Law requires that deposits be placed in eligible banks or savings and loan associations located in Ohio. Any public depository in which the City places deposits must pledge as collateral eligible securities of aggregate market value equal to the excess of deposits not insured by the Federal Deposit Insurance Corporation (FDIC). The securities pledged as collateral are pledged to a pool for each individual financial institution in amounts equal to at least 105% of the carrying value of all public deposits held by each institution. Obligations that may be pledged as collateral are limited to obligations of the United States and its agencies and obligations of any state, county, municipal corporation or other legally constituted authority of any other state, or any instrumentality of such county, municipal corporation or other authority. Based upon criteria described in GASB Statement No. 3, "*Deposits With Financial Institutions, Investments (including Repurchase Agreements) and Reverse Repurchase Agreements*," collateral held in single financial institution collateral pools with securities being held by the pledging financial institution's agent in the pool's name are classified as Category 3.

### **Risk Management**

The City reduces exposure to risk through several initiatives. Initiatives include insurance coverage for vehicles, general liability, boiler and machinery and professional liability, all with the Ohio Government Risk Management Plan.

Deductible levels have been selected so as not to expose the City to excessive "first dollars" in claims. Deductibles for property damage and coverages are as follows:

	<u>Occurrence Limits</u>	<u>Aggregate Limit</u>	<u>Deductible</u>
Bodily Injury	\$5,000,000	\$7,000,000	None
Property Damage	Included	17,711,625	1,000 Buildings and Contents
Personal Injury	Included		None
Governmental Medical Service Liability	Included		None
Fire Department Errors and Omissions	Included		None
Public Officials Wrongful Act Liability	5,000,000	7,000,000	10,000/Occurrence
Law Enforcement Agency Officers	5,000,000	7,000,000	10,000/Occurrence
Employee Benefits Liability	1,000,000	3,000,000	
Automobile Liability	5,000,000		250 Comprehensive 500 Collision
Boiler and Machinery	100,000		1,000
Electronic Equipment/Media	50,000		1,000
Legal Liability - Real Property	1,000,000		
Earthquake	5,000,000		50,000

*Letter of Transmittal  
For the Year Ended December 31, 2003*

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**OTHER INFORMATION**

**Independent Audit**

The basic financial statements of the City of Maumee were audited by Betty Montgomery, Auditor of State. The Auditor of State's unqualified opinion has been included in this report.

**Awards**

The Government Finance Officers Association of the United States and Canada (GFOA) awards a Certificate of Achievement for Excellence in Financial Reporting to those governmental entities who qualify. To be awarded a Certificate of Achievement, a governmental unit must prepare an easily readable and efficiently organized Comprehensive Annual Financial Report whose contents satisfy all program standards. The report must satisfy both generally accepted accounting principles (GAAP) and applicable legal requirements respective to the reporting entity. A Certificate of Achievement is valid for a period of one year. The City received Certificates of Achievement for the fiscal years ended December 31, 1993 through 2002. We believe this, our eleventh Comprehensive Annual Financial Report, meets the high standards set by the GFOA for a Certificate of Achievement for Excellence in Financial Reporting, and we are submitting the report to the GFOA.

**Public Disclosure**

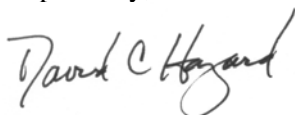
The publication of this Comprehensive Annual Financial Report is indicative of the City's commitment to provide significantly enhanced financial information and accountability to its citizens. In addition to the citizens of Maumee, the recipients of this report include city, state and federal officials, schools, libraries, newspapers, investment banking firms, banks and rating agencies. The report is made available to any person or organization requesting it. The extensive effort to prepare and distribute this report is indicative of the continued efforts of the City to improve its overall financial accounting, management and reporting capabilities.

**Acknowledgments**


Sincere appreciation is extended to the individuals who have contributed their time and effort in gathering data for this report, particularly the staff of the Finance Department and the Office of the Auditor of Lucas County. Special acknowledgment is extended to the staff of Donald J. Schonhardt and Associates, Inc. for their continued guidance in the preparation of this report.

Finally, special thanks to Mayor Timothy L. Wagener, the members of Maumee City Council and the City Administration whose support is necessary for the City of Maumee to conform to reporting requirements established for municipal governments to maintain the sound financial position that the City has enjoyed for many years.

Respectfully,



David C. Hazard  
Finance Director



Linda M. Wilker  
Assistant Finance Director

**CITY OF MAUMEE, OHIO**

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**List of Principal Officials  
For the Year Ended December 31, 2003**

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**Elected Officials**

<u>Name</u>	<u>Office</u>	<u>Term of Office</u>
Timothy L/ Wagener	Mayor	01/01/00 – 12/31/03
Thomas W. Shook	President of Council,	01/01/02 – 12/31/05
Douglas J. Brainard	Council	01/01/00 – 12/31/03
Jenny L. Barlos	Council	01/01/00 – 12/31/03
Michael J. Coyle	Council	01/01/02 – 12/31/05
Todd Zimmerman	Council	01/01/00 – 12/31/03
Brent A. Buehrer	Council	01/01/02 – 12/31/05
Richard H. Carr	Council	01/01/02 – 12/31/05
Gary L. Byers	Judge	01/01/02 – 12/31/05

**Administrators**

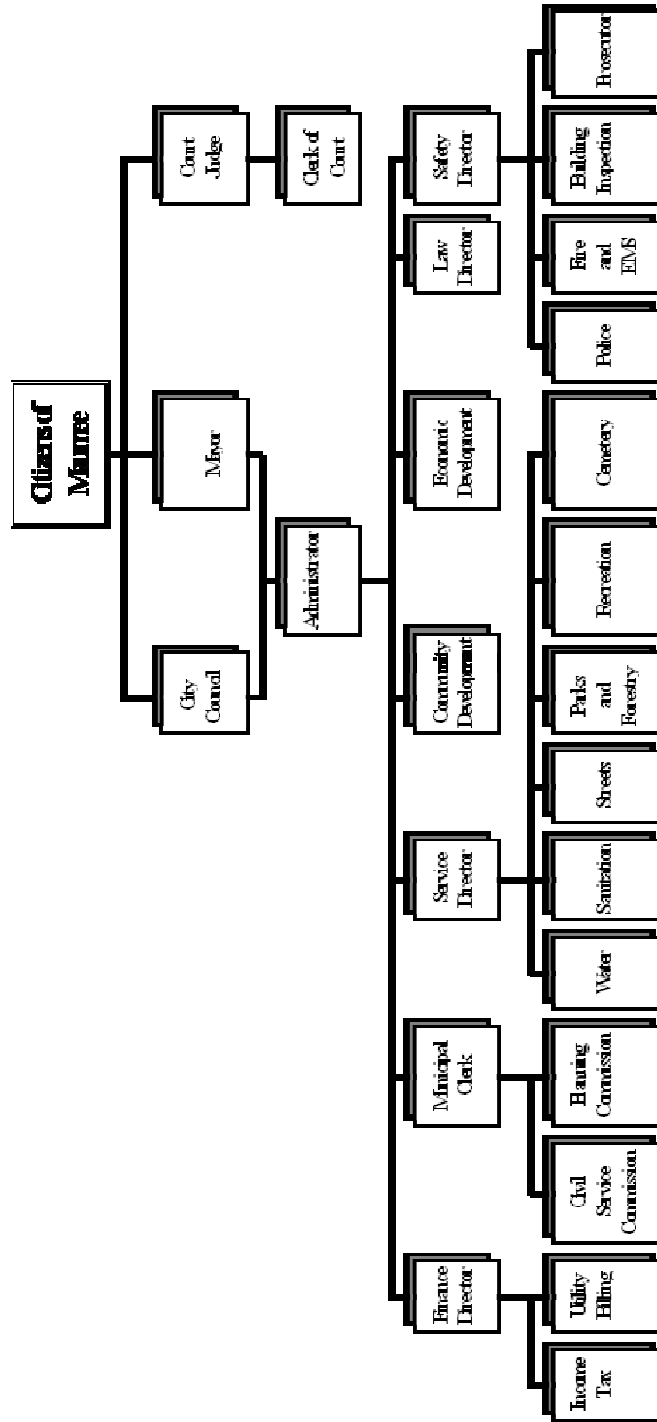
<u>Name</u>	<u>Office</u>	<u>Period</u>	<u>Surety (A)</u>
David C. Hazard	Finance Director/ Municipal Clerk	03/10/03 – 03/10/04	\$500,000
Linda M. Wilker	Assistant Finance Director	03/10/03 – 03/10/04	500,000
John J. Jezak	Administrator/ Safety Director	03/10/03 – 03/10/04	500,000
Larry L. Gamble	Service Director	03/10/03 – 03/10/04	500,000
Michael L. Rizzo	Commissioner of Taxation	03/10/03 – 03/10/04	500,000
Sheilah H. McAdams	Law Director	03/10/03 – 03/10/04	500,000
Sharon A. Thomasson	Clerk of Court	03/10/03 – 03/10/04	500,000

Applies to All Elected Officials

- A. Ohio Government Risk Management Plan – Employees Blanket Bond

City Organizational Chart  
For the Year Ended December 31, 2003

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Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

City of Maumee,  
Ohio

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 2002

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



*Edward Henry*

President

*Jeffrey R. Emmer*

Executive Director



## *FINANCIAL SECTION*

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**Auditor of State  
Betty Montgomery**

**INDEPENDENT ACCOUNTANT'S REPORT**

City of Maumee  
Lucas County  
400 Conant Street  
Maumee, Ohio 43537-3381

To the Honorable Mayor and Members of Council:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Maumee, Lucas County, Ohio (the City), as of and for the year ended December 31, 2003, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Maumee, Lucas County, Ohio, as of December 31, 2003, and the respective changes in financial position and cash flows, where applicable, and the respective budgetary comparison for the General and Income Tax "A" and Income Tax "B" funds thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 2, during the year ended December 31, 2003, the City implemented a new financial reporting model, as required by the provisions of Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 25, 2004, 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.

Management's Discussion and Analysis is not a required part of the basic financial statements but is supplementary information the Governmental Accounting Standards Board requires. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

We conducted our audit to form opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, the combining nonmajor fund statements and schedules and statistical tables are presented for additional analysis and are not a required part of the basic financial statements. We subjected the combining nonmajor fund statements to the auditing procedures applied in the audit of the basic financial statements. In our opinion, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole. We did not subject the introductory section and schedules and statistical tables to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.



**Betty Montgomery**  
Auditor of State

October 25, 2004

The discussion and analysis of the City of Maumee's financial performance provides an overall review of the City's financial activities for the fiscal year ended December 31, 2003. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the transmittal letter, notes to the basic financial statements and financial statements to enhance their understanding of the City's financial performance.

## **FINANCIAL HIGHLIGHTS**

Key financial highlights for 2003 are as follows:

- ❑ In total, net assets increased \$1,485,405. Net assets of governmental activities increased \$2,340,295, which represents a 3.9% increase from 2002. Net assets of business-type activities decreased \$854,890 or 7.7% from 2002.
- ❑ General revenues accounted for \$19 million in revenue or 75% of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for 25% of total revenues of \$25.5 million.
- ❑ The City had \$20.5 million in expenses related to governmental activities; only \$3.6 million of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily taxes) of \$19 million were adequate to provide for these programs.
- ❑ Among major funds, the general fund had \$15.3 million in revenues, including transfers in from other funds, and \$15.2 million in expenditures, including transfers out to other funds. The general fund's fund balance increased \$64,422 to \$674,338.
- ❑ Net assets for enterprise funds decreased by \$854,890.

## **OVERVIEW OF THE FINANCIAL STATEMENTS**

This annual report consists of four parts – *management's discussion and analysis*, the *basic financial statements*, *required supplementary information*, and an optional section that presents *combining statements* for nonmajor governmental funds and internal service funds. The basic financial statements include two kinds of statements that present different views of the City:

These statements are as follows:

1. *The Government-Wide Financial Statements* – These statements provide both long-term and short-term information about the City's overall financial status.
2. *The Fund Financial Statements* – These statements focus on individual parts of the City, reporting the City's operations in more detail than the government-wide statements.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements.

### **Government-wide Statements**

The government-wide statements report information about the City as a whole using accepted methods similar to those used by private-sector companies. The statement of net assets includes all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the City's net assets and how they have changed. Net-assets (the difference between the City's assets and liabilities) is one way to measure the City's financial health or position.

- Over time, increases or decreases in the City's net assets are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the City you need to consider additional nonfinancial factors such as property tax base, current property tax laws, conditions of the City's streets and continued growth within the City.

The government-wide financial statements of the City are divided into two categories:

- *Governmental Activities* – Most of the City's program's and services are reported here including security of persons and property, public health and welfare services, leisure time activities, community environment, transportation and general government.
- *Business-Type Activities* – These services are provided on a charge for goods or services basis to recover all of the expenses of the goods or services provided. The City's water and sewer services are reported as business-type activities.

### **Fund Financial Statements**

The fund financial statements provide more detailed information about the City's most significant funds, not the City as a whole. Funds are accounting devices that the City uses to keep track of specific sources of funding and spending for particular purposes.

Governmental Funds – Most of the City's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance City activities. The relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds is reconciled in the financial statements.

**Management's Discussion and Analysis  
For the Year Ended December 31, 2003**

**Unaudited**

Proprietary Funds – Proprietary funds use the same basis of accounting as business-type activities; therefore, these statements will essentially match.

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the City's own programs. All of the City's fiduciary activities are reported in separate Statements of Fiduciary Net Assets.

**FINANCIAL ANALYSIS OF THE CITY AS A WHOLE**

This is the first year for government-wide financial statements using the full accrual basis of accounting, therefore a comparison with prior year's information is not available. A comparative analysis will be provided in future years when prior year's information is available.

	Governmental Activities	Business-type Activities	Total
	2003	2003	2003
Current and other assets	\$48,313,301	\$1,476,979	\$49,790,280
Capital assets, Net	22,922,313	9,117,113	32,039,426
Total assets	71,235,614	10,594,092	81,829,706
Long-term debt outstanding	3,786,001	222,570	4,008,571
Other liabilities	4,691,370	111,851	4,803,221
Total liabilities	8,477,371	334,421	8,811,792
Net assets			
Invested in capital assets, net of related debt	20,959,726	9,117,113	30,076,839
Restricted	41,167,763	0	41,167,763
Unrestricted	630,754	1,142,558	1,773,312
Total net assets	\$62,758,243	\$10,259,671	\$73,017,914

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**CITY OF MAUMEE, OHIO****Management's Discussion and Analysis  
For the Year Ended December 31, 2003****Unaudited**

Changes in Net Assets – The following table shows the changes in net assets for the fiscal year 2003:

	Governmental Activities	Business-type Activities	Total
	2003	2003	2003
Revenues			
Program revenues:			
Charges for Services and Sales	\$2,670,452	\$2,918,133	\$5,588,585
Operating Grants and Contributions	740,794	0	740,794
Capital Grants and Contributions	150,308	0	150,308
General revenues:			
Income Taxes	14,279,628	0	14,279,628
Property Taxes	1,618,780	0	1,618,780
Grants and Entitlements not Restricted to Specific Programs	2,522,295	0	2,522,295
Investment Earnings	570,871	0	570,871
Miscellaneous	26,260	0	26,260
Operating Transfers In (Out)	343,465	(343,465)	0
Total revenues	22,922,853	2,574,668	25,497,521
Program Expenses			
Security of Persons and Property	8,985,652	0	8,985,652
Public Health and Welfare Services	156,168	0	156,168
Leisure Time Activities	1,429,591	0	1,429,591
Community Environment	1,171,220	0	1,171,220
Basic Utility Services	997,045	0	997,045
Transportation	3,028,610	0	3,028,610
General Government	4,695,001	0	4,695,001
Interest and Fiscal Charges	119,271	0	119,271
Water	0	1,790,017	1,790,017
Sewer	0	1,639,541	1,639,541
Total expenses	20,582,558	3,429,558	24,012,116
Total Change in Net Assets	2,340,295	(854,890)	1,485,405
Beginning Net Assets	60,417,948	11,114,561	71,532,509
Ending Net Assets	\$62,758,243	\$10,259,671	\$73,017,914



**Governmental Activities**

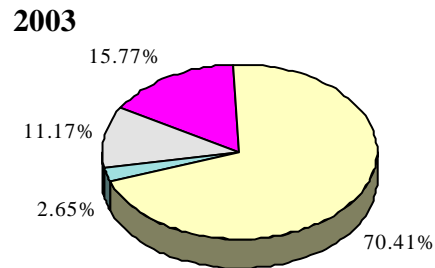
Net assets of the City's governmental activities increased by \$2,340,295. This was due primarily to an increase in municipal income tax collections net of revenue sharing payments to other governments, capital grants received for construction projects, and property tax valuations.

The unique nature of property taxes in Ohio creates the need to routinely seek voter approval for operating funds. In general, the overall revenue generated by the levy will not increase solely as a result of inflation. As an example, a homeowner with a home valued at \$100,000 and taxed at 1.0 mill would pay \$35.00 annually in taxes. If three years later the home were reappraised and increased to \$200,000 (and this inflationary increase in value is comparable to other property owners) the effective tax rate would become .5 mills and the owner would still pay \$35.00.

The City also receives an income tax, which is based on 1.5% of all salaries, wages, commissions and other compensation earned from residents living within the City and from nonresidents for work done or services performed or rendered in the City.

Property taxes and income taxes made up 7.1% and 63.24% respectively of revenues for governmental activities for the City in fiscal year 2003. The City's reliance upon tax revenues is demonstrated by the following graph indicating 70.34% of total revenues from general tax revenues:

Revenue Sources	2003	Percent of Total
General Shared Revenues	\$2,522,295	11.17%
Program Revenues	3,561,554	15.77%
General Tax Revenues	15,898,408	70.41%
General Other	597,131	2.65%
<b>Total Revenue</b>	<b>\$22,579,388</b>	<b>100.00%</b>



**Business-Type Activities**

Net assets of the business-type activities decreased by \$854,890. This decrease was due to funds transferred to governmental activities funds for construction of major infrastructure improvements and due to reduced volumes of water and sewage related to rainfall and climate conditions. User rates in the enterprise funds are evaluated by management with rate changes made by the legislative body. Changes to sanitary sewer user rates are made when necessary to keep pace with increased operational and capital costs. Sewer Rates were last increased in 1987. Changes to water user rates are directly tied to water rate increases of the city's water supplier, the City of Toledo.

**FINANCIAL ANALYSIS OF THE CITY'S FUNDS**

The City's governmental funds reported a combined fund balance of \$40,148,427, which is a decrease from last year's balance of \$43,508,411. The schedule below indicates the fund balance and the total change in fund balance by fund type as of December 31, 2003 and 2002:

	Fund Balance December 31, 2003	Fund Balance December 31, 2002	Increase (Decrease)
General	\$674,338	\$609,916	\$64,422
Income Tax "A" (1%)	21,463,618	23,072,047	(1,608,429)
Income Tax "B" (1/2%)	6,435,788	12,121,817	(5,686,029)
Special Assessment Bond			
Retirement	195,571	256,847	(61,276)
Permanent Improvement	7,028,810	2,681,884	4,346,926
Other Governmental	4,350,302	4,765,900	(415,598)
Total	<u>\$40,148,427</u>	<u>\$43,508,411</u>	<u>(\$3,359,984)</u>

General Fund – The City's General Fund balance increase is due to many factors. The tables that follow assist in illustrating the financial activities and balance of the General Fund:

	2003 Revenues	2002 Revenues	Increase (Decrease)
Taxes	\$1,493,491	\$1,613,036	(\$119,545)
Intergovernmental Revenue	2,474,729	2,473,411	1,318
Charges for Services	344,635	351,783	(7,148)
Licenses and Permits	155,362	172,346	(16,984)
Fines and Forfeitures	737,866	782,990	(45,124)
Investment Earnings	555,008	908,379	(353,371)
Special Assessments	2,894	1,274	1,620
All Other Revenue	77,130	139,346	(62,216)
Total	<u>\$5,841,115</u>	<u>\$6,442,565</u>	<u>(\$601,450)</u>

General Fund revenues in 2003 decreased approximately 9.3% compared to revenues in fiscal year 2002. The most significant factor contributing to this decrease was in revenues from shared state revenues, estate taxes and investment earnings.

**CITY OF MAUMEE, OHIO**

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**Management's Discussion and Analysis  
For the Year Ended December 31, 2003**

**Unaudited**

	2003 Expenditures	2002 Expenditures	Increase (Decrease)
Security of Persons and Property	\$7,402,766	\$6,958,175	\$444,591
Public Health and Welfare Services	150,897	86,518	64,379
Leisure Time Activities	1,256,182	1,223,225	32,957
Community Environment	453,808	363,797	90,011
Basic Utility Services	949,100	821,093	128,007
Transportation	2,098,584	1,835,084	263,500
General Government	2,366,186	3,405,472	(1,039,286)
Total	<u>\$14,677,523</u>	<u>\$14,693,364</u>	<u>(\$15,841)</u>

General Fund expenditures decreased by \$15,841 or 0.1% compared to the prior year. Overall salary and wages, retirement contributions, and health insurance premiums for the City's employees, increased approximately 8.5%. A million dollar settlement in 2002 was not repeated in 2003 regarding a tax revenue sharing agreement with the City of Toledo.

The City's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the General Fund.

During the course of fiscal year 2003 the City amended its General Fund budget several times, none significant.

For the General Fund, final budget basis revenue of \$6.6 million did not significantly change over the original budget estimates of \$6.6 million. The General Fund had an adequate fund balance to cover expenditures.

For the Income Tax "A" (1%) Fund, the fund balance decreased due to transfers to other funds for general operating expenditures. Income tax revenue increased nearly 5% in 2003.

For the Income Tax "B" (0.5%) Fund, the fund balance decrease due to transfers to capital projects funds for major improvement projects started in 2003. Income tax revenue increased nearly 5% in 2003.

For the Special Assessment Bond Retirement Fund, the fund balance decreased due to the scheduled retirement of individual bonds while no new special assessment debt was issued in 2003.

For the Permanent Improvement Fund, the fund balance increased due to transfers in from the Income Tax "B" (0.5%) Fund for major capital projects started in 2003.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets**

At the end of fiscal 2003 the City had \$32,039,416 net of accumulated depreciation invested in land, improvements, infrastructure, buildings, machinery and equipment and construction in progress. Of this total, \$22,922,313 was related to governmental activities and \$9,117,103 to the business-type activities. The following table shows fiscal year 2003 and 2002 balances:

	Governmental Activities		Increase (Decrease)
	2003	2002	
Land	\$6,227,651	\$5,586,854	\$640,797
Buildings & Improvements	11,869,750	11,718,911	150,839
Infrastructure	942,081	0	942,081
Machinery and Equipment	8,916,501	7,900,612	1,015,889
Construction in Progress	3,867,948	694,989	3,172,959
Less: Accumulated Depreciation	(8,901,618)	(7,925,133)	(976,485)
Totals	<u>\$22,922,313</u>	<u>\$17,976,233</u>	<u>\$4,946,080</u>

	Business-Type Activities		Increase (Decrease)
	2003	2002	
Land	\$119,364	\$119,364	\$0
Buildings and Improvements	17,003,373	16,987,232	16,141
Machinery and Equipment	1,397,588	1,341,193	56,395
Construction in Progress	119,027	0	119,027
Less: Accumulated Depreciation	(9,522,249)	(9,114,411)	(407,838)
Totals	<u>\$9,117,103</u>	<u>\$9,333,378</u>	<u>(\$216,275)</u>

The primary increases occurred in machinery and equipment, land, land improvements and infrastructure. Additional information on the City's capital assets can be found in Note 9.

**CITY OF MAUMEE, OHIO**

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**Management's Discussion and Analysis  
For the Year Ended December 31, 2003**

**Unaudited**

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**Debt**

At December 31, 2003, the City had \$3.8 million in bonds outstanding, \$332,000 due within one year. The following table summarizes the City's debt outstanding as of December 31, 2003 and 2002:

	<u>2003</u>	<u>2002</u>
Governmental Activities:		
Special Assessment Bonds	\$1,312,700	\$1,654,400
OWDA Loans Payable	589,887	637,588
OPWC Loans Payable	60,000	75,000
Compensated Absences	1,762,648	1,655,031
Ohio Police and Fire Pension Accrued Liability	<u>60,766</u>	<u>61,675</u>
Total Governmental Activities	<u>3,786,001</u>	<u>4,083,694</u>
Business-Type Activities:		
Compensated Absences	<u>\$222,570</u>	<u>\$215,732</u>
Total Business-Type Activities	<u>222,570</u>	<u>215,732</u>
Totals	<u><u>\$4,008,571</u></u>	<u><u>\$4,299,426</u></u>

State statutes limit the amount of unvoted general obligation debt the City may issue. The aggregate amount of the City's unvoted debt is also subject to overlapping debt restrictions with other political subdivisions. The actual aggregate amount of the City's unvoted debt, when added to that of other political subdivisions within the respective counties in which Maumee lies, is limited to ten mills. At December 31, 2003, the City's outstanding debt was below the legal limit. Additional information on the City's long-term debt can be found in Note 13.

**ECONOMIC FACTORS**

The City budgets conservatively for both revenue and expenditures. The City also recognizes that many amendments to the budget are required during the year and anticipates the needs and activities to be defined throughout the year. Original general fund revenues were projected to increase from 2002 by 5% and expenditures were projected to increase by 6%. Revenue fell by 12% due to decreases in state shared revenue and lower interest earnings caused by poor market conditions for short-term investments. General fund expenditures increased by 9.7% due largely to personnel expenditures, which increased by 10%, due to an increase in personnel and an increase in health care costs.

The City's largest source of revenue is an income tax of 1.5% levied by the City. The City's income tax revenue increased by 5.3% in 2003. One percent is available for general purposes while one-half percent is restricted to capital improvements. The City embarked on two major projects in 2003. The City began construction of a \$3.2 million swimming pool. Also in 2003, construction began on the restoration and expansion of the former movie house at a cost of \$3.0 million. The City also began other projects to update facilities for the public and city operations. In 2003, the City purchased property overlooking the Maumee River for use as a park and property for a new police station, a \$10 million project. A new fire truck was purchased at a cost of \$442,000. The third of four streets in the uptown area was reconstructed at a cost of \$942,000.

The industrial base of the City was strengthened with the opening of the Dana Corporation development facility employing over 430 in jobs transferred from Indiana, Michigan and within Ohio. The City's Job Creation and Retention program provided grants to six firms employing 287 in the effort to attract and retain employers in the City.

The City continues to pursue new revenue sources, while reviewing the possibility of increasing existing sources, in addition to a continued review of reducing operating expenditures. A close watch of current economic conditions and city operations is maintained in order to maintain fiscal stability.

**REQUESTS FOR INFORMATION**

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information contact the Finance Department by calling 419-897-7115 or writing to City of Maumee Finance Department, 400 Conant Street, Maumee, Ohio 43537.

**Statement of Net Assets  
December 31, 2003**

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>Assets:</b>			
Cash and Cash Equivalents	\$ 19,820,011	\$ 1,053,009	\$ 20,873,020
Investments	20,354,829	140,069	20,494,898
Receivables:			
Taxes	4,554,601	0	4,554,601
Accounts	117,727	442,100	559,827
Intergovernmental	1,319,636	0	1,319,636
Interest	2,598	0	2,598
Special Assessments	1,468,895	0	1,468,895
Loans	260,077	0	260,077
Due from Other Funds	0	14,159	14,159
Internal Balances	227,538	(227,538)	0
Inventory of Supplies at Cost	49,605	34,135	83,740
Prepaid Items	135,244	21,045	156,289
Restricted Assets:			
Cash and Cash Equivalents with Fiscal Agent	2,540	0	2,540
Capital Assets, Net	22,922,313	9,117,113	32,039,426
<b>Total Assets</b>	<b>71,235,614</b>	<b>10,594,092</b>	<b>81,829,706</b>
<b>Liabilities:</b>			
Accounts Payable	1,503,629	43,010	1,546,639
Accrued Wages and Benefits	799,355	68,841	868,196
Intergovernmental Payable	191,656	0	191,656
Claims Payable	75,122	0	75,122
Retainage Payable	243,404	0	243,404
Matured Bonds & Interest Payable	2,540	0	2,540
Due to Other Funds	14,159	0	14,159
Deferred Revenue	1,850,200	0	1,850,200
Accrued Interest Payable	11,305	0	11,305
Long-Term Liabilities:			
Due Within One Year	1,005,670	60,257	1,065,927
Due in More Than One Year	2,780,331	162,313	2,942,644
<b>Total Liabilities</b>	<b>8,477,371</b>	<b>334,421</b>	<b>8,811,792</b>
<b>Net Assets:</b>			
Invested in Capital Assets, Net of Related Debt	20,959,726	9,117,113	30,076,839
Restricted For:			
Capital Projects	8,317,447	0	8,317,447
Debt Service	1,627,981	0	1,627,981
Other Purposes	31,222,335	0	31,222,335
Unrestricted (Deficit)	630,754	1,142,558	1,773,312
<b>Total Net Assets</b>	<b>\$ 62,758,243</b>	<b>\$ 10,259,671</b>	<b>\$ 73,017,914</b>

See accompanying notes to the basic financial statements

**CITY OF MAUMEE, OHIO**

**Statement of Activities  
For the Year Ended December 31, 2003**

	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
<b>Governmental Activities:</b>				
Current:				
Security of Persons and Property	\$ 8,985,652	\$ 1,252,261	\$ 0	\$ 0
Public Health and Welfare Services	156,168	32,598	0	0
Leisure Time Activities	1,429,591	43,268	0	0
Community Environment	1,171,220	199,492	200,000	500,000
Basic Utility Services	997,045	1,520	0	0
Transportation	3,028,610	42,023	0	88,598
General Government	4,695,001	1,099,290	40,794	61,710
Interest and Fiscal Charges	119,271	0	0	0
<b>Total Governmental Activities</b>	<b>20,582,558</b>	<b>2,670,452</b>	<b>240,794</b>	<b>650,308</b>
<b>Business-Type Activities:</b>				
Water	1,790,017	1,691,615	0	0
Sewer	1,639,541	1,226,518	0	0
<b>Total Business-Type Activities</b>	<b>3,429,558</b>	<b>2,918,133</b>	<b>0</b>	<b>0</b>
<b>Totals</b>	<b>\$ 24,012,116</b>	<b>\$ 5,588,585</b>	<b>\$ 240,794</b>	<b>\$ 650,308</b>

**General Revenues**

Property Taxes  
Municipal Income Taxes  
Grants and Entitlements not Restricted to Specific Programs  
Investment Earnings  
Miscellaneous  
Transfers  
Total General Revenues and Transfers  
Change in Net Assets  
Net Assets Beginning of Year  
Net Assets End of Year

See accompanying notes to the basic financial statements



**CITY OF MAUMEE, OHIO**

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Net (Expense) Revenue  
and Changes in Net Assets

Governmental Activities	Business-Type Activities	Total
\$ (7,733,391)	\$ 0	\$ (7,733,391)
(123,570)	0	(123,570)
(1,386,323)	0	(1,386,323)
(271,728)	0	(271,728)
(995,525)	0	(995,525)
(2,897,989)	0	(2,897,989)
(3,493,207)	0	(3,493,207)
(119,271)	0	(119,271)
<u>(17,021,004)</u>	<u>0</u>	<u>(17,021,004)</u>
0	(98,402)	(98,402)
0	(413,023)	(413,023)
<u>0</u>	<u>(511,425)</u>	<u>(511,425)</u>
<u>(17,021,004)</u>	<u>(511,425)</u>	<u>(17,532,429)</u>
1,618,780	0	1,618,780
14,279,628	0	14,279,628
2,522,295	0	2,522,295
570,871	0	570,871
26,260	0	26,260
<u>343,465</u>	<u>(343,465)</u>	<u>0</u>
<u>19,361,299</u>	<u>(343,465)</u>	<u>19,017,834</u>
2,340,295	(854,890)	1,485,405
<u>60,417,948</u>	<u>11,114,561</u>	<u>71,532,509</u>
<u>\$ 62,758,243</u>	<u>\$ 10,259,671</u>	<u>\$ 73,017,914</u>

**CITY OF MAUMEE, OHIO**

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**Balance Sheet  
Governmental Funds  
December 31, 2003**

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	General	Income Tax "A" (1%)	Income Tax "B" (.5%)
<b>Assets:</b>			
Cash and Cash Equivalents	\$ 429,650	\$ 8,577,998	\$ 2,471,334
Investments	500,629	11,569,798	3,333,276
Receivables:			
Taxes	1,773,818	1,749,379	874,691
Accounts	117,727	0	0
Intergovernmental	922,916	0	0
Interest	2,529	0	0
Special Assessments	689	0	0
Loans	0	0	0
Interfund Loans Receivables	0	259,467	0
Inventory of Supplies, at Cost	15,640	0	0
Prepaid Items	93,222	3,041	0
Restricted Assets:			
Cash and Cash Equivalents with Fiscal Agent	0	0	0
<b>Total Assets</b>	<b>\$ 3,856,820</b>	<b>\$ 22,159,683</b>	<b>\$ 6,679,301</b>
<b>Liabilities:</b>			
Accounts Payable	214,634	549	0
Accrued Wages and Benefits Payable	594,548	15,759	0
Intergovernmental Payable	0	191,656	0
Retainage Payable	0	0	0
Matured Bonds and Interest Payable	0	0	0
Due to Other Funds	14,159	0	0
Deferred Revenue	2,324,382	487,026	243,513
Compensated Absences Payable	34,759	1,075	0
<b>Total Liabilities</b>	<b>3,182,482</b>	<b>696,065</b>	<b>243,513</b>
<b>Fund Balances:</b>			
Reserved for Encumbrances	0	0	0
Reserved for Prepaid Items	93,222	3,041	0
Reserved for Supplies Inventory	15,640	0	0
Reserved for Loans Receivable	0	0	0
Undesignated/Unreserved in:			
General Fund	565,476	0	0
Special Revenue Funds	0	21,460,577	6,435,788
Debt Service Fund	0	0	0
Capital Projects Fund	0	0	0
<b>Total Fund Balances</b>	<b>674,338</b>	<b>21,463,618</b>	<b>6,435,788</b>
<b>Total Liabilities and Funds Balances</b>	<b>\$ 3,856,820</b>	<b>\$ 22,159,683</b>	<b>\$ 6,679,301</b>

See accompanying notes to the basic financial statements

**CITY OF MAUMEE, OHIO**

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Special Assessment Bond Retirement	Permanent Improvement Capital Projects	Other Governmental Funds	Total Governmental Funds
\$ 112,871	\$ 3,609,514	\$ 4,163,886	\$ 19,365,253
82,700	4,868,426	0	20,354,829
0	0	156,713	4,554,601
0	0	0	117,727
0	0	396,720	1,319,636
0	0	69	2,598
1,457,681	0	10,525	1,468,895
0	0	260,077	260,077
0	0	0	259,467
0	0	33,965	49,605
0	23,414	4,382	124,059
0	0	2,540	2,540
<u>\$ 1,653,252</u>	<u>\$ 8,501,354</u>	<u>\$ 5,028,877</u>	<u>\$ 47,879,287</u>
0	1,229,140	59,306	1,503,629
0	0	189,048	799,355
0	0	0	191,656
0	243,404	0	243,404
0	0	2,540	2,540
0	0	0	14,159
1,457,681	0	425,243	4,937,845
0	0	2,438	38,272
<u>1,457,681</u>	<u>1,472,544</u>	<u>678,575</u>	<u>7,730,860</u>
0	4,293,817	1,225,173	5,518,990
0	23,414	4,382	124,059
0	0	33,965	49,605
0	0	260,077	260,077
0	0	0	565,476
0	0	2,601,226	30,497,591
195,571	0	4	195,575
0	2,711,579	225,475	2,937,054
<u>195,571</u>	<u>7,028,810</u>	<u>4,350,302</u>	<u>40,148,427</u>
<u>\$ 1,653,252</u>	<u>\$ 8,501,354</u>	<u>\$ 5,028,877</u>	<u>\$ 47,879,287</u>

***Reconciliation Of Total Governmental Fund Balances  
To Net Assets Of Governmental Activities  
December 31, 2003***

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<b>Total Governmental Fund Balances</b>	\$ 40,148,427
 <i>Amounts reported for governmental activities in the statement of net assets are different because</i>	
Capital Assets used in governmental activities are not resources and therefore are not reported in the funds.	22,922,313
Other long-term assets are not available to pay for current- period expenditures and therefore are deferred in the funds.	3,087,645
Internal service funds are used by management to charge the costs of services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.	358,892
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	<u>(3,759,034)</u>
<b><i>Net Assets of Governmental Funds</i></b>	<b><u><u>\$ 62,758,243</u></u></b>

See accompanying notes to the basic financial statements



**CITY OF MAUMEE, OHIO**

**Statement of Revenues, Expenditures and Changes in Fund Balances  
Governmental Funds  
For the Year Ended December 31, 2003**

	General	Income Tax "A" (1%)	Income Tax "B" (.5%)
<b>Revenues:</b>			
Property Taxes	\$ 1,493,491	\$ 0	\$ 0
Municipal Income Tax	0	9,032,749	4,516,340
Intergovernmental Revenues	2,474,729	0	0
Charges for Services	344,635	0	0
Licenses and Permits	155,362	0	0
Investment Earnings	555,008	0	0
Special Assessments	2,894	0	0
Fines and Forfeitures	737,866	0	0
All Other Revenue	77,130	0	0
<b>Total Revenue</b>	<b>5,841,115</b>	<b>9,032,749</b>	<b>4,516,340</b>
<b>Expenditures:</b>			
Current:			
Security of Persons and Property	7,402,766	0	0
Public Health and Welfare Services	150,897	0	0
Leisure Time Activities	1,256,182	0	0
Community Environment	453,808	0	0
Basic Utility Services	949,100	0	0
Transportation	2,098,584	0	0
General Government	2,366,186	1,385,461	0
Capital Outlay	0	0	0
Debt Service:			
Principal Retirement	0	0	0
Interest & Fiscal Charges	0	0	0
<b>Total Expenditures</b>	<b>14,677,523</b>	<b>1,385,461</b>	<b>0</b>
Excess (Deficiency) of Revenues Over Expenditures			
	(8,836,408)	7,647,288	4,516,340
<b>Other Financing Sources (Uses):</b>			
Proceeds from the Sale of Fixed Assets	11,351	0	0
Transfers In	9,434,111	0	834,812
Transfers Out	(542,600)	(9,255,717)	(11,037,181)
<b>Total Other Financing Sources (Uses)</b>	<b>8,902,862</b>	<b>(9,255,717)</b>	<b>(10,202,369)</b>
Net Change in Fund Balances	66,454	(1,608,429)	(5,686,029)
<b>Fund Balances at Beginning of Year</b>	<b>609,916</b>	<b>23,072,047</b>	<b>12,121,817</b>
Increase (Decrease) in Inventory Reserve	(2,032)	0	0
<b>Fund Balances End of Year</b>	<b>\$ 674,338</b>	<b>\$ 21,463,618</b>	<b>\$ 6,435,788</b>

See accompanying notes to the basic financial statements

**CITY OF MAUMEE, OHIO**

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Special Assessment Bond Retirement	Permanent Improvement	Other Governmental Funds	Total Governmental Funds
\$ 0	\$ 0	\$ 132,582	\$ 1,626,073
0	0	0	13,549,089
0	61,710	1,714,102	4,250,541
0	2,600	0	347,235
0	0	5,100	160,462
0	0	15,863	570,871
362,619	0	267,901	633,414
0	0	115,920	853,786
0	66,298	82,350	225,778
<u>362,619</u>	<u>130,608</u>	<u>2,333,818</u>	<u>22,217,249</u>
0	0	719,537	8,122,303
0	0	0	150,897
0	0	0	1,256,182
0	0	313,488	767,296
0	0	0	949,100
0	0	538,273	2,636,857
0	0	74,671	3,826,318
0	6,375,778	1,328,103	7,703,881
341,700	0	62,701	404,401
82,195	0	39,849	122,044
<u>423,895</u>	<u>6,375,778</u>	<u>3,076,622</u>	<u>25,939,279</u>
(61,276)	(6,245,170)	(742,804)	(3,722,030)
0	0	0	11,351
0	10,592,096	2,616,694	23,477,713
0	0	(2,298,750)	(23,134,248)
<u>0</u>	<u>10,592,096</u>	<u>317,944</u>	<u>354,816</u>
(61,276)	4,346,926	(424,860)	(3,367,214)
256,847	2,681,884	4,765,900	43,508,411
0	0	9,262	7,230
<u>\$ 195,571</u>	<u>\$ 7,028,810</u>	<u>\$ 4,350,302</u>	<u>\$ 40,148,427</u>

***Reconciliation Of The Statement Of Revenues, Expenditures  
And Changes In Fund Balances Of Governmental Funds  
To The Statement Of Activities  
For the Year Ended December 31, 2003***

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**Net Change in Fund Balances - Total Governmental Funds** \$ (3,367,214)

***Amounts reported for governmental activities in the statement of activities are different because***

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period. 4,986,477

Governmental funds only report the disposal of assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. This is the amount of the loss on the disposal of fixed assets net of proceeds received. (40,397)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. 350,788

The issuance of long-term debt provides current financial resources to governmental funds, but has no effect on net assets. In addition, repayment of bond and capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. 405,310

In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. 2,773

Some expenses reported in the statement of activities, such as compensated absences and intergovernmental payable which represents contractually required pension contributions, do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds. (96,151)

The internal service funds are used by management to charge the costs of services to individual funds is not reported in the statement of activities. Governmental fund expenditures and related internal service fund revenues are eliminated. The net revenue (expense) of the internal service funds are allocated among the governmental activities. 98,709

***Change in Net Assets of Governmental Activities*** \$ 2,340,295

See accompanying notes to the basic financial statements



**CITY OF MAUMEE, OHIO**

**Statement of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
General Fund  
For the Year Ended December 31, 2003**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Property Taxes	\$ 1,548,000	\$ 1,548,000	\$ 1,493,491	\$ (54,509)
Intergovernmental Revenue	2,718,350	2,718,350	2,478,762	(239,588)
Charges for Services	299,650	299,650	363,757	64,107
Licenses and Permits	138,100	138,100	158,004	19,904
Investment Earnings	1,007,000	1,007,000	668,809	(338,191)
Special Assessments	2,000	2,000	2,894	894
Fines and Forfeitures	802,000	802,000	763,739	(38,261)
All Other Revenues	43,500	43,500	88,010	44,510
<b>Total Revenues</b>	<b>6,558,600</b>	<b>6,558,600</b>	<b>6,017,466</b>	<b>(541,134)</b>
<b>Expenditures:</b>				
Current:				
Security of Persons and Property	7,170,064	8,163,760	7,501,632	662,128
Public Health and Welfare Services	163,452	163,452	151,124	12,328
Leisure Time Activities	1,340,450	1,465,407	1,283,715	181,692
Community Environment	479,298	499,021	444,335	54,686
Basic Utility Services	991,089	1,090,533	949,351	141,182
Transportation	1,807,012	2,329,140	2,120,366	208,774
General Government	2,548,371	2,777,929	2,472,329	305,600
<b>Total Expenditures</b>	<b>14,499,736</b>	<b>16,489,242</b>	<b>14,922,852</b>	<b>1,566,390</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(7,941,136)	(9,930,642)	(8,905,386)	1,025,256
<b>Other Financing Sources (Uses):</b>				
Sale of Fixed Assets	0	0	11,351	11,351
Transfers In	10,000,000	10,000,000	9,434,111	(565,889)
Transfers Out	(831,000)	(831,000)	(542,600)	288,400
<b>Total Other Financing Sources (Uses):</b>	<b>9,169,000</b>	<b>9,169,000</b>	<b>8,902,862</b>	<b>(266,138)</b>
Net Change in Fund Balance	1,227,864	(761,642)	(2,524)	759,118
Fund Balance at Beginning of Year	559,213	559,213	559,213	0
Prior Year Encumbrances	212,037	212,037	212,037	0
<b>Fund Balance at End of Year</b>	<b>\$ 1,999,114</b>	<b>\$ 9,608</b>	<b>\$ 768,726</b>	<b>\$ 759,118</b>

See accompanying notes to the basic financial statements

**CITY OF MAUMEE, OHIO**

**Statement of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Special Revenue Fund - Income Tax "A" (1%) Fund  
For the Year Ended December 31, 2003**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Municipal Income Tax	\$ 8,806,000	\$ 8,806,000	\$ 8,878,543	\$ 72,543
Total Revenues	8,806,000	8,806,000	8,878,543	72,543
<b>Expenditures:</b>				
Current:				
General Government	817,588	1,341,988	1,197,805	144,183
Total Expenditures	817,588	1,341,988	1,197,805	144,183
Excess (Deficiency) of Revenues Over (Under) Expenditures	7,988,412	7,464,012	7,680,738	216,726
<b>Other Financing Sources (Uses):</b>				
Transfers Out	(10,200,000)	(9,803,717)	(9,255,717)	548,000
Advances Out	0	(259,467)	(259,467)	0
Total Other Financing Sources (Uses):	(10,200,000)	(10,063,184)	(9,515,184)	548,000
Net Change in Fund Balance	(2,211,588)	(2,599,172)	(1,834,446)	764,726
Fund Balance at Beginning of Year	21,979,742	21,979,742	21,979,742	0
Prior Year Encumbrances	2,500	2,500	2,500	0
Fund Balance at End of Year	\$ 19,770,654	\$ 19,383,070	\$ 20,147,796	\$ 764,726

See accompanying notes to the basic financial statements

**CITY OF MAUMEE, OHIO**

**Statement of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Special Revenue Fund - Income Tax "B" (0.5) Fund  
For the Year Ended December 31, 2003**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Municipal Income Tax	\$ 4,403,000	\$ 4,403,000	\$ 4,439,237	\$ 36,237
Total Revenues	<u>4,403,000</u>	<u>4,403,000</u>	<u>4,439,237</u>	<u>36,237</u>
<b>Expenditures:</b>				
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	4,403,000	4,403,000	4,439,237	36,237
<b>Other Financing Sources (Uses):</b>				
Transfers In	0	0	834,812	834,812
Transfers Out	<u>(170,013)</u>	<u>(11,895,764)</u>	<u>(11,037,181)</u>	<u>858,583</u>
Total Other Financing Sources (Uses):	<u>(170,013)</u>	<u>(11,895,764)</u>	<u>(10,202,369)</u>	<u>1,693,395</u>
Net Change in Fund Balance	4,232,987	(7,492,764)	(5,763,132)	1,729,632
Fund Balance at Beginning of Year	<u>11,567,742</u>	<u>11,567,742</u>	<u>11,567,742</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 15,800,729</u>	<u>\$ 4,074,978</u>	<u>\$ 5,804,610</u>	<u>\$ 1,729,632</u>

See accompanying notes to the basic financial statements

**CITY OF MAUMEE, OHIO**

**Statement of Net Assets  
Proprietary Fund  
December 31, 2003**

	Business-Type Activities Enterprise Funds			Governmental Activities Internal Service Funds
	Water	Sewer	Total	
<b>ASSETS</b>				
Current assets:				
Cash and Cash Equivalents	\$ 949,160	\$ 103,849	\$ 1,053,009	\$ 454,758
Investments	0	140,069	140,069	0
Accounts receivable (net of allow for uncollectibles)	245,787	196,313	442,100	0
Due from Other Funds	12,618	2,243	14,861	0
Inventory of Supplies at Cost	34,135	0	34,135	0
Prepaid Items	17,327	3,718	21,045	11,185
Total current assets	<u>1,259,027</u>	<u>446,192</u>	<u>1,705,219</u>	<u>465,943</u>
Noncurrent assets:				
Capital assets:				
Property, Plant and Equipment	8,559,311	9,961,014	18,520,325	0
Construction in Progress	48,227	70,800	119,027	0
Less accumulated depreciation	(4,294,061)	(5,228,178)	(9,522,239)	0
Total capital assets (net of accumulated depr)	<u>4,313,477</u>	<u>4,803,636</u>	<u>9,117,113</u>	<u>0</u>
Total noncurrent assets	<u>4,313,477</u>	<u>4,803,636</u>	<u>9,117,113</u>	<u>0</u>
Total assets	<u>5,572,504</u>	<u>5,249,828</u>	<u>10,822,332</u>	<u>465,943</u>
<b>LIABILITIES</b>				
Current liabilities:				
Accounts Payable	9,388	33,622	43,010	0
Accrued Wages and Benefits	36,412	32,429	68,841	0
Claims Payable	0	0	0	75,122
Due to Other Funds	36	666	702	0
Interfund Loans Payable	0	259,467	259,467	0
Total Current Liabilities	<u>45,836</u>	<u>326,184</u>	<u>372,020</u>	<u>75,122</u>
Noncurrent Liabilities:				
Compensated Absences Payable	127,709	94,861	222,570	0
Total noncurrent liabilities	<u>127,709</u>	<u>94,861</u>	<u>222,570</u>	<u>0</u>
<b>Total Liabilities</b>	<u>173,545</u>	<u>421,045</u>	<u>594,590</u>	<u>75,122</u>
<b>NET ASSETS</b>				
Invested in Capital Assets, Net of Related Debt	4,313,477	4,803,636	9,117,113	0
Unrestricted	1,085,482	25,147	1,110,629	390,821
Total Net Assets	<u>\$ 5,398,959</u>	<u>\$ 4,828,783</u>	<u>\$ 10,227,742</u>	<u>\$ 390,821</u>
Adjustment to reflect the consolidation of internal service fund activities related to the enterprise funds.			31,929	
Net Assets of Business-type Activities			<u>\$ 10,259,671</u>	

See accompanying notes to the basic financial statements

**CITY OF MAUMEE, OHIO**

**Statement of Revenues, Expenses and Changes in Fund Net Assets  
Proprietary Fund  
For the Year Ended December 31, 2003**

	Business-Type Activities Enterprise Funds			Governmental Activities Internal Service Funds
	Water	Sewer	Total	
<b>Operating Revenues:</b>				
Charges for Services	\$ 1,689,837	\$ 1,212,336	\$ 2,902,173	\$ 1,191,893
Other Operating Revenue	1,778	14,182	15,960	2,767
<b>Total Operating Revenues</b>	<u>1,691,615</u>	<u>1,226,518</u>	<u>2,918,133</u>	<u>1,194,660</u>
<b>Operating Expenses:</b>				
Personal Services	652,604	430,438	1,083,042	946,845
Contractual Services	26,339	898,289	924,628	141,787
Materials and Supplies	857,844	49,457	907,301	0
Utilities	72,167	47,112	119,279	0
Depreciation	185,043	217,584	402,627	0
<b>Total Operating Expenses</b>	<u>1,793,997</u>	<u>1,642,880</u>	<u>3,436,877</u>	<u>1,088,632</u>
Income(Loss) Before Transfers	(102,382)	(416,362)	(518,744)	106,028
Transfers in	5,000	0	5,000	0
Transfers out	(348,465)	0	(348,465)	0
Change in Net Assets	(445,847)	(416,362)	(862,209)	106,028
Net Assets Beginning of Year	<u>5,844,806</u>	<u>5,245,145</u>	<u>11,089,951</u>	<u>284,793</u>
Net Assets End of Year	<u>\$ 5,398,959</u>	<u>\$ 4,828,783</u>	<u>\$ 10,227,742</u>	<u>\$ 390,821</u>
Change in Net Assets - Total Enterprise Funds			(862,209)	
Adjustment to reflect the consolidation of internal service fund activities related to the enterprise funds.			7,319	
Change in Net Assets - Business-type Activities			<u>\$ (854,890)</u>	

See accompanying notes to the basic financial statements

**CITY OF MAUMEE, OHIO**

**Statement of Cash Flows  
Proprietary Fund  
For the Year Ended December 31, 2003**

	Business-Type Activities - Enterprise Funds			Governmental
	Water	Sewer	Total	Internal Service Funds
<u>Cash Flows from Operating Activities:</u>				
Cash Received from Customers	\$1,692,420	\$1,214,575	\$2,906,995	\$1,191,893
Cash Payments for Goods and Services	(968,483)	(970,574)	(1,939,057)	(181,503)
Cash Payments to Employees	(650,200)	(424,038)	(1,074,238)	(946,845)
Other Operating Receipts	1,778	14,182	15,960	2,767
Net Cash Provided (Used) by Operating Activities	75,515	(165,855)	(90,340)	66,312
<u>Cash Flows from Noncapital Financing Activities:</u>				
Transfers In from Other Funds	5,000	0	5,000	0
Transfers Out to Other Funds	(348,465)	0	(348,465)	0
Advances In from Other Funds	0	259,467	259,467	0
Net Cash Provided (Used) by Noncapital Financing Activities	(343,465)	259,467	(83,998)	0
<u>Cash Flows from Capital and Related Financing Activities:</u>				
Acquisition and Construction of Assets	(66,555)	(119,808)	(186,363)	0
Net Cash Used for Capital and Related Financing Activities	(66,555)	(119,808)	(186,363)	0
<u>Cash Flows from Investing Activities:</u>				
Sale of Investments	0	5,134	5,134	0
Net Cash Provided by Investing Activities	0	5,134	5,134	0
Net Increase (Decrease) in Cash and Cash Equivalents	(334,505)	(21,062)	(355,567)	66,312
Cash and Cash Equivalents at Beginning of Year	1,283,665	124,911	1,408,576	388,446
Cash and Cash Equivalents at End of Year	\$949,160	\$103,849	\$1,053,009	\$454,758
<u>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</u>				
Operating Income (Loss)	(\$102,382)	(\$416,362)	(\$518,744)	\$106,028
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Depreciation Expense	185,043	217,584	402,627	0
Changes in Assets and Liabilities:				
(Increase) Decrease in Accounts Receivable	(2,438)	2,105	(333)	0
(Increase) Decrease in Due from Other Funds	5,021	134	5,155	0
Decrease in Inventory	4,591	0	4,591	0
Increase in Prepaid Items	(8,012)	(676)	(8,688)	(11,185)
Increase (Decrease) in Accounts Payable	(8,695)	25,015	16,320	0
Increase in Accrued Wages and Benefits	418	1,548	1,966	0
Decrease in Claims Liability	0	0	0	(28,531)
Decrease in Due to Other Funds	(17)	(55)	(72)	0
Increase in Compensated Absences Payable	1,986	4,852	6,838	0
Total Adjustments	177,897	250,507	428,404	(39,716)
Net Cash Provided (Used) by Operating Activities	\$75,515	(\$165,855)	(\$90,340)	\$66,312

See accompanying notes to the basic financial statements

**CITY OF MAUMEE, OHIO**

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***Statement of Net Assets  
Fiduciary Funds  
December 31, 2003***

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	<u>Agency</u>
<b>Assets:</b>	
Cash and Cash Equivalents	\$ 32,473
<b>Total Assets</b>	<u>32,473</u>
<b>Liabilities:</b>	
Intergovernmental Payable	140
Due to Others	<u>32,333</u>
<b>Total Liabilities</b>	<u>32,473</u>
<b>Net Assets:</b>	
Unrestricted	<u>0</u>
<b>Total Net Assets</b>	<u><u>\$ 0</u></u>

See accompanying notes to the basic financial statements

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2003***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The City of Maumee, Ohio (the "City") is a home-rule municipal corporation created under the laws of the State of Ohio. The City operates under its own Charter. The current Charter, which provides for a Council/Mayor form of government, was adopted in 1951 and has been amended five times (in 1958, 1968, 1976, 1989 and 1994).

The accompanying basic financial statements of the City present the financial position of the various fund types, the results of operations of the various fund types and the cash flows of the proprietary funds. The financial statements are presented as of December 31, 2003 and for the year then ended and have been prepared in conformity with generally accepted accounting principles (GAAP) applicable to local governments. The Governmental Accounting Standards Board (the "GASB") is the standard-setting body for establishing governmental accounting and financial reporting principles, which are primarily set forth in the GASB's Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification).

**A. Reporting Entity**

The accompanying basic financial statements comply with the provisions of the GASB Statement No. 14, "*The Financial Reporting Entity*," in that the financial statements include all organizations, activities, functions and component units for which the City (the primary government) is financially accountable. Financial accountability is defined as the appointment of a voting majority of a legally separate organization's governing body and either (1) the City's ability to impose its will over the organization, or (2) the potential that the organization will provide a financial benefit to or impose a financial burden on the City.

Based on the foregoing, the City's financial reporting entity has no component units but includes all funds, agencies, boards and commissions that are part of the primary government, which include the following services: public safety, highways and streets, sanitation, health and social services, culture-recreation, public improvements, planning and zoning and general administrative services. In addition, the City owns the water distribution system and the wastewater collection system, which are reported as enterprise funds.

The accounting policies and financial reporting practices of the City conform to generally accepted accounting principles as applicable to governmental units. The following is a summary of its significant accounting policies.

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

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



***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2003***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

***Governmental Funds*** - Governmental funds are those funds through which most governmental functions are typically financed. The acquisition, use and balances of the City's expendable financial resources and the related current liabilities (except those accounted for in the proprietary funds) are accounted for through governmental funds. The measurement focus is upon determination of "financial flow" (sources, uses and balances of financial resources). The following are the City's major governmental funds:

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

Income Tax "A" (1%) Fund - This fund is used to account for revenues from two-thirds of the income tax collections and for expenditures for the operation of the Tax Division.

Income Tax "B" (0.5%) Fund - This fund is used to account for revenues from one-third of the income tax collections and for expenditures restricted to permanent improvements.

Special Assessment Bond Retirement Fund - This fund is used to accumulate special assessment revenues collected by the County Treasurer and remitted to the City by the County Auditor for payment of assessment bonds.

Permanent Improvement Fund - This fund is used to account for revenues and expenditures designated for specific projects of capital acquisition or construction and other specific operations.

***Proprietary Funds*** - All proprietary funds are accounted for on an "economic resources" measurement focus. This measurement focus provides that all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Proprietary fund type operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net total assets.

Enterprise Funds - These funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, whereby the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The City's major enterprise funds are:

Water Fund - This fund is used to account for the operation of the City's water service.

Sewer Fund - This fund is used to account for the operation of the City's sanitary sewer service.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2003***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**B. Basis of Presentation - Fund Accounting** (Continued)

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

Fiduciary Funds - Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and agency funds. Trust funds are used to account for assets held by the City under a trust agreement for individuals, private organizations or other governments and therefore not available to support the City's own programs. The agency funds are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operation. These funds operate on an accrual basis of accounting.

**C. Basis of Presentation – Financial Statements**

Government-wide Financial Statements – The statement of net assets and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the City that are governmental and those that are considered business-type activities.

The government-wide statements are prepared using the economic resources measurement focus. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the City and for each function or program of the City's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the City, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the City.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2003***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**C. Basis of Presentation – Financial Statements (Continued)**

**Fund Financial Statements** – Fund financial statements report detailed information about the City. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by fund type.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources measurement focus. The financial statements for governmental funds are a balance sheet, which generally includes only current assets and current liabilities, and a statement of revenues, expenditures and changes in fund balances, which reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources.

All proprietary fund types are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the statement of net assets. The statement of changes in fund net assets presents increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. The statement of cash flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

**D. Basis of Accounting**

Basis of accounting represents the methodology utilized in the recognition of revenues and expenditures or expenses reported in the financial statements. The accounting and reporting treatment applied to a fund is determined by its measurement focus. Government-wide financial statements are prepared using the accrual basis of accounting.

The modified accrual basis of accounting is followed by the governmental funds. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. The term "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 60 days after year end. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt which is recognized when due.

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlements and donations. Revenue from income taxes is recognized in the period in which the income is earned and is available. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied and the revenue is available. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2003***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Basis of Accounting** (Continued)

resources to be used for a specific purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. Revenue considered susceptible to accrual at year end includes income taxes withheld by employers, interest on investments, special assessments, and certain state levied locally shared taxes (including motor vehicle license fees and local government assistance). Other revenue, including licenses, permits, certain charges for services, income taxes other than those withheld by employers and miscellaneous revenues are recorded as revenue when received in cash because generally this revenue is not measurable until received.

Special assessment installments which are measurable but not available at December 31, are recorded as deferred revenue. Property taxes measurable as of December 31, 2003 but not received within the available period are recorded as deferred revenue as these resources are not intended to pay liabilities of the current period. Delinquent property taxes, whose availability is indeterminate, are recorded as deferred revenue as further described in Note 6.

The accrual basis of accounting is utilized for reporting purposes by the proprietary funds and fiduciary funds. Revenues are recognized when they are earned and expenses recognized when incurred.

Pursuant to GASB Statement No. 20, "*Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that use Proprietary Fund Accounting*," the City follows GASB guidance as applicable to proprietary funds and FASB Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins issued on or before November 30, 1989 that do not conflict with or contradict GASB pronouncements.

**E. Budgetary Process**

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources and the appropriation ordinance, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriation ordinance are subject to amendment throughout the year.

All funds other than agency funds are legally required to be budgeted and appropriated; however, only governmental funds and expendable trust funds are required to be reported. The primary level of budgetary control is at the object level within each department. Budgetary modifications may only be made by ordinance of the City Council.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2003***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**E. Budgetary Process** (Continued)

1. Tax Budget

The Finance Director submits an annual tax budget for the following fiscal year to City Council by July 15 for consideration and passage. The adopted budget is submitted to the County Auditor, as Secretary of the County Budget Commission, by July 20 of each year for the period January 1 to December 31 of the following year.

2. Estimated Resources

The County Budget Commission reviews estimated revenue and determines if the budget substantiates a need to levy all or part of previously authorized taxes. The Budget Commission then certifies its actions to the City by September 1 of each year. As part of the certification process, the City receives an official certificate of estimated resources stating the projected receipts by fund. Prior to December 31, the City must revise its budget so that the total contemplated expenditures from any fund during the ensuing fiscal year do not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriations measure. On or about January 1, the certificate of estimated resources is amended to include any unencumbered fund balances from the preceding year. The certificate may be further amended during the year if a new source of revenue is identified or actual receipts exceed current estimates. The amounts reported on the budgetary statement reflect the amounts in the final amended official certificate of estimated resources issued during 2003.

3. Appropriations

A temporary appropriation ordinance to control expenditures may be passed on or about January 1 of each year for the period January 1 through March 31. An annual appropriation ordinance must be passed by April 1 of each year for the period January 1 through December 31. The appropriation ordinance establishes spending controls at the fund, department and object level. The appropriation ordinance may be amended during the year as additional information becomes available, provided that total fund appropriations do not exceed the current estimated resources as certified. The allocation of appropriations among departments and objects within a fund may be modified during the year by an ordinance of City Council. Total fund appropriations may not exceed the current estimated resources as certified by the County Budget Commission. Expenditures may not legally exceed budgeted appropriations at the object level within each department. During the year, several supplemental appropriations were necessary to budget for capital outlay. Administrative control is maintained through the establishment of more detailed line-item budgets. The budgetary figures which appear in the "Combined Statement of Revenues, Expenditures, and Changes in Fund Balances--Budget and Actual--All Governmental Fund Types and Expendable Trust Funds" are provided on the budgetary basis to provide a comparison of actual results to the final budget, including all amendments and modifications.

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2003**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**E. Budgetary Process (Continued)**

**4. Lapsing of Appropriations**

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

**5. Budgetary Basis of Accounting**

The City's budgetary process accounts for certain transactions on a basis other than generally accepted accounting principles (GAAP). The major differences between the budgetary basis and the GAAP basis lie in the manner in which revenues and expenditures are recorded. Under the budgetary basis, revenues and expenditures are recognized on a cash basis. Utilizing the cash basis, revenues are recorded when received in cash and expenditures when paid. Under the GAAP basis, revenues and expenditures are recorded on the modified accrual basis of accounting.

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the general fund and major special revenue funds:

	Net Change in Fund Balance		
	General Fund	Income Tax "A" (1%) Fund	Income Tax "B" (1/2%) Fund
GAAP Basis (as reported)	\$66,454	(\$1,608,429)	(\$5,686,029)
Increase (Decrease):			
Accrued Revenues at December 31, 2003 received during 2004	(436,753)	(1,521,820)	(631,178)
Accrued Revenues at December 31, 2002 received during 2003	613,113	1,108,147	554,075
Accrued Expenditures at December 31, 2003 paid during 2004	858,100	209,039	0
Accrued Expenditures at December 31, 2002 paid during 2003	(851,040)	(19,541)	0
2002 Prepays for 2003	42,374	1,199	0
2003 Prepays for 2004	(93,222)	(3,041)	0
Outstanding Encumbrances	(201,550)	0	0
Budget Basis	<u>(\$2,524)</u>	<u>(\$1,834,446)</u>	<u>(\$5,763,132)</u>

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2003***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**F. Cash and Cash Equivalents**

Cash and cash equivalents include amounts in demand deposits and the State Treasurer's Assets Reserve (STAR Ohio). STAR Ohio is considered a cash equivalent because it is a highly liquid investment with an original maturity date of three months or less.

The City pools its cash for investment and resource management purposes. Each fund's equity in pooled cash and investments represents the balance on hand as if each fund maintains its own cash and investment account. See Note 5 "Cash, Cash Equivalents and Investments."

**G. Investments**

Investment procedures and interest allocations are restricted by provisions of the Ohio Constitution and the Ohio Revised Code. The City allocates interest among certain funds based upon the fund's cash balance at the date of investment. In accordance with GASB Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools", the City records all its investments at fair value. All investment income, including changes in the fair value of investments, are recognized as revenue in the operating statements. Fair value is determined by quoted market prices. See Note 5, "Cash, Cash Equivalents and Investments."

The City has invested funds in the STAR Ohio during 2003. STAR Ohio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price which is the price the investment could be sold for on December 31, 2003.

The special assessment bonds are investments held by the City for the purpose of funding retirement payments related to the City's White Street Improvement and Conant Streetscape special assessment bonds payable, which are reported in the long-term debt of the City. The investments are funded by special assessment collections from property owners.

**H. Inventory**

Inventory is stated at cost (first-in, first-out) in the governmental funds and at the lower of cost or market in the proprietary funds. The costs of inventory items are recorded as expenditures in the governmental funds when purchased and as expenses in the proprietary funds when used.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2003***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**I. Capital Assets and Depreciation**

Capital assets are defined by the City as assets with an initial, individual cost of more than \$500.

**1. Property, Plant and Equipment - Governmental Activities**

Governmental activities capital assets are those not directly related to the business type funds. These generally are acquired or constructed for governmental activities and are recorded as expenditures in the governmental funds and are capitalized at cost (or estimated historical cost for assets not purchased in recent years). These assets are reported in the Governmental Activities column of the Government-wide Statement of Net Assets, but they are not reported in the Fund Financial Statements.

**2. Property, Plant and Equipment – Business Type Activities**

Contributed capital assets are recorded at fair market value at the date received. Capital assets include land, buildings, building improvements, machinery, equipment and infrastructure. Infrastructure is defined as long-lived capital assets that normally are stationary in nature and normally can be preserved for a significant number of years. Examples of infrastructure include roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems. GASB 34 allows entities to defer retroactive reporting of infrastructure for four years. For 2003, the City has elected to show only the 2003 additions as infrastructure. Estimated historical costs for governmental activities capital asset values were initially determined by identifying historical costs when such information was available. In cases where information supporting original cost was not obtainable, estimated historical costs were developed. For certain capital assets, the estimates were arrived at by indexing estimated current costs back to the estimated year of acquisition.

Property, plant and equipment acquired by the proprietary funds are stated at cost (or estimated historical cost), including interest capitalized during construction and architectural and engineering fees where applicable. Contributed capital assets are recorded at fair market value at the date received. These assets are reported in both the Business-Type Activities column of the Government-wide Statement of Net Assets and in the respective funds.

**3. Depreciation**

All capital assets are depreciated, excluding land. Depreciation has been provided using the straight-line method over the following estimated useful lives:

<u>Description</u>	<u>Governmental and Business-Type Activities Estimated Lives (in years)</u>
Buildings	25 - 45
Improvements other than Buildings/Infrastructure	10 - 50
Machinery, Equipment, Furniture and Fixtures	5 - 15



***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2003***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**J. Long-Term Debt**

Long-term liabilities are being repaid from the following funds:

<u>Obligation</u>	<u>Fund</u>
Ohio Water Development Authority Loans	Ohio Water Development Authority Debt Service Fund
Ohio Public Works Commission Loans	Permissive Auto License Tax Fund Sewer Fund
Police and Fire Pension Accrued Liability	Police Pension Fund
Compensated Absences	General Fund, Street Construction, Maintenance and Repair Fund, Water Fund, Sewer Fund, Income Tax Fund
Special Assessment Bonds	Special Assessment Bond Retirement Fund

**K. Compensated Absences**

All full-time City employees earn vacation at varying rates based upon length of service. An employee's vacation must be used during the period in which it is earned unless the Mayor allows the balance to be carried over to the following year. Upon separation from the City, the employee (or his estate) is paid for his accumulated unused vacation leave balance.

All full-time City employees earn sick leave at various rates. Upon completion of five years of service with the City, an employee who separates from the City in good standing receives up to one hour of monetary compensation for each hour of unused sick leave up to a maximum of 960 hours. The monetary compensation is at the hourly rate of compensation of the employee at the time of resignation if the employee is not given credit at their next place of employment.

In accordance with GASB Statement No. 16, "Accounting for Compensated Absences," the City records a liability for vacation time and sick leave when the obligation is attributable to services previously rendered or to rights that vest or accumulate, and when payment of the obligation is probable and can be reasonably determined.

For governmental funds, that portion of unpaid compensated absences that is expected to be paid using expendable, available resources is reported as an expenditure in the fund from which the individual earning the leave is paid, and a corresponding liability is reflected in the account "Compensated Absences Payable." In the government wide statement of net assets, "Compensated Absences Payable" is recorded within the "Due within one year" account and the long-term portion of the liability is recorded within the "Due in more than one year" account. Compensated absences are expensed in the proprietary funds when earned and the related liability is reported within the fund.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2003***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**L. Net Assets**

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction of improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

The City applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

**M. Pensions**

The provision for pension costs is recorded when the related payroll is accrued and the obligation is incurred.

**N. Interfund Activity**

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating revenues/expenses in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

**O. Reservations of Fund Balance**

Reserves 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 inventories of supplies and materials, prepaid expenditures, loans receivable and encumbered amounts which have not been accrued at year end.

**P. 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.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2003***

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Q. Operating Revenues and Expenses**

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are charges for services for water treatment and distribution, wastewater collection and treatment, maintenance of storm water collection systems and collection of solid waste refuse. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

**R. Extraordinary and Special Items**

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the City Council and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during fiscal year 2003.

**NOTE 2 – CHANGES IN ACCOUNTING PRINCIPLE AND RESTATEMENT OF FUND BALANCE**

**A. Changes in Accounting Principles**

For fiscal year 2003, the City has implemented GASB Statement No. 34, “*Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments*”; GASB No. 36, “*Receipt Reporting for Certain Shared Nonexchange Revenues*”; GASB Statement No. 37, “*Basic Financial Statements for State and Local Governments: Omnibus*”; GASB Statement No. 38, “*Certain Financial Statement Note Disclosures*”; and GASB Interpretation No. 6, “*Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statement.*” At December 31, 2002, there was no effect on fund balance as a result of implementing GASB Statements 36, 37 and 38, or Interpretation No. 6.

GASB 34 creates new basic financial statements for reporting on the City’s financial activities. The financial statements now include government-wide financial statements prepared on an accrual basis of accounting and fund financial statements which present information for individual major funds rather than by fund type. Nonmajor funds are presented in total in one column.

The government-wide financial statements split the City’s programs between business-type and governmental activities. Except for the restatement explained below, the beginning net asset amount for the business-type activities equals fund equity of the enterprise funds from last year. The beginning net asset amount for governmental programs reflects the change in fund balance for governmental funds at December 31, 2002, caused by the conversion to the accrual basis of accounting.

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2003**

**NOTE 2 – CHANGES IN ACCOUNTING PRINCIPLE AND RESTATEMENT OF FUND BALANCE (continued)**

**B. Restatement of Fund Balance**

During 2003, it was determined that there was an error in the recording of accumulated depreciation for the enterprise funds. This resulted in a restatement of the beginning fund balances. The changes to the beginning fund balances, as well as the transition from fund balance to net assets of the governmental activities and the business-type activities are as follows:

	General	Income Tax "A" (1%)	Income Tax "B" (1/2%)	Special Assessment Bond Retirement	Permanent Improvement Capital Projects	Other Governmental Funds	Total Governmental Activities
Fund Balance 12/31/2002	\$593,369	\$23,072,047	\$12,121,817	\$256,847	\$2,681,884	\$4,702,697	\$43,428,661
Adjustments to Fund Structure:							
Reclassified:							
from Expendable Trust to General Fund	16,547	0	0	0	0	0	16,547
from Expendable Trust to Special Revenue Funds	0	0	0	0	0	63,203	63,203
Adjusted Fund Balance	<u>\$609,916</u>	<u>\$23,072,047</u>	<u>\$12,121,817</u>	<u>\$256,847</u>	<u>\$2,681,884</u>	<u>\$4,765,900</u>	<u>43,508,411</u>
GASB 34 Adjustments:							
Capital Assets							17,976,233
Internal Service Fund							260,183
Long-Term Liabilities							(4,063,736)
Long-Term (Deferred) Assets							2,736,857
Net Assets, 12/31/2002							<u>\$60,417,948</u>

	Water	Sewer	Total Business-Type Activities
Fund Balance 12/31/2002	\$3,948,339	\$1,135,407	\$5,083,746
Prior Period Adjustment:			
Restate Capital Assets	(88,458)	12,944	(75,514)
Contributed Capital	1,984,925	4,096,794	6,081,719
Adjusted Fund Balance	<u>5,844,806</u>	<u>5,245,145</u>	<u>11,089,951</u>
GASB 34 Adjustments:			
Internal Service Fund			24,610
Net Assets, 12/31/2002			<u>\$11,114,561</u>

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2003***

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**NOTE 3 – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

**A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net assets**

The governmental fund balance sheet includes a reconciliation between fund balance – total governmental funds and net assets of governmental funds as reported in the government-wide statement of net assets. The following is a detailed listing of those reconciling items that are net adjustments or a combination of several transactions:

*Other long-term assets not available to pay for current-period expenditures:*

Delinquent Property Tax Revenue	\$80,331
Delinquent Income Tax Revenue	730,539
Shared Revenues	771,798
Charges for Services Revenues	36,082
Special Assessment Revenue	1,468,895
	<hr/>
	\$3,087,645

*Long-Term liabilities not reported in the funds:*

Special Assessment Bonds Payable	(\$1,312,700)
OPWC Loans Payable	(60,000)
OWDA Loans Payable	(589,887)
Ohio Police and Fire Accrued Pension Liability	(60,766)
Accrued Interest on Long-Term Debt	(11,305)
Compensated Absences Payable	(1,724,376)
	<hr/>
	(\$3,759,034)

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***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2003***

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**NOTE 3 – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (Continued)**

**B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities**

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net assets of governmental activities as reported in the government – wide statement of activities. The following is a detailed listing of those reconciling items that are net adjustments or a combination of several transactions:

*Amount by which capital outlay exceeded depreciation in the current period:*

Capital Outlay	\$6,079,080
Depreciation Expense	<u>(1,092,603)</u>
	\$4,986,477

*Governmental revenues not reported in the funds:*

Decrease in Delinquent Property Tax	(\$7,293)
Increase in Delinquent Income Tax	730,539
Increase in Shared Revenue	32,482
Increase in Charges for Services Revenue	22,307
Decrease in Special Assessment Revenue	<u>(427,247)</u>
	\$350,788

*Expenses not requiring the use of current financial resources:*

Increase in Compensated Absences Payable	(\$103,381)
Increase in supplies inventory	<u>7,230</u>
	(\$96,151)

**NOTE 4 - COMPLIANCE AND ACCOUNTABILITY**

***Fund Deficit*** - The fund deficit at December 31, 2003 of \$127,448 in the Police Pension Fund (special revenue fund) arises from the recognition of expenditures on the modified accrual basis which are greater than expenditures recognized on the budgetary/cash basis. A deficit does not exist under the budgetary/cash basis of accounting. Transfers are provided when cash is required, not when accruals occur.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2003***

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**NOTE 5 - CASH, CASH EQUIVALENTS AND INVESTMENTS**

Cash resources of several individual funds are combined to form a pool of cash and investments. In addition, investments are separately held by a number of individual funds.

Statutes require the classification of funds held by the City into three categories:

Category 1 consists of "active" funds - those funds required to be kept in "cash" or "near cash" status for immediate use by the City. Such funds must be maintained either as cash in the City Treasury or in depository accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts.

Category 2 consists of "inactive" funds - those funds not required for use within the current five year period of designation of depositories. Inactive funds may be deposited or invested only as certificates of deposit maturing no later than the end of the current period of designation of depositories.

Category 3 consists of "interim" funds - those funds not needed for immediate use but needed before the end of the current period of designation of depositories. Interim funds may be invested or deposited in the following securities:

- United States treasury notes, bills, bonds, or any other obligation or security issued by the United States treasury or any other obligation guaranteed as to principal or interest by the United States;
- Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the federal national mortgage association, federal home loan bank, federal farm credit bank, federal home loan mortgage corporation, government national mortgage association, and student loan marketing association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
- 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;
- Interim deposits in eligible institutions applying for interim funds;
- Bonds and other obligations of the State of Ohio;
- No-load money market mutual funds consisting exclusively of obligations described in the first two bullets 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,

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2003***

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**NOTE 5 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)**

- The State Treasury Asset Reserve of Ohio (STAR Ohio),
- Commercial Paper, and
- Bankers Acceptances.

Ohio law requires that deposits be placed in eligible banks or savings and loan associations located in Ohio. Any public depository in which the City places deposits must pledge as collateral eligible securities of aggregate market value equal to the excess of deposits not insured by the Federal Deposit Insurance Corporation (FDIC). The securities pledged as collateral are pledged to a pool for each individual financial institution in amounts equal to at least 105% of the carrying value of all public deposits held by each institution. Obligations that may be pledged as collateral are limited to obligations of the United States and its agencies and obligations of any state, county, municipal corporation or other legally constituted authority of any other state, or any instrumentality of such county, municipal corporation or other authority. Based upon criteria described in GASB Statement No. 3, "*Deposits With Financial Institutions, Investments (including Repurchase Agreements) and Reverse Repurchase Agreements*," collateral held in single financial institution collateral pools with securities being held by the pledging financial institution's agent in the pool's name are classified as Category 3.

The GASB has established risk categories for deposits and investments as follows:

*Deposits:*

- Category 1 Insured or collateralized with securities held by the City or by its agent in the City's name.
- Category 2 Collateralized with securities held by the pledging financial institution's trust department or agent in the City's name.
- Category 3 Uncollateralized with securities held by the pledging financial institution's trust department or agent but not in the City's name.

*Investments:*

- Category 1 Insured or registered with securities held by the City or its agent in the City's name.
- Category 2 Uninsured and unregistered with securities held by the counterparty's trust department or agent in the City's name.
- Category 3 Uninsured and unregistered, with securities held by the counterparty or by its trust department or agent but not in the City's name.



**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2003**

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**NOTE 5 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)**

**A. Deposits**

At year end the carrying amount of the City's deposits was \$10,234,666 and the bank balance was \$10,864,737. The Federal Deposit Insurance Corporation (FDIC) covered \$100,000 of the bank balance. All remaining deposits were classified as Category 2.

The General Fund received total interest income of \$555,008 during 2003 of which, \$541,760 was earned by other funds.

**B. Investments**

The City's investments at December 31, 2003 are summarized below:

<u>Categorized Investments</u>	<u>Category 2</u>	<u>Reported</u>	
		<u>Amount</u>	<u>Fair Value</u>
U.S. Agency Bonds and Notes	\$20,412,198	\$20,412,198	\$20,412,198
City of Maumee Special Assessment Bonds	0	82,700	82,700
<b>Total Categorized Investments</b>	<b>20,412,198</b>	<b>20,494,898</b>	<b>20,494,898</b>
<u>Non-Categorized Investments</u>			
STAR Ohio	N/A	10,673,367	10,673,367
<b>Total Non-Categorized</b>	<b>N/A</b>	<b>10,673,367</b>	<b>10,673,367</b>
<b>Total Investments</b>	<b>\$20,412,198</b>	<b>\$31,168,265</b>	<b>\$31,168,265</b>

**C. Reconciliation of Cash, Cash Equivalents and Investments**

The classification of cash, cash equivalents and investments on the combined financial statements is based on criteria set forth in GASB Statement No. 9. STAR Ohio is treated as a cash equivalent. The classification of cash and cash equivalents (deposits) for purposes of this note are based on criteria set forth in GASB Statement No. 3.

A reconciliation between classifications of cash and investments on the combined financial statements and classifications per items A and B of this note are as follows:

	<u>Cash and Cash Equivalents *</u>	<u>Investments</u>
Per Combined Balance Sheet	\$20,908,033	\$20,494,898
Investments:		
STAR Ohio	(10,673,367)	10,673,367
Per GASB Statement No. 3	<u>\$10,234,666</u>	<u>\$31,168,265</u>

\* Includes cash with fiscal agent and petty cash.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2003***

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**NOTE 6 - TAXES**

**A. Property Taxes**

Property taxes include amounts levied against all real estate and public utility property, and tangible personal property used in business and located in the City. Real property taxes (other than public utility) collected during 2003 were levied after October 1, 2002 on assessed values as of January 1, 2002, the lien date. Assessed values are established by the County Auditor at 35 percent of appraised market value. All property is required to be revalued every six years. The last revaluation was completed during 2000 and the equalization adjustment was completed in 2003. Real property taxes are payable annually or semi-annually. The first payment is due January 20; the remainder payable by June 20.

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

Public utility real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Certain public utility tangible personal property is currently assessed at 100 percent of its true value. Public utility property taxes are payable on the same dates as real property taxes described previously.

The County Treasurer collects property taxes on behalf of all taxing districts in the County including the City of Maumee. The County Auditor periodically remits to the City its portion of the taxes collected.

The full property tax rate for all City operations for the year ended December 31, 2003 was \$3.70 per \$1,000 of assessed value. The assessed value upon which the 2003 tax receipts were based was \$497,948,491. This amount constitutes \$381,111,990 in real property assessed value, \$15,672,720 in public utility assessed value and \$101,163,781 in tangible personal property assessed value.

Ohio law prohibits taxation of property from all taxing authorities in excess of 1% of assessed value without a vote of the people. Under current procedures, the City's share is .370% (3.70 mills) of assessed value.

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2003**

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**NOTE 6 - TAXES (Continued)**

**B. Income Tax**

The City levies a tax of 1.5% on all salaries, wages, commissions and other compensation and on net profits earned within the City as well as on incomes of residents earned outside the City. In the latter case, the City allows a credit of 100% of the tax paid to another municipality to a maximum of the total amount assessed. Employers within the City are required to withhold income tax on employee compensation and remit the tax to the City either monthly or quarterly, as required. Corporations and other individual taxpayers are required to pay their estimated tax quarterly and file a declaration annually.

**NOTE 7 - RECEIVABLES**

At December 31, 2003, receivables, which are recorded net of allowance for doubtful accounts, consisted of taxes, accounts receivable, special assessments, due from other funds, loans, interest and intergovernmental receivables.

**NOTE 8 – TRANSFERS**

Following is a summary of transfers in and out for all funds for 2003:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
Major Governmental Funds:		
General Fund	\$9,434,111	\$542,600
Income Tax "A" 1% Fund	0	9,255,717
Income Tax "B" 1/2% Fund	834,812	11,037,181
Permanent Improvement Fund	10,592,096	0
Total Major Governmental Funds	20,861,019	20,835,498
Nonmajor Governmental Funds:		
Permissive Tax Fund	0	918,938
Community Development Block Grant Fund	0	545,000
Job Creation & Retention Fund	191,600	0
Police Pension Fund	346,000	0
O.W.D.A. Debt Service Fund	43,775	0
Sewer Construction Fund	675,305	0
Waterline Construction Fund	349,465	0
Street Construction Fund	956,580	834,812
Sidewalk Construction Fund	53,969	0
Total Nonmajor Governmental Funds	2,616,694	2,298,750
Major Enterprise Fund		
Water Fund	5,000	348,465
Totals	<u>\$23,482,713</u>	<u>\$23,482,713</u>

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2003**

**NOTE 9 - INTERFUND RECEIVABLES AND PAYABLES**

Interfund balances at December 31, 2003 consist of the following individual fund receivables and payables:

Fund	Interfund Loan	
	Receivable	Payable
Income Tax "A" (1%) Fund	\$259,467	\$0
Sewer Fund	0	259,467
Totals	\$259,467	\$259,467

**NOTE 10 - CAPITAL ASSETS**

**A. Governmental Activities Capital Assets**

Summary by category of changes in governmental activities capital assets at December 31, 2003:

**Historical Cost:**

Class	December 31, 2002	Transfers	Additions	Deletions	December 31, 2003
<i>Capital assets not being depreciated:</i>					
Land	\$5,586,854	\$0	\$640,797	\$0	\$6,227,651
Construction in Progress	694,989	0	3,206,429	(33,470)	3,867,948
<i>Capital assets being depreciated:</i>					
Buildings and Improvements	11,718,911	0	150,839	0	11,869,750
Machinery and Equipment	7,900,612	(18,473)	1,138,934	(104,572)	8,916,501
Infrastructure	0	0	942,081	0	942,081
Total Cost	\$25,901,366	(\$18,473)	\$6,079,080	(\$138,042)	\$31,823,931

**Accumulated Depreciation:**

Class	December 31, 2002	Transfers	Additions	Deletions	December 31, 2003
Buildings and Improvements	(\$3,303,481)	\$0	(\$322,900)	\$0	(\$3,626,381)
Machinery and Equipment	(4,621,652)	18,473	(722,599)	97,645	(5,228,133)
Infrastructure	0	0	(47,104)	0	(47,104)
Total Depreciation	(\$7,925,133)	\$18,473	(\$1,092,603) *	\$97,645	(\$8,901,618)
<b>Net Value:</b>	\$17,976,233				\$22,922,313

\* Depreciation expenses were charged to governmental functions as follows:

Security of Persons and Property	\$438,287
Public Health and Welfare Services	5,271
Leisure Time Activities	93,164
Community Environment	15,396
Transportation	237,106
General Government	303,379
Total Depreciation Expense	\$1,092,603

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2003**

**NOTE 10 - CAPITAL ASSETS (continued)**

**B. Business-Type Activities Capital Assets**

Summary by Category at December 31, 2003:

<i>Historical Cost:</i>	Restated December 31, 2002	Transfers	Additions	Deletions	December 31, 2003
Class					
<i>Capital assets not being depreciated:</i>					
Land	\$119,364	\$0	\$0	\$0	\$119,364
Construction in Progress	0	0	119,027	0	119,027
<i>Capital assets being depreciated:</i>					
Buildings and Improvements	16,987,232	0	16,141	0	17,003,373
Machinery and Equipment	1,341,193	18,473	54,589	(16,667)	1,397,588
Total Cost	<u>\$18,447,789</u>	<u>\$18,473</u>	<u>\$189,757</u>	<u>(\$16,667)</u>	<u>\$18,639,352</u>
 <i>Accumulated Depreciation:</i>					
Class	Restated December 31, 2002	Transfers	Additions	Deletions	December 31, 2003
Buildings and Improvements	(\$8,376,305)	\$0	(\$330,447)	\$0	(\$8,706,752)
Machinery and Equipment	(738,106)	(18,473)	(72,180)	13,272	(815,487)
Total Depreciation	<u>(\$9,114,411)</u>	<u>(\$18,473)</u>	<u>(\$402,627)</u>	<u>\$13,272</u>	<u>(\$9,522,239)</u>
 <i>Net Value:</i>	 <u>\$9,333,378</u>	 <u>\$0</u>	 <u>(\$212,870)</u>	 <u>(\$3,395)</u>	 <u>\$9,117,113</u>

**NOTE 11 – DEFINED BENEFIT PENSION PLANS**

All of the City’s full-time employees participate in one of two separate retirement systems which are cost-sharing multiple employer defined benefit pension plans.

**A. Ohio Public Employees Retirement System (the “Ohio PERS”)**

The following information was provided by the Ohio PERS to assist the City in complying with GASB Statement No. 27, “Accounting for Pensions by State and Local Government Employers.”

All employees of the City, except full-time uniformed police officers and full-time firefighters, participate in one of the three pension plans administered by the Ohio PERS: the Traditional Pension Plan (TP), the Member-Directed Plan (MD), and the Combined Plan (CO). The TP Plan is a cost-sharing multiple employer defined benefit pension plan. The MD Plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20% per year). Under the MD Plan members accumulate retirement assets equal to the value of member and (vested) employer contributions plus any investment earnings thereon. The CO Plan is a cost-sharing multiple-employer defined benefit pension plan. Under the CO Plan employer contributions are invested by the retirement system to provide a formula retirement benefit similar in nature to the TP Plan. Member contributions, the investment of which is self-directed by the members, accumulate retirement assets in a manner similar to the MD Plan.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2003***

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**NOTE 11 – DEFINED BENEFIT PENSION PLANS (Continued)**

**A. Ohio Public Employees Retirement System (the “Ohio PERS”) (Continued)**

The Ohio PERS provides retirement, disability, survivor and death benefits and annual cost-of-living adjustments to members of the TP Plan and CO Plan. Members of the MD Plan do not qualify for ancillary benefits. Chapter 145 of the Ohio Revised Code provides statutory authority to establish and amend benefits. The Ohio Public Employees Retirement System issues a stand-alone financial report that includes financial statements and required supplementary information for the Ohio PERS. Interested parties may obtain a copy by making a written request to 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 222-6705 or 1-800-222-7377.

The Ohio Revised Code provides statutory authority for employee and employer contributions. For 2003, employee and employer contribution rates were consistent across all three plans (TP, MD and CO). The employee contribution rate is 8.5%. The 2003 employer contribution rate for local government employer units was 13.55%, of covered payroll, 8.55% to fund the pension and 5.0% to fund health care. The contribution requirements of plan members and the City are established and may be amended by the Public Employees Retirement Board. The City's contributions to the Ohio PERS for the years ending December 31, 2003, 2002 and 2001 were \$903,222, \$840,557 and \$787,718, respectively, which were equal to the required contributions for each year.

The Ohio PERS provides postemployment health care benefits 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 also available. The health care coverage provided by the Ohio PERS is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 12. A portion of each employer's contribution to the Ohio PERS is set aside for the funding of post retirement health care. The Ohio Revised Code provides statutory authority requiring public employers to fund postemployment health care through their contributions to the Ohio PERS. The portion of the 2003 employer contribution rate (identified above) that was used to fund health care for the year 2003 was 5.0% of covered payroll which amounted to \$333,292.

The significant actuarial assumptions and calculations relating to postemployment health care benefits were based on the Ohio Public Employees Retirement System's latest actuarial review performed as of December 31, 2002. An entry age normal actuarial cost method of valuation is used in determining the present value of OPEB. The difference between assumed and actual experience (actuarial gains and losses) becomes part of unfunded actuarial accrued liability. 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 2002 was 8.0%. An annual increase of 4.0% compounded annually, is the base portion of the individual pay increase assumption. This assumes no change in the number of active employees. Additionally, annual pay increases, over and above the 4.0% base increase, were assumed to range from 0.5% to 6.3%. Health care costs were assumed to increase 4.0% annually.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2003***

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**NOTE 11 – DEFINED BENEFIT PENSION PLANS (Continued)**

**A. Ohio Public Employees Retirement System (the “Ohio PERS”)** (Continued)

Benefits are advanced-funded on an actuarially determined basis. The number of active contributing participants was 364,881. The actuarial value of the Ohio PERS net assets available for OPEB at December 31, 2002 is \$10.0 billion. The actuarially accrued liability and the unfunded actuarial accrued liability, based on the actuarial cost method used, were \$18.7 billion and \$8.7 billion, respectively.

**B. Ohio Police and Fire Pension Fund (the “OP&F Fund”)**

All City full-time police officers participate in the OP&F Fund, a cost-sharing multiple-employer defined benefit pension plan. The OP&F Fund provides retirement and disability benefits, annual cost of living adjustments and death benefits to plan members and beneficiaries. Contribution requirements and benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the Ohio Revised Code. The Ohio Police and Fire Pension Fund issues a stand-alone financial report that includes financial statements and required supplementary information for the OP&F Fund. Interested parties may obtain a copy by making a written request to 140 East Town Street, Columbus, Ohio 43215-5164 or by calling (614) 228-2975.

Plan members are required to contribute 10.0% of their annual covered salary, while employers are required to contribute 19.5% for police officers. The City's contributions to the OP&F Fund for the years ending December 31, 2003, 2002 and 2001 were \$491,030, \$458,757 and \$424,356, which were equal to the required contributions for each year.

The OP&F Fund provides postemployment health care coverage to any person who received or is eligible to receive a monthly benefit check or is a spouse or eligible dependent child of such person. An eligible dependent child is any child under the age of 18 whether or not the child is attending school, or under the age of 22 if attending school on a full-time or two-thirds basis. The health care coverage provided by the OP&F Fund is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 12. The Ohio Revised Code provides that health care costs paid from the funds of the OP&F Fund shall be included in the employer's contribution rate. The Ohio Revised Code also provides statutory authority allowing the Fund's Board of Trustees to provide postemployment health care coverage to all eligible individuals from the employer's contributions to the OP&F Fund.

The portion of the 2003 covered payroll that was used to fund postemployment health care benefits was \$195,153 representing 7.75% of covered payroll for police. Health care funding and accounting was on a pay-as-you-go basis. 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. Beginning in 2001, all retirees and survivors have monthly health care contributions. As of December 31, 2002, the date of the last actuarial evaluation available, the number of participants eligible to receive health care benefits was 13,527 for police and 10,396 for firefighters. The OP&F Fund does not provide separate data on the funded status and funding progress of postemployment health care benefits. The Fund's total health care expenses for the year ended December 31, 2002 were \$141,028,006, which was net of member contributions of \$12,623,875.

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2003**

**NOTE 12 – COMPENSATED ABSENCES**

In accordance with GASB Statement No. 16, "Accounting for Compensated Absences," vacation and compensatory time are accrued as liabilities when an employee's right to receive compensation is attributable to services already rendered and it is probable that the employee will be compensated through paid time off or some other means, such as cash payments at termination or retirement. Leave time that has been earned, but is unavailable for use as paid time off or as some other form of compensation because an employee has not met the minimum service time requirement, is accrued to the extent that it is considered to be probable that the conditions for compensation will be met in the future.

Sick leave is accrued using the vesting method, whereby the liability is recorded on the basis of leave accumulated by employees who are eligible to receive termination payments as of the balance sheet date, and on leave balances accumulated by other employees expected to become eligible in the future to receive such payments.

At December 31, 2003, the City's accumulated, unpaid compensated absences amounted to \$1,985,218, of which \$1,762,648 is recorded as a liability of the Governmental Activities and \$222,570 is recorded as a liability of the Business-Type Activities.

**NOTE 13 - LONG-TERM DEBT**

Long-term debt of the City at December 31, 2003 was as follows:

	Balance December 31, 2002	Additions	(Reductions)	Balance December 31, 2003	Amounts Due Within One Year
<b>Governmental Activities:</b>					
Special Assessment Bonds					
with Governmental Commitment:					
9.125% Cass Road	\$30,000	\$0	(\$30,000)	\$0	\$0
4.700% Duane Street Storm Sewer	70,000	0	(35,000)	\$35,000	35,000
4.875% Monclova Garden Street Improvement Bonds	170,000	0	(55,000)	\$115,000	55,000
4.900% Sackett Street Storm Sewer Improvement Bonds	785,000	0	(140,000)	\$645,000	150,000
5.000% Beaver Creek, Ford Sewer Improvement Bonds	505,000	0	(70,000)	\$435,000	80,000
5.000% White Street Improvement	30,400	0	(3,700)	\$26,700	4,000
5.250% Conant Streetscape	64,000	0	(8,000)	56,000	8,000
Total Special Assessment Bonds					
with Governmental Commitment	1,654,400	0	(341,700)	1,312,700	332,000
Ohio Water Development Authority Loan (OWDA):					
6.250% Main Trunk Sanitary Sewer	637,588	0	(47,701)	589,887	50,682
Ohio Public Works Commission Loan (OPWC):					
0.000% Street Construction	75,000	0	(15,000)	60,000	30,000
Compensated Absences	1,655,031	1,762,648	(1,655,031)	1,762,648	592,040
Ohio Police and Fire Pension Accrued Liability	61,675	0	(909)	60,766	948
Total Governmental Governmental Activities Long-Term Debt	<u>\$4,083,694</u>	<u>\$1,762,648</u>	<u>(\$2,060,341)</u>	<u>\$3,786,001</u>	<u>\$1,005,670</u>



**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2003**

**NOTE 13 - LONG-TERM DEBT (Continued)**

	Balance December 31, 2002	Additions	(Reductions)	Balance December 31, 2003	Due Within One Year
<b>Business-Type Activities:</b>					
Compensated Absences	\$215,732	\$222,570	(\$215,732)	\$222,570	\$60,257
Total Business-Type Activities Long-Term Debt	<u>\$215,732</u>	<u>\$222,570</u>	<u>(\$215,732)</u>	<u>\$222,570</u>	<u>\$60,257</u>

The principal amount of the City's special assessment debt outstanding at December 31, 2003, \$1,312,700, is general obligation debt (backed by the full faith and credit of the City) that is being retired with the proceeds from special assessments levied against benefited property owners. The City is obligated to repay the debt irrespective of the amount of special assessments collected from property owners. The fund balance of \$195,571 in the Special Assessment Bond Retirement Fund at December 31, 2003 is reserved for the retirement of outstanding special assessment bonds. Delinquent special assessments at year end were \$25,779.

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

The City's liability for past service costs relating to the Ohio Police and Fire Pension Fund at December 31, 2003 was \$110,729 in principal and interest payments through the year 2035. Only the principal amount of \$60,766 is included in the long-term liabilities of the City.

**B. Principal and Interest Requirements**

A summary of the City's future long-term debt funding requirements, including principal and interest payments as of December 31, 2003, follows:

Years	Special Assessment Bonds		OW DA Loan	
	Principal	Interest	Principal	Interest
2004	\$332,000	\$64,202	\$50,682	\$36,867
2005	312,100	47,956	53,849	33,700
2006	262,300	32,606	57,215	30,335
2007	272,500	19,770	60,791	26,759
2008	112,800	6,400	64,591	22,959
2009-2013	21,000	1,510	302,759	47,442
2014-2035	0	0	0	0
Totals	<u>\$1,312,700</u>	<u>\$172,444</u>	<u>\$589,887</u>	<u>\$198,062</u>

Years	OPWC Loans		Ohio Police and Fire Pension Accrued Liability	
	Principal	Interest	Principal	Interest
2004	\$30,000	\$0	\$948	\$2,572
2005	30,000	0	988	2,532
2006	0	0	1,031	2,489
2007	0	0	1,075	2,445
2008	0	0	1,121	2,400
2009-2013	0	0	6,373	11,227
2014-2035	0	0	49,230	26,298
Totals	<u>\$60,000</u>	<u>\$0</u>	<u>\$60,766</u>	<u>\$49,963</u>

**Notes to the Basic Financial Statements  
For the Year Ended December 31, 2003**

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**NOTE 14 - CONDUIT DEBT OBLIGATIONS**

From time to time, the City has issued revenue bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from hospital and various industrial revenues. Ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the City, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of December 31, 2003, there were fourteen series of Industrial Revenue Bonds and two series of Hospital Revenue Bonds outstanding. The aggregate principal amount payable for the fourteen Industrial Revenue Bonds issued prior to January 1, 1996, could not be determined, however, their original issue amounts totaled \$11,430,000. The principal balance payable for the two Hospital Revenue Bonds, issued prior to January 1, 1996, was \$19,270,000 at year end.

**NOTE 15 - CONSTRUCTION COMMITMENTS**

As of December 31, 2003, the City had the following commitments with respect to capital projects:

Capital Projects	Remaining Construction Commitment	Expected Date of Completion
Water and Sewer Pump Station Rehabilitation	\$1,024,243	2004
Streetscape and Overlook	121,130	2004
Theater Reconstruction	2,228,705	2004
Community Swimming Pool	2,494,323	2004
Police Station Engineering	167,479	2004
Fire Station Engineering	215,687	2004
Total	\$6,251,567	

**NOTE 16 - INSURANCE AND RISK MANAGEMENT**

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters. In 1994, the City joined the Ohio Government Risk Management Plan (the "OGRMP"), a public entity risk plan formed under Section 2744.081 of the Ohio Revised Code that operates as a common risk management and insurance program for 585 member political subdivisions. The City pays an annual premium to the OGRMP for its general insurance coverage. The agreement for formation of the OGRMP provides that the organization will be self-sustaining through member premiums and will reinsure all claims in excess of a member's deductible through commercial insurance and reinsurance companies.

***Notes to the Basic Financial Statements  
For the Year Ended December 31, 2003***

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**NOTE 16 - INSURANCE AND RISK MANAGEMENT (Continued)**

The City maintains a self-funded health insurance program with claims processed by Bridge Benefits, Inc. on behalf of the City. A separate Medical Care - Self Insured Fund (an internal service fund) was created in 1990 to account for and finance the health insurance program. As an integral part of the health insurance program, a reinsurance policy has been purchased covering claims in excess of \$40,000 per individual per year up to a maximum of \$1,000,000 per individual per lifetime. Settled claims have not exceeded the commercial coverage limits in any of the past three fiscal years.

All funds of the City from which employee salaries are paid participate in the health insurance program and make payments to the Medical Care - Self Insured Fund based on actuarial estimates of the amounts needed to pay prior and current year claims and to establish a reserve for catastrophic losses. Total contributions to the program during 2003 were \$1,191,893. The claims liability of \$75,122 reported in the Medical Care - Self Insured Fund at December 31, 2003 is based on the requirements of GASB Statement No. 10, "Accounting and Financial Reporting for Risk Financing and Related Insurance Issues," as amended by GASB Statement No. 30 "Risk Management Omnibus," which requires that a liability for claims be reported if information prior to issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

Changes in the Medical Care - Self Insured Fund's claims liability amount in fiscal years 2001, 2002 and 2003 were:

<u>Fiscal Year</u>	<u>Beginning of Fiscal Year Liability</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claims Payments</u>	<u>Claims Liability at Fiscal Year End</u>
2001	\$47,040	\$639,260	(\$634,011)	\$52,289
2002	52,289	715,032	(663,668)	103,653
2003	103,653	918,314	(946,845)	75,122

Workers' Compensation claims are covered through the City's participation in the State of Ohio's program. The City pays the State Workers' Compensation System a premium based upon a rate per \$100 of payroll. The rate is determined based on accident history and administrative costs.

The City also pays unemployment claims to the State of Ohio as incurred.

The City continues to carry commercial insurance for other risks of loss, including employee life insurance. There has been no significant reduction in insurance coverages from coverages in the prior year. In addition, settled claims resulting from these risks have not exceeded commercial insurance coverages in any of the past three fiscal years.

*COMBINING AND INDIVIDUAL FUND  
STATEMENTS AND SCHEDULES*

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*THE FOLLOWING COMBINING STATEMENTS AND SCHEDULES INCLUDE  
THE MAJOR AND NONMAJOR GOVERNMENTAL FUNDS, AND  
FIDUCIARY FUNDS.*

***Nonmajor Governmental Funds***

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***Special Revenue Funds***

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

**Street Construction, Maintenance and Repair Fund**

To account for revenues distributed by the state from the motor vehicle and gasoline taxes. Expenditures may only be for street construction and maintenance.

**State Highway Improvement Fund**

To account for the revenues distributed by the state from the motor vehicle taxes, permissive fees and gasoline taxes. Expenditures may only be used for street and state highway improvements and maintenance.

**Permissive Auto License Tax Fund**

To account for the permissive auto license taxes levied for street construction, maintenance and repair.

**Street Lighting Fund**

To account for the revenue from special assessments for street lighting construction and operation.

**Law Enforcement Trust Fund**

To account for funds received by the police department for contraband, per state statute.

**Mandatory Drug Law Fund**

To account for mandatory fines collected for drug offenses.

**Enforcement and Education Fund**

To account for financial resources used to educate and treat persons with alcohol related problems and to enhance law enforcement activities as a deterrent to the operation of motor vehicles while under the influence of alcohol.

**Indigent Drivers Alcohol Treatment Fund**

To account for the revenues from fines as established by the state to pay for alcohol treatment related training programs for indigent persons.

*Special Revenue Funds (Continued)*

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**Municipal Court Capital Improvement Fund**

To account for the acquisition, improvement, replacement and repair of capital assets of the Maumee Municipal Court.

**Community Housing Improvement Program Fund**

To account for financial resources for use in assisting low income home owners and first time buyers.

**Community Development Block Grant Fund**

To account for federal and state grants designated for community and environmental improvements.

**Job Creation and Retention Fund**

To account for grants made by the City through the Job Creation and Retention Grant Program.

**Maumee Revolving Loan Fund**

To account for loans made by the City through the Maumee Revolving Loan Program.

**Police Pension Fund**

To account for taxes levied toward partial payment of the current and accrued liability for police disability and pension.

**Street Opening Fund**

To account for performance bonds posted by contractors and owners to ensure full restoration of pavement or completion of construction on public property.

*Debt Service Fund*

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The debt service funds are used to account for the accumulation of resources and payment of general obligation bond principal and interest from governmental resources and special assessment levies when the government is obligated in some manner for the payment.

**General Obligation Bond Retirement Fund**

To account for the accumulation of resources for the payment of general obligation debt of the City including self-supporting obligations not otherwise paid from proprietary funds. (The Statement of Revenues, Expenditures and Changes in Fund Balances is not presented because there was no activity during the year. This fund only exists on a GAAP basis and is not part of the City's appropriated budget, therefore no budgetary schedule is presented.)

**Ohio Water Development Authority Debt Service Fund**

To account for revenue from assessments and for expenditures to retire debt to the Ohio Water Development Authority.

***Capital Projects Funds***

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The Capital Projects Funds are used to account for the financial resources to be used for the acquisition or construction of major capital facilities, other than those financed by proprietary or trust funds.

**Sewer Construction Fund**

To account for revenues and expenditures designated for the construction and acquisition of capital sewer projects.

**Waterline Construction Fund**

To account for revenues and expenditures designated for the construction and acquisition of capital waterline projects.

**Street Construction Fund**

To account for revenues and expenditures designated for the construction and acquisition of capital street projects.

**Sidewalk Construction Fund**

To account for revenues and expenditures designated for the construction and acquisition of capital sidewalk projects

**CITY OF MAUMEE, OHIO**

**Combining Balance Sheet  
Nonmajor Governmental Funds  
December 31, 2003**

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Assets:</b>				
Cash and Cash Equivalents	\$ 2,860,828	\$ 4	\$ 1,303,054	\$ 4,163,886
Receivables (net of allowance for doubtful accounts):				
Taxes	156,713	0	0	156,713
Intergovernmental	396,720	0	0	396,720
Interest	69	0	0	69
Special Assessments	10,525	0	0	10,525
Loans	260,077	0	0	260,077
Inventory of Supplies, at Cost	33,965	0	0	33,965
Prepaid Items	4,382	0	0	4,382
Restricted Assets:				
Cash and Cash Equivalents with Fiscal Agent	0	2,540	0	2,540
<b>Total Assets</b>	<u>\$ 3,723,279</u>	<u>\$ 2,544</u>	<u>\$ 1,303,054</u>	<u>\$ 5,028,877</u>
<b>Liabilities:</b>				
Accounts Payable	\$ 44,889	\$ 0	\$ 14,417	\$ 59,306
Accrued Wages and Benefits Payable	189,048	0	0	189,048
Matured Bonds and Interest Payable	0	2,540	0	2,540
Deferred Revenue	425,243	0	0	425,243
Compensated Absences Payable	2,438	0	0	2,438
<b>Total Liabilities</b>	<u>661,618</u>	<u>2,540</u>	<u>14,417</u>	<u>678,575</u>
<b>Fund Balances:</b>				
Reserved for Encumbrances	162,011	0	1,063,162	1,225,173
Reserved for Prepaid Items	4,382	0	0	4,382
Reserved for Supplies Inventory	33,965	0	0	33,965
Reserved for Loans Receivable	260,077	0	0	260,077
Undesignated/Unreserved	2,601,226	4	225,475	2,826,705
<b>Total Fund Balances</b>	<u>3,061,661</u>	<u>4</u>	<u>1,288,637</u>	<u>4,350,302</u>
<b>Total Liabilities and Funds Balances</b>	<u>\$ 3,723,279</u>	<u>\$ 2,544</u>	<u>\$ 1,303,054</u>	<u>\$ 5,028,877</u>



**CITY OF MAUMEE, OHIO**

**Combining Statement of Revenues, Expenditures and Changes in Fund Balance  
Nonmajor Governmental Funds  
For the Year Ended December 31, 2003**

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Revenues:</b>				
Property Taxes	\$ 132,582	\$ 0	\$ 0	\$ 132,582
Intergovernmental Revenues	1,625,504	0	88,598	1,714,102
Licenses and Permits	5,100	0	0	5,100
Investment Earnings	15,863	0	0	15,863
Special Assessments	267,901	0	0	267,901
Fines and Forfeitures	115,920	0	0	115,920
All Other Revenue	82,350	0	0	82,350
<b>Total Revenue</b>	<b>2,245,220</b>	<b>0</b>	<b>88,598</b>	<b>2,333,818</b>
<b>Expenditures:</b>				
Current:				
Security of Persons and Property	719,537	0	0	719,537
Community Environment	313,488	0	0	313,488
Transportation	538,273	0	0	538,273
General Government	74,671	0	0	74,671
Capital Outlay	0	0	1,328,103	1,328,103
Debt Service:				
Principal Retirement	15,000	47,701	0	62,701
Interest & Fiscal Charges	0	39,849	0	39,849
<b>Total Expenditures</b>	<b>1,660,969</b>	<b>87,550</b>	<b>1,328,103</b>	<b>3,076,622</b>
Excess (Deficiency) of Revenues Over Expenditures	584,251	(87,550)	(1,239,505)	(742,804)
<b>Other Financing Sources (Uses):</b>				
Transfers In	537,600	43,775	2,035,319	2,616,694
Transfers Out	(1,463,938)	0	(834,812)	(2,298,750)
<b>Total Other Financing Sources (Uses)</b>	<b>(926,338)</b>	<b>43,775</b>	<b>1,200,507</b>	<b>317,944</b>
Net Change in Fund Balances	(342,087)	(43,775)	(38,998)	(424,860)
<b>Fund Balances at Beginning of Year</b>	<b>3,394,486</b>	<b>43,779</b>	<b>1,327,635</b>	<b>4,765,900</b>
Increase in Inventory Reserve	9,262	0	0	9,262
<b>Fund Balances End of Year</b>	<b>\$ 3,061,661</b>	<b>\$ 4</b>	<b>\$ 1,288,637</b>	<b>\$ 4,350,302</b>

**CITY OF MAUMEE, OHIO**

**Combining Balance Sheet  
Nonmajor Special Revenue Funds  
December 31, 2003**

	Street Construction, Maintenance and Repair	State Highway Improvement	Permissive Auto License Tax	Street Lighting	Law Enforcement Trust
<b>Assets:</b>					
Cash and Cash Equivalents	\$ 233,615	\$ 119,378	\$ 385,513	\$ 528,143	\$ 1,090
Receivables (net of allowance for doubtful accounts):					
Taxes	0	0	0	0	0
Intergovernmental	258,446	20,955	96,807	0	0
Interest	0	0	23	0	46
Special Assessments	0	0	0	10,525	0
Loans	0	0	0	0	0
Inventory of Supplies, at Cost	33,965	0	0	0	0
Prepaid Items	4,382	0	0	0	0
<b>Total Assets</b>	<b>\$ 530,408</b>	<b>\$ 140,333</b>	<b>\$ 482,343</b>	<b>\$ 538,668</b>	<b>\$ 1,136</b>
<b>Liabilities:</b>					
Accounts Payable	\$ 22,886	\$ 947	\$ 0	\$ 19,641	\$ 0
Accrued Wages and Benefits Payable	60,427	0	0	0	0
Deferred Revenue	172,298	13,970	64,538	10,525	0
Compensated Absences Payable	2,438	0	0	0	0
<b>Total Liabilities</b>	<b>258,049</b>	<b>14,917</b>	<b>64,538</b>	<b>30,166</b>	<b>0</b>
<b>Fund Balances:</b>					
Reserved for Encumbrances	92,114	0	57,226	0	0
Reserved for Prepaid Items	4,382	0	0	0	0
Reserved for Supplies Inventory	33,965	0	0	0	0
Reserved for Loans Receivable	0	0	0	0	0
Undesignated/Unreserved	141,898	125,416	360,579	508,502	1,136
<b>Total Fund Balances</b>	<b>272,359</b>	<b>125,416</b>	<b>417,805</b>	<b>508,502</b>	<b>1,136</b>
<b>Total Liabilities and Funds Balances</b>	<b>\$ 530,408</b>	<b>\$ 140,333</b>	<b>\$ 482,343</b>	<b>\$ 538,668</b>	<b>\$ 1,136</b>

**CITY OF MAUMEE, OHIO**

Mandatory Drug Law	Enforcement and Education	Indigent Driver Alcohol Treatment	Municipal Court Capital Improvement	Community Housing Improvement Program	Community Development Block Grant
\$ 24,684	\$ 3,372	\$ 116,234	\$ 201,790	\$ 6,116	\$ 732,846
0	0	0	0	0	0
385	387	930	11,611	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	260,077
0	0	0	0	0	0
0	0	0	0	0	0
<u>\$ 25,069</u>	<u>\$ 3,759</u>	<u>\$ 117,164</u>	<u>\$ 213,401</u>	<u>\$ 6,116</u>	<u>\$ 992,923</u>
\$ 0	\$ 0	\$ 584	\$ 831	\$ 0	\$ 0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>584</u>	<u>831</u>	<u>0</u>	<u>0</u>
0	0	0	12,671	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	260,077
<u>25,069</u>	<u>3,759</u>	<u>116,580</u>	<u>199,899</u>	<u>6,116</u>	<u>732,846</u>
<u>25,069</u>	<u>3,759</u>	<u>116,580</u>	<u>212,570</u>	<u>6,116</u>	<u>992,923</u>
<u>\$ 25,069</u>	<u>\$ 3,759</u>	<u>\$ 117,164</u>	<u>\$ 213,401</u>	<u>\$ 6,116</u>	<u>\$ 992,923</u>

(Continued)

**CITY OF MAUMEE, OHIO**

**Combining Balance Sheet  
Nonmajor Special Revenue Funds  
December 31, 2003**

	Job Creation and Retention	Maumee Revolving Loan	Police Pension	Street Opening	Total Nonmajor Special Revenue Funds
<b>Assets:</b>					
Cash and Cash Equivalents	\$ 217,700	\$ 221,621	\$ 1,173	\$ 67,553	\$ 2,860,828
Receivables (net of allowance for doubtful accounts):					
Taxes	0	0	156,713	0	156,713
Intergovernmental	0	0	7,199	0	396,720
Interest	0	0	0	0	69
Special Assessments	0	0	0	0	10,525
Loans	0	0	0	0	260,077
Inventory of Supplies, at Cost	0	0	0	0	33,965
Prepaid Items	0	0	0	0	4,382
<b>Total Assets</b>	<u>\$ 217,700</u>	<u>\$ 221,621</u>	<u>\$ 165,085</u>	<u>\$ 67,553</u>	<u>\$ 3,723,279</u>
<b>Liabilities:</b>					
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 0	\$ 44,889
Accrued Wages and Benefits Payable	0	0	128,621	0	189,048
Deferred Revenue	0	0	163,912	0	425,243
Compensated Absences Payable	0	0	0	0	2,438
<b>Total Liabilities</b>	<u>0</u>	<u>0</u>	<u>292,533</u>	<u>0</u>	<u>661,618</u>
<b>Fund Balances:</b>					
Reserved for Encumbrances	0	0	0	0	162,011
Reserved for Prepaid Items	0	0	0	0	4,382
Reserved for Supplies Inventory	0	0	0	0	33,965
Reserved for Loans Receivable	0	0	0	0	260,077
Undesignated/Unreserved	217,700	221,621	(127,448)	67,553	2,601,226
<b>Total Fund Balances</b>	<u>217,700</u>	<u>221,621</u>	<u>(127,448)</u>	<u>67,553</u>	<u>3,061,661</u>
<b>Total Liabilities and Funds Balances</b>	<u>\$ 217,700</u>	<u>\$ 221,621</u>	<u>\$ 165,085</u>	<u>\$ 67,553</u>	<u>\$ 3,723,279</u>

**CITY OF MAUMEE, OHIO**

**Combining Statement of Revenues, Expenditures and Changes in Fund Balance  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2003**

	Street Construction, Maintenance and Repair	State Highway Improvement	Permissive Auto License Tax	Street Lighting	Law Enforcement Trust
<b>Revenues:</b>					
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Intergovernmental Revenues	632,405	49,782	230,012	0	0
Licenses and Permits	0	0	0	0	0
Investment Earnings	0	0	252	0	46
Special Assessments	0	0	0	267,901	0
Fines and Forfeitures	0	0	0	0	449
All Other Revenue	0	0	38,643	0	0
<b>Total Revenue</b>	<b>632,405</b>	<b>49,782</b>	<b>268,907</b>	<b>267,901</b>	<b>495</b>
<b>Expenditures:</b>					
Current:					
Security of Persons and Property	0	0	0	216,173	0
Community Environment	2,438	0	0	0	0
Transportation	512,946	25,327	0	0	0
General Government	0	0	0	0	0
Debt Service:					
Principal Retirement	0	0	15,000	0	0
<b>Total Expenditures</b>	<b>515,384</b>	<b>25,327</b>	<b>15,000</b>	<b>216,173</b>	<b>0</b>
Excess (Deficiency) of Revenues Over Expenditures	117,021	24,455	253,907	51,728	495
<b>Other Financing Sources (Uses):</b>					
Transfers In	0	0	0	0	0
Transfers Out	0	0	(918,938)	0	0
<b>Total Other Financing Sources (Uses)</b>	<b>0</b>	<b>0</b>	<b>(918,938)</b>	<b>0</b>	<b>0</b>
Net Change in Fund Balances	117,021	24,455	(665,031)	51,728	495
<b>Fund Balances at Beginning of Year</b>	<b>146,076</b>	<b>100,961</b>	<b>1,082,836</b>	<b>456,774</b>	<b>641</b>
Increase in Inventory Reserve	9,262	0	0	0	0
<b>Fund Balances (Deficits) End of Year</b>	<b>\$ 272,359</b>	<b>\$ 125,416</b>	<b>\$ 417,805</b>	<b>\$ 508,502</b>	<b>\$ 1,136</b>

(Continued)

**CITY OF MAUMEE, OHIO**

**Combining Statement of Revenues, Expenditures and Changes in Fund Balance  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2003**

	Mandatory Drug Law	Enforcement and Education	Indigent Drivers Alcohol Treatment	Municipal Court Capital Improvement	Community Housing Improvement Program
<b>Revenues:</b>					
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Intergovernmental Revenues	0	0	0	0	0
Licenses and Permits	0	0	0	0	0
Investment Earnings	0	0	0	0	0
Special Assessments	0	0	0	0	0
Fines and Forfeitures	0	2,028	12,080	101,363	0
All Other Revenue	0	0	0	0	0
<b>Total Revenue</b>	<b>0</b>	<b>2,028</b>	<b>12,080</b>	<b>101,363</b>	<b>0</b>
<b>Expenditures:</b>					
Current:					
Security of Persons and Property	2,410	3,336	6,588	0	0
Community Environment	0	0	0	0	266
Transportation	0	0	0	0	0
General Government	0	0	0	73,921	0
Debt Service:					
Principal Retirement	0	0	0	0	0
<b>Total Expenditures</b>	<b>2,410</b>	<b>3,336</b>	<b>6,588</b>	<b>73,921</b>	<b>266</b>
Excess (Deficiency) of Revenues Over Expenditures	(2,410)	(1,308)	5,492	27,442	(266)
<b>Other Financing Sources (Uses):</b>					
Transfers In	0	0	0	0	0
Transfers Out	0	0	0	0	0
<b>Total Other Financing Sources (Uses)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Net Change in Fund Balances	(2,410)	(1,308)	5,492	27,442	(266)
<b>Fund Balances at Beginning of Year</b>	<b>27,479</b>	<b>5,067</b>	<b>111,088</b>	<b>185,128</b>	<b>6,382</b>
Increase in Inventory Reserve	0	0	0	0	0
<b>Fund Balances (Deficits) End of Year</b>	<b>\$ 25,069</b>	<b>\$ 3,759</b>	<b>\$ 116,580</b>	<b>\$ 212,570</b>	<b>\$ 6,116</b>

**CITY OF MAUMEE, OHIO**

Community Development Block Grant	Job Creation and Retention	Maumee Revolving Loan	Police Pension	Street Opening	Total Nonmajor Special Revenue Funds
\$ 0	\$ 0	\$ 0	\$ 132,582	\$ 0	\$ 132,582
700,000	0	0	13,305	0	1,625,504
0	0	0	0	5,100	5,100
12,977	0	2,588	0	0	15,863
0	0	0	0	0	267,901
0	0	0	0	0	115,920
11,798	0	31,909	0	0	82,350
<u>724,775</u>	<u>0</u>	<u>34,497</u>	<u>145,887</u>	<u>5,100</u>	<u>2,245,220</u>
0	0	0	491,030	0	719,537
147,784	163,000	0	0	0	313,488
0	0	0	0	0	538,273
0	0	0	0	750	74,671
0	0	0	0	0	15,000
<u>147,784</u>	<u>163,000</u>	<u>0</u>	<u>491,030</u>	<u>750</u>	<u>1,660,969</u>
576,991	(163,000)	34,497	(345,143)	4,350	584,251
0	191,600	0	346,000	0	537,600
<u>(545,000)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(1,463,938)</u>
<u>(545,000)</u>	<u>191,600</u>	<u>0</u>	<u>346,000</u>	<u>0</u>	<u>(926,338)</u>
31,991	28,600	34,497	857	4,350	(342,087)
960,932	189,100	187,124	(128,305)	63,203	3,394,486
0	0	0	0	0	9,262
<u>\$ 992,923</u>	<u>\$ 217,700</u>	<u>\$ 221,621</u>	<u>\$ (127,448)</u>	<u>\$ 67,553</u>	<u>\$ 3,061,661</u>

**CITY OF MAUMEE, OHIO**

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**Combining Balance Sheet  
Nonmajor Debt Service Funds  
December 31, 2003**

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	General Bond Retirement	OWDA Debt Service	Total Nonmajor Debt Service Funds
<b>Assets:</b>			
Cash and Cash Equivalents	\$ 0	\$ 4	\$ 4
Restricted Assets:			
Cash and Cash Equivalents with Fiscal Agent	2,540	0	2,540
<b>Total Assets</b>	<u>\$ 2,540</u>	<u>\$ 4</u>	<u>\$ 2,544</u>
<b>Liabilities:</b>			
Matured Bonds and Interest Payable	\$ 2,540	\$ 0	\$ 2,540
<b>Total Liabilities</b>	<u>2,540</u>	<u>0</u>	<u>2,540</u>
<b>Fund Balances:</b>			
Undesignated/Unreserved	0	4	4
<b>Total Fund Balances</b>	<u>0</u>	<u>4</u>	<u>4</u>
<b>Total Liabilities and Funds Balances</b>	<u>\$ 2,540</u>	<u>\$ 4</u>	<u>\$ 2,544</u>



**CITY OF MAUMEE, OHIO**

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***Combining Statement of Revenues, Expenditures and Changes in Fund Balance  
Nonmajor Debt Service Funds  
For the Year Ended December 31, 2003***

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	OWDA Debt Service
<b>Revenues:</b>	
<b>Total Revenue</b>	<u>\$ 0</u>
<b>Expenditures:</b>	
Debt Service:	
Principal Retirement	47,701
Interest & Fiscal Charges	39,849
<b>Total Expenditures</b>	<u>87,550</u>
Excess (Deficiency) of Revenues Over Expenditures	(87,550)
<b>Other Financing Sources (Uses):</b>	
Transfers In	43,775
<b>Total Other Financing Sources (Uses)</b>	<u>43,775</u>
Net Change in Fund Balances	(43,775)
<b>Fund Balances at Beginning of Year</b>	<u>43,779</u>
<b>Fund Balances End of Year</b>	<u><u>\$ 4</u></u>

**CITY OF MAUMEE, OHIO**

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**Combining Balance Sheet  
Nonmajor Capital Projects Funds  
December 31, 2003**

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	<u>Sewer Construction</u>	<u>Waterline Construction</u>	<u>Street Construction</u>	<u>Sidewalk Construction</u>	<u>Total Nonmajor Capital Projects Funds</u>
<b>Assets:</b>					
Cash and Cash Equivalents	\$ 689,751	\$ 359,671	\$ 168,022	\$ 85,610	\$ 1,303,054
<b>Total Assets</b>	<u>\$ 689,751</u>	<u>\$ 359,671</u>	<u>\$ 168,022</u>	<u>\$ 85,610</u>	<u>\$ 1,303,054</u>
<b>Liabilities:</b>					
Accounts Payable	\$ 3,728	\$ 1,268	\$ 9,421	\$ 0	\$ 14,417
<b>Total Liabilities</b>	<u>3,728</u>	<u>1,268</u>	<u>9,421</u>	<u>0</u>	<u>14,417</u>
<b>Fund Balances:</b>					
Reserved for Encumbrances	685,938	358,219	19,005	0	1,063,162
Undesignated/Unreserved	<u>85</u>	<u>184</u>	<u>139,596</u>	<u>85,610</u>	<u>225,475</u>
<b>Total Fund Balances</b>	<u>686,023</u>	<u>358,403</u>	<u>158,601</u>	<u>85,610</u>	<u>1,288,637</u>
<b>Total Liabilities and Funds Balances</b>	<u>\$ 689,751</u>	<u>\$ 359,671</u>	<u>\$ 168,022</u>	<u>\$ 85,610</u>	<u>\$ 1,303,054</u>

**CITY OF MAUMEE, OHIO**

**Combining Statement of Revenues, Expenditures and Changes in Fund Balance  
Nonmajor Capital Projects Funds  
For the Year Ended December 31, 2003**

	Sewer Construction	Waterline Construction	Street Construction	Sidewalk Construction	Total Nonmajor Capital Project Funds
<b>Revenues:</b>					
Intergovernmental Revenues	\$ 0	\$ 0	\$ 88,598	\$ 0	\$ 88,598
<b>Total Revenue</b>	<b>0</b>	<b>0</b>	<b>88,598</b>	<b>0</b>	<b>88,598</b>
<b>Expenditures:</b>					
Current:					
Capital Outlay	75,386	72,068	1,128,431	52,218	1,328,103
<b>Total Expenditures</b>	<b>75,386</b>	<b>72,068</b>	<b>1,128,431</b>	<b>52,218</b>	<b>1,328,103</b>
Excess (Deficiency) of Revenues Over Expenditures	(75,386)	(72,068)	(1,039,833)	(52,218)	(1,239,505)
<b>Other Financing Sources (Uses):</b>					
Transfers In	675,305	349,465	956,580	53,969	2,035,319
Transfers Out	0	0	(834,812)	0	(834,812)
<b>Total Other Financing Sources (Uses)</b>	<b>675,305</b>	<b>349,465</b>	<b>121,768</b>	<b>53,969</b>	<b>1,200,507</b>
Net Change in Fund Balances	599,919	277,397	(918,065)	1,751	(38,998)
<b>Fund Balances at Beginning of Year</b>	<b>86,104</b>	<b>81,006</b>	<b>1,076,666</b>	<b>83,859</b>	<b>1,327,635</b>
<b>Fund Balances End of Year</b>	<b>\$ 686,023</b>	<b>\$ 358,403</b>	<b>\$ 158,601</b>	<b>\$ 85,610</b>	<b>\$ 1,288,637</b>

**CITY OF MAUMEE, OHIO**

**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Funds – General Fund  
For the Year Ended December 31, 2003**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Property Taxes	\$ 1,548,000	\$ 1,548,000	\$ 1,493,491	\$ (54,509)
Intergovernmental Revenues	2,718,350	2,718,350	2,478,762	(239,588)
Charges for Services	299,650	299,650	363,757	64,107
Licenses and Permits	138,100	138,100	158,004	19,904
Investment Earnings	1,007,000	1,007,000	668,809	(338,191)
Special Assessments	2,000	2,000	2,894	894
Fines and Forfeitures	802,000	802,000	763,739	(38,261)
All Other Revenues	43,500	43,500	88,010	44,510
Total Revenues	<u>6,558,600</u>	<u>6,558,600</u>	<u>6,017,466</u>	<u>(541,134)</u>
<b>Expenditures:</b>				
Security of Persons and Property:				
Safety Administration:				
Personal Services	104,264	105,164	105,155	9
Contractual Services	72,038	71,153	43,979	27,174
Materials and Supplies	2,805	2,805	607	2,198
Total Safety Administration	<u>179,107</u>	<u>179,122</u>	<u>149,741</u>	<u>29,381</u>
Fire:				
Personal Services	485,998	485,998	412,637	73,361
Contractual Services	172,050	172,100	140,705	31,395
Materials and Supplies	50,900	50,900	37,559	13,341
Capital Outlay	0	203,199	180,870	22,329
Total Fire	<u>708,948</u>	<u>912,197</u>	<u>771,771</u>	<u>140,426</u>
Fire Prevention:				
Personal Services	233,270	233,270	222,912	10,358
Contractual Services	23,320	23,320	9,006	14,314
Materials and Supplies	4,950	4,950	2,526	2,424
Capital Outlay	0	10,700	9,696	1,004
Total Fire Prevention	<u>261,540</u>	<u>272,240</u>	<u>244,140</u>	<u>28,100</u>
Ambulance:				
Personal Services	565,062	565,042	501,331	63,711
Contractual Services	52,800	52,800	49,255	3,545
Materials and Supplies	24,300	24,300	15,714	8,586
Capital Outlay	0	75,025	61,746	13,279
Total Ambulance	<u>642,162</u>	<u>717,167</u>	<u>628,046</u>	<u>89,121</u>

(Continued)

**CITY OF MAUMEE, OHIO**

***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Funds – General Fund  
For the Year Ended December 31, 2003***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Lucas County EMS:				
Personal Services	657,186	657,186	651,416	5,770
Contractual Services	10,050	10,050	9,088	962
Materials and Supplies	10,900	10,900	6,506	4,394
Total Lucas County EMS	678,136	678,136	667,010	11,126
Police:				
Personal Services	2,793,487	2,793,487	2,752,894	40,593
Contractual Services	228,721	796,019	649,317	146,702
Materials and Supplies	212,700	232,982	165,266	67,716
Capital Outlay	0	106,220	95,305	10,915
Total Police	3,234,908	3,928,708	3,662,782	265,926
Police Detective:				
Personal Services	462,825	462,825	411,030	51,795
Total Police Detective	462,825	462,825	411,030	51,795
Animal Control:				
Personal Services	50,282	50,282	49,670	612
Contractual Services	9,000	11,928	10,016	1,912
Materials and Supplies	1,000	1,000	1,198	(198)
Total Animal Control	60,282	63,210	60,884	2,326
Dispatcher:				
Personal Services	641,634	647,134	647,057	77
Contractual Services	34,750	29,539	16,810	12,729
Materials and Supplies	2,000	2,000	1,171	829
Total Dispatcher	678,384	678,673	665,038	13,635
Prosecutor:				
Personal Services	225,672	225,672	217,554	8,118
Contractual Services	34,400	34,400	14,137	20,263
Materials and Supplies	3,700	3,700	1,789	1,911
Capital Outlay	0	7,710	7,710	0
Total Prosecutor	263,772	271,482	241,190	30,292
Total Security of Persons and Property	7,170,064	8,163,760	7,501,632	662,128

(Continued)

**CITY OF MAUMEE, OHIO**

***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Funds – General Fund  
For the Year Ended December 31, 2003***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Public Health and Welfare:				
Cemetery:				
Personal Services	26,752	26,752	17,512	9,240
Contractual Services	3,000	3,000	2,756	244
Materials and Supplies	4,900	4,900	2,278	2,622
Total Cemetery	<u>34,652</u>	<u>34,652</u>	<u>22,546</u>	<u>12,106</u>
Administration:				
Contractual Services	128,800	128,800	128,578	222
Total Administration	<u>128,800</u>	<u>128,800</u>	<u>128,578</u>	<u>222</u>
Total Public Health and Welfare	<u>163,452</u>	<u>163,452</u>	<u>151,124</u>	<u>12,328</u>
Leisure Time Activities:				
Recreation:				
Personal Services	125,728	156,028	155,949	79
Contractual Services	91,507	91,507	88,823	2,684
Materials and Supplies	41,900	41,900	36,437	5,463
Total Recreation	<u>259,135</u>	<u>289,435</u>	<u>281,209</u>	<u>8,226</u>
Parks and Forestry:				
Personal Services	728,805	728,805	719,151	9,654
Contractual Services	238,710	284,809	156,851	127,958
Materials and Supplies	113,800	118,800	85,849	32,951
Capital Outlay	0	43,558	40,655	2,903
Total Parks and Forestry	<u>1,081,315</u>	<u>1,175,972</u>	<u>1,002,506</u>	<u>173,466</u>
Total Leisure Time Activities	<u>1,340,450</u>	<u>1,465,407</u>	<u>1,283,715</u>	<u>181,692</u>
Community Environment:				
Inspection:				
Personal Services	302,178	302,178	291,962	10,216
Contractual Services	68,140	71,050	34,256	36,794
Materials and Supplies	10,880	10,880	5,686	5,194
Capital Outlay	0	0	4,895	(4,895)
Total Inspection	<u>381,198</u>	<u>384,108</u>	<u>336,799</u>	<u>47,309</u>

(Continued)

**CITY OF MAUMEE, OHIO**

***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Funds – General Fund  
For the Year Ended December 31, 2003***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Community Development:				
Personal Services	77,880	78,730	78,717	13
Contractual Services	16,720	25,249	19,727	5,522
Materials and Supplies	3,500	3,500	1,658	1,842
Capital Outlay	0	7,434	7,434	0
Total Community Development	<u>98,100</u>	<u>114,913</u>	<u>107,536</u>	<u>7,377</u>
Total Community Environment	<u>479,298</u>	<u>499,021</u>	<u>444,335</u>	<u>54,686</u>
Basic Utility Services:				
Storm Sewer:				
Personal Services	242,389	242,389	238,230	4,159
Contractual Services	109,950	138,754	40,690	98,064
Materials and Supplies	28,750	28,750	16,166	12,584
Capital Outlay	0	53,050	26,765	26,285
Total Storm Sewer	<u>381,089</u>	<u>462,943</u>	<u>321,851</u>	<u>141,092</u>
Refuse:				
Contractual Services	610,000	623,000	622,910	90
Materials and Supplies	0	4,590	4,590	0
Total Refuse	<u>610,000</u>	<u>627,590</u>	<u>627,500</u>	<u>90</u>
Total Basic Utility Services	<u>991,089</u>	<u>1,090,533</u>	<u>949,351</u>	<u>141,182</u>
Transportation:				
Service:				
Personal Services	225,774	286,274	286,234	40
Contractual Services	128,653	566,322	554,438	11,884
Materials and Supplies	11,050	22,150	22,131	19
Capital Outlay	0	41,436	23,282	18,154
Total Service	<u>365,477</u>	<u>916,182</u>	<u>886,085</u>	<u>30,097</u>
Service - Construction:				
Personal Services	410,976	461,476	461,442	34
Contractual Services	195,700	100,350	21,469	78,881
Materials and Supplies	55,200	55,200	19,652	35,548
Capital Outlay	0	4,500	2,774	1,726
Total Service - Construction	<u>661,876</u>	<u>621,526</u>	<u>505,337</u>	<u>116,189</u>

(Continued)

**CITY OF MAUMEE, OHIO**

***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Funds – General Fund  
For the Year Ended December 31, 2003***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Service - Operations:				
Personal Services	614,359	614,359	589,038	25,321
Contractual Services	125,600	59,455	28,046	31,409
Materials and Supplies	39,700	56,450	56,417	33
Capital Outlay	0	61,168	55,443	5,725
Total Service - Operations	<u>779,659</u>	<u>791,432</u>	<u>728,944</u>	<u>62,488</u>
Total Transportation	<u>1,807,012</u>	<u>2,329,140</u>	<u>2,120,366</u>	<u>208,774</u>
General Government:				
City Council:				
Personal Services	51,819	51,819	51,778	41
Contractual Services	201,900	271,263	182,737	88,526
Materials and Supplies	700	700	564	136
Total City Council	<u>254,419</u>	<u>323,782</u>	<u>235,079</u>	<u>88,703</u>
Municipal Clerk:				
Personal Services	300,955	305,055	305,022	33
Contractual Services	239,950	256,887	182,569	74,318
Materials and Supplies	9,950	9,950	5,094	4,856
Capital Outlay	0	71,324	66,815	4,509
Total Municipal Clerk	<u>550,855</u>	<u>643,216</u>	<u>559,500</u>	<u>83,716</u>
Mayor:				
Personal Services	93,005	93,005	91,098	1,907
Contractual Services	13,290	13,290	3,675	9,615
Materials and Supplies	7,245	7,245	1,401	5,844
Capital Outlay	0	600	600	0
Total Mayor	<u>113,540</u>	<u>114,140</u>	<u>96,774</u>	<u>17,366</u>
Law Department:				
Personal Services	58,226	58,271	58,268	3
Contractual Services	140,050	171,540	171,516	24
Materials and Supplies	50	50	0	50
Total Law Department	<u>198,326</u>	<u>229,861</u>	<u>229,784</u>	<u>77</u>
Civil Service:				
Contractual Services	4,500	4,500	0	4,500
Materials and Supplies	1,500	1,500	0	1,500
Total Civil Service	<u>6,000</u>	<u>6,000</u>	<u>0</u>	<u>6,000</u>

(Continued)



**CITY OF MAUMEE, OHIO**

**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Funds – General Fund  
For the Year Ended December 31, 2003**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Municipal Court:				
Personal Services	906,889	906,889	902,446	4,443
Contractual Services	295,825	299,465	283,868	15,597
Materials and Supplies	16,450	16,450	10,967	5,483
Total Municipal Court	<u>1,219,164</u>	<u>1,222,804</u>	<u>1,197,281</u>	<u>25,523</u>
Administration:				
Contractual Services	187,482	213,351	141,274	72,077
Materials and Supplies	18,585	18,585	8,597	9,988
Capital Outlay	0	6,190	4,040	2,150
Total Administration	<u>206,067</u>	<u>238,126</u>	<u>153,911</u>	<u>84,215</u>
Total General Government	<u>2,548,371</u>	<u>2,777,929</u>	<u>2,472,329</u>	<u>305,600</u>
Total Expenditures	<u>14,499,736</u>	<u>16,489,242</u>	<u>14,922,852</u>	<u>1,566,390</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(7,941,136)	(9,930,642)	(8,905,386)	1,025,256
<b>Other Financing Sources (Uses):</b>				
Sale of Capital Assets	0	0	11,351	11,351
Transfers In	10,000,000	10,000,000	9,434,111	(565,889)
Transfers Out	(831,000)	(831,000)	(542,600)	288,400
Total Other Financing Sources (Uses)	<u>9,169,000</u>	<u>9,169,000</u>	<u>8,902,862</u>	<u>(266,138)</u>
Net Change in Fund Balance	1,227,864	(761,642)	(2,524)	759,118
Fund Balance at Beginning of Year	559,213	559,213	559,213	0
Prior Year Encumbrances	212,037	212,037	212,037	0
Fund Balance at End of Year	<u>\$ 1,999,114</u>	<u>\$ 9,608</u>	<u>\$ 768,726</u>	<u>\$ 759,118</u>

**CITY OF MAUMEE, OHIO**

**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Funds – Special Revenue Funds  
For the Year Ended December 31, 2003**

<b>INCOME TAX "A" (1%) FUND</b>				Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
<b>Revenues:</b>				
Municipal Income Taxes	\$ 8,806,000	\$ 8,806,000	\$ 8,878,543	\$ 72,543
Total Revenues	<u>8,806,000</u>	<u>8,806,000</u>	<u>8,878,543</u>	<u>72,543</u>
<b>Expenditures:</b>				
General Government:				
Personal Services	259,138	259,138	258,688	450
Contractual Services	53,750	53,750	38,164	15,586
Materials and Supplies	4,700	4,700	2,507	2,193
Other Expenditures	500,000	1,019,500	896,875	122,625
Capital Outlay	0	4,900	1,571	3,329
Total Expenditures	<u>817,588</u>	<u>1,341,988</u>	<u>1,197,805</u>	<u>144,183</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	7,988,412	7,464,012	7,680,738	216,726
<b>Other Financing Sources (Uses):</b>				
Transfers Out	(10,200,000)	(9,803,717)	(9,255,717)	548,000
Advances Out	0	(259,467)	(259,467)	0
Total Other Financing Sources (Uses)	<u>(10,200,000)</u>	<u>(10,063,184)</u>	<u>(9,515,184)</u>	<u>548,000</u>
Net Change in Fund Balance	(2,211,588)	(2,599,172)	(1,834,446)	764,726
Fund Balance at Beginning of Year	21,979,742	21,979,742	21,979,742	0
Prior Year Encumbrances	2,500	2,500	2,500	0
Fund Balance at End of Year	<u>\$ 19,770,654</u>	<u>\$ 19,383,070</u>	<u>\$ 20,147,796</u>	<u>\$ 764,726</u>

**CITY OF MAUMEE, OHIO**

**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Funds – Special Revenue Funds  
For the Year Ended December 31, 2003**

<b>INCOME TAX "B" (0.5%) FUND</b>				Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
<b>Revenues:</b>				
Municipal Income Taxes	\$ 4,403,000	\$ 4,403,000	\$ 4,439,237	\$ 36,237
Total Revenues	<u>4,403,000</u>	<u>4,403,000</u>	<u>4,439,237</u>	<u>36,237</u>
<b>Expenditures:</b>				
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	4,403,000	4,403,000	4,439,237	36,237
<b>Other Financing Sources (Uses):</b>				
Transfers In	0	0	834,812	834,812
Transfers Out	<u>(170,013)</u>	<u>(11,895,764)</u>	<u>(11,037,181)</u>	<u>858,583</u>
Total Other Financing Sources (Uses)	<u>(170,013)</u>	<u>(11,895,764)</u>	<u>(10,202,369)</u>	<u>1,693,395</u>
Net Change in Fund Balance	4,232,987	(7,492,764)	(5,763,132)	1,729,632
Fund Balance at Beginning of Year	<u>11,567,742</u>	<u>11,567,742</u>	<u>11,567,742</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 15,800,729</u>	<u>\$ 4,074,978</u>	<u>\$ 5,804,610</u>	<u>\$ 1,729,632</u>

**CITY OF MAUMEE, OHIO**

***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Funds – Debt Service Fund  
For the Year Ended December 31, 2003***

**SPECIAL ASSESSMENT BOND RETIREMENT FUND**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Special Assessments	\$ 355,000	\$ 355,000	\$ 362,618	\$ 7,618
All Other Revenues	11,700	11,700	11,700	0
Total Revenues	<u>366,700</u>	<u>366,700</u>	<u>374,318</u>	<u>7,618</u>
<b>Expenditures:</b>				
Debt Service:				
Principal Retirement	341,700	341,700	341,700	0
Interest and Fiscal Charges	82,200	82,200	82,195	5
Total Expenditures	<u>423,900</u>	<u>423,900</u>	<u>423,895</u>	<u>5</u>
Net Change in Fund Balance	(57,200)	(57,200)	(49,577)	7,623
Fund Balance at Beginning of Year	<u>256,847</u>	<u>256,847</u>	<u>256,847</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 199,647</u>	<u>\$ 199,647</u>	<u>\$ 207,270</u>	<u>\$ 7,623</u>

**CITY OF MAUMEE, OHIO**

**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Major Funds – Capital Project Funds  
For the Year Ended December 31, 2003**

<b>PERMANENT IMPROVEMENT FUND</b>				Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
<b>Revenues:</b>				
Intergovernmental Revenues	\$ 0	\$ 0	\$ 61,710	\$ 61,710
Charges for Services	0	0	2,600	2,600
All Other Revenues	0	0	66,298	66,298
Total Revenues	<u>0</u>	<u>0</u>	<u>130,608</u>	<u>130,608</u>
<b>Expenditures:</b>				
Capital Outlay	<u>2,720,797</u>	<u>12,812,894</u>	<u>10,393,875</u>	<u>2,419,019</u>
Total Expenditures	<u>2,720,797</u>	<u>12,812,894</u>	<u>10,393,875</u>	<u>2,419,019</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,720,797)	(12,812,894)	(10,263,267)	2,549,627
<b>Other Financing Sources (Uses):</b>				
Transfers In	<u>21,650,000</u>	<u>21,650,000</u>	<u>10,592,096</u>	<u>(11,057,904)</u>
Total Other Financing Sources (Uses)	<u>21,650,000</u>	<u>21,650,000</u>	<u>10,592,096</u>	<u>(11,057,904)</u>
Net Change in Fund Balance	18,929,203	8,837,106	328,829	(8,508,277)
Fund Balance at Beginning of Year	1,723,130	1,723,130	1,723,130	0
Prior Year Encumbrances	<u>997,668</u>	<u>997,668</u>	<u>997,668</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 21,650,001</u>	<u>\$ 11,557,904</u>	<u>\$ 3,049,627</u>	<u>\$ (8,508,277)</u>

**CITY OF MAUMEE, OHIO**

***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2003***

**STREET CONSTRUCTION, MAINTENANCE AND REPAIR FUND**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Intergovernmental Revenues	\$ 785,000	\$ 785,000	\$ 619,552	\$ (165,448)
Total Revenues	<u>785,000</u>	<u>785,000</u>	<u>619,552</u>	<u>(165,448)</u>
<b>Expenditures:</b>				
Transportation:				
Personal Services	401,456	201,456	190,433	11,023
Contractual Services	233,424	234,924	127,718	107,206
Materials and Supplies	289,700	489,700	324,095	165,605
Total Expenditures	<u>924,580</u>	<u>926,080</u>	<u>642,246</u>	<u>283,834</u>
Net Change in Fund Balance	(139,580)	(141,080)	(22,694)	118,386
Fund Balance at Beginning of Year	61,785	61,785	61,785	0
Prior Year Encumbrances	79,524	79,524	79,524	0
Fund Balance at End of Year	<u>\$ 1,729</u>	<u>\$ 229</u>	<u>\$ 118,615</u>	<u>\$ 118,386</u>

**CITY OF MAUMEE, OHIO**

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**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2003**

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Intergovernmental Revenues	\$ 47,000	\$ 47,000	\$ 48,739	\$ 1,739
Total Revenues	<u>47,000</u>	<u>47,000</u>	<u>48,739</u>	<u>1,739</u>
<b>Expenditures:</b>				
Transportation:				
Contractual Services	34,500	54,500	27,293	27,207
Materials and Supplies	<u>12,880</u>	<u>12,880</u>	<u>0</u>	<u>12,880</u>
Total Expenditures	<u>47,380</u>	<u>67,380</u>	<u>27,293</u>	<u>40,087</u>
Net Change in Fund Balance	(380)	(20,380)	21,446	41,826
Fund Balance at Beginning of Year	<u>97,932</u>	<u>97,932</u>	<u>97,932</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 97,552</u>	<u>\$ 77,552</u>	<u>\$ 119,378</u>	<u>\$ 41,826</u>

**CITY OF MAUMEE, OHIO**

***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2003***

<b>PERMISSIVE AUTO LICENSE TAX FUND</b>				
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Intergovernmental Revenues	\$ 225,000	\$ 225,000	\$ 228,038	\$ 3,038
Investment Earnings	400	400	229	(171)
All Other Revenues	0	0	38,643	38,643
Total Revenues	<u>225,400</u>	<u>225,400</u>	<u>266,910</u>	<u>41,510</u>
<b>Expenditures:</b>				
Transportation:				
Capital Outlay	0	57,226	57,226	0
Debt Service:				
Principal Retirements	72,000	72,000	15,000	57,000
Total Expenditures	<u>72,000</u>	<u>129,226</u>	<u>72,226</u>	<u>57,000</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	153,400	96,174	194,684	98,510
<b>Other Financing Sources (Uses):</b>				
Transfers Out	(1,000,000)	(1,000,000)	(918,938)	81,062
Total Other Financing Sources (Uses)	<u>(1,000,000)</u>	<u>(1,000,000)</u>	<u>(918,938)</u>	<u>81,062</u>
Net Change in Fund Balance	(846,600)	(903,826)	(724,254)	179,572
Fund Balance at Beginning of Year	1,025,541	1,025,541	1,025,541	0
Prior Year Encumbrances	27,000	27,000	27,000	0
Fund Balance at End of Year	<u>\$ 205,941</u>	<u>\$ 148,715</u>	<u>\$ 328,287</u>	<u>\$ 179,572</u>



**CITY OF MAUMEE, OHIO**

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**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2003**

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Special Assessments	\$ 266,500	\$ 266,500	\$ 267,901	\$ 1,401
Total Revenues	<u>266,500</u>	<u>266,500</u>	<u>267,901</u>	<u>1,401</u>
<b>Expenditures:</b>				
Security of Persons and Property:				
Contractual Services	<u>285,000</u>	<u>285,000</u>	<u>220,537</u>	<u>64,463</u>
Total Expenditures	<u>285,000</u>	<u>285,000</u>	<u>220,537</u>	<u>64,463</u>
Net Change in Fund Balance	(18,500)	(18,500)	47,364	65,864
Fund Balance at Beginning of Year	<u>480,779</u>	<u>480,779</u>	<u>480,779</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 462,279</u>	<u>\$ 462,279</u>	<u>\$ 528,143</u>	<u>\$ 65,864</u>

**CITY OF MAUMEE, OHIO**

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**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2003**

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Fines and Forfeitures	\$ 1,000	\$ 1,000	\$ 449	\$ (551)
Total Revenues	<u>1,000</u>	<u>1,000</u>	<u>449</u>	<u>(551)</u>
<b>Expenditures:</b>				
Security of Persons and Property:				
Contractual Services	641	641	0	641
Materials and Supplies	<u>1,000</u>	<u>1,000</u>	<u>0</u>	<u>1,000</u>
Total Expenditures	<u>1,641</u>	<u>1,641</u>	<u>0</u>	<u>1,641</u>
Net Change in Fund Balance	(641)	(641)	449	1,090
Fund Balance at Beginning of Year	<u>641</u>	<u>641</u>	<u>641</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,090</u>	<u>\$ 1,090</u>

**CITY OF MAUMEE, OHIO**

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**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2003**

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Fines and Forfeitures	\$ 3,000	\$ 3,000	\$ 91	\$ (2,909)
Total Revenues	<u>3,000</u>	<u>3,000</u>	<u>91</u>	<u>(2,909)</u>
<b>Expenditures:</b>				
Security of Persons and Property:				
Contractual Services	2,000	2,000	0	2,000
Materials and Supplies	<u>8,000</u>	<u>8,000</u>	<u>2,410</u>	<u>5,590</u>
Total Expenditures	<u>10,000</u>	<u>10,000</u>	<u>2,410</u>	<u>7,590</u>
Net Change in Fund Balance	(7,000)	(7,000)	(2,319)	4,681
Fund Balance at Beginning of Year	<u>27,003</u>	<u>27,003</u>	<u>27,003</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 20,003</u>	<u>\$ 20,003</u>	<u>\$ 24,684</u>	<u>\$ 4,681</u>

**CITY OF MAUMEE, OHIO**

**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2003**

ENFORCEMENT AND EDUCATION FUND				Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
<b>Revenues:</b>				
Fines and Forfeitures	\$ 1,500	\$ 1,500	\$ 1,905	\$ 405
Total Revenues	<u>1,500</u>	<u>1,500</u>	<u>1,905</u>	<u>405</u>
<b>Expenditures:</b>				
Security of Persons and Property:				
Contractual Services	3,303	3,303	375	2,928
Materials and Supplies	<u>3,000</u>	<u>3,000</u>	<u>2,961</u>	<u>39</u>
Total Expenditures	<u>6,303</u>	<u>6,303</u>	<u>3,336</u>	<u>2,967</u>
Net Change in Fund Balance	(4,803)	(4,803)	(1,431)	3,372
Fund Balance at Beginning of Year	<u>4,803</u>	<u>4,803</u>	<u>4,803</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 3,372</u>	<u>\$ 3,372</u>

**CITY OF MAUMEE, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2003***

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Fines and Forfeitures	\$ 9,500	\$ 9,500	\$ 15,680	\$ 6,180
Total Revenues	<u>9,500</u>	<u>9,500</u>	<u>15,680</u>	<u>6,180</u>
<b>Expenditures:</b>				
Security of Persons and Property:				
Contractual Services	<u>111,500</u>	<u>111,500</u>	<u>7,324</u>	<u>104,176</u>
Total Expenditures	<u>111,500</u>	<u>111,500</u>	<u>7,324</u>	<u>104,176</u>
Net Change in Fund Balance	(102,000)	(102,000)	8,356	110,356
Fund Balance at Beginning of Year	<u>107,878</u>	<u>107,878</u>	<u>107,878</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 5,878</u>	<u>\$ 5,878</u>	<u>\$ 116,234</u>	<u>\$ 110,356</u>

**CITY OF MAUMEE, OHIO**

***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2003***

<b>MUNICIPAL COURT CAPITAL IMPROVEMENT FUND</b>				Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
<b>Revenues:</b>				
Fines and Forfeitures	\$ 90,000	\$ 90,000	\$ 101,606	\$ 11,606
Total Revenues	<u>90,000</u>	<u>90,000</u>	<u>101,606</u>	<u>11,606</u>
<b>Expenditures:</b>				
General Government:				
Contractual Services	124,861	79,861	27,308	52,553
Capital Outlay	<u>55,000</u>	<u>55,000</u>	<u>31,401</u>	<u>23,599</u>
Total Expenditures	<u>179,861</u>	<u>134,861</u>	<u>58,709</u>	<u>76,152</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(89,861)	(44,861)	42,897	87,758
<b>Other Financing Sources (Uses):</b>				
Transfers Out	<u>(55,000)</u>	<u>(100,000)</u>	<u>0</u>	<u>100,000</u>
Total Other Financing Sources (Uses)	<u>(55,000)</u>	<u>(100,000)</u>	<u>0</u>	<u>100,000</u>
Net Change in Fund Balance	(144,861)	(144,861)	42,897	187,758
Fund Balance at Beginning of Year	130,530	130,530	130,530	0
Prior Year Encumbrances	<u>14,861</u>	<u>14,861</u>	<u>14,861</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 530</u>	<u>\$ 530</u>	<u>\$ 188,288</u>	<u>\$ 187,758</u>

**CITY OF MAUMEE, OHIO**

***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2003***

<b>COMMUNITY HOUSING IMPROVEMENT PROGRAM FUND</b>				Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u></u>
<b>Revenues:</b>				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
<b>Expenditures:</b>				
Community Environment:				
Contractual Services	0	300	266	34
Other Expenditures	<u>6,381</u>	<u>6,081</u>	<u>0</u>	<u>6,081</u>
Total Expenditures	<u>6,381</u>	<u>6,381</u>	<u>266</u>	<u>6,115</u>
Net Change in Fund Balance	(6,381)	(6,381)	(266)	6,115
Fund Balance at Beginning of Year	<u>6,382</u>	<u>6,382</u>	<u>6,382</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 6,116</u>	<u>\$ 6,115</u>

**CITY OF MAUMEE, OHIO**

***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2003***

**COMMUNITY DEVELOPMENT BLOCK GRANT FUND**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Intergovernmental Revenues	\$ 345,000	\$ 345,000	\$ 700,000	\$ 355,000
Investment Earnings	6,000	6,000	12,977	6,977
All Other Revenues	103,500	103,500	197,430	93,930
Total Revenues	<u>454,500</u>	<u>454,500</u>	<u>910,407</u>	<u>455,907</u>
<b>Expenditures:</b>				
Community Environment:				
Contractual Services	0	842	842	0
Other Expenditures	358,699	146,942	146,942	0
Total Expenditures	<u>358,699</u>	<u>147,784</u>	<u>147,784</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	95,801	306,716	762,623	455,907
<b>Other Financing Sources (Uses):</b>				
Transfers Out	0	(545,000)	(545,000)	0
Total Other Financing Sources (Uses)	<u>0</u>	<u>(545,000)</u>	<u>(545,000)</u>	<u>0</u>
Net Change in Fund Balance	95,801	(238,284)	217,623	455,907
Fund Balance at Beginning of Year	<u>515,223</u>	<u>515,223</u>	<u>515,223</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 611,024</u>	<u>\$ 276,939</u>	<u>\$ 732,846</u>	<u>\$ 455,907</u>



**CITY OF MAUMEE, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2003***

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Total Revenues	<u>\$          0</u>	<u>\$          0</u>	<u>\$          0</u>	<u>\$          0</u>
<b>Expenditures:</b>				
Community Environment:				
Other Expenditures	<u>          270,500</u>	<u>          270,500</u>	<u>          163,000</u>	<u>          107,500</u>
Total Expenditures	<u>          270,500</u>	<u>          270,500</u>	<u>          163,000</u>	<u>          107,500</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(270,500)</u>	<u>(270,500)</u>	<u>(163,000)</u>	<u>          107,500</u>
<b>Other Financing Sources (Uses):</b>				
Transfers In	<u>          200,000</u>	<u>          200,000</u>	<u>          191,600</u>	<u>          (8,400)</u>
Total Other Financing Sources (Uses)	<u>          200,000</u>	<u>          200,000</u>	<u>          191,600</u>	<u>          (8,400)</u>
Net Change in Fund Balance	<u>(70,500)</u>	<u>(70,500)</u>	<u>          28,600</u>	<u>          99,100</u>
Fund Balance at Beginning of Year	<u>          189,100</u>	<u>          189,100</u>	<u>          189,100</u>	<u>                  0</u>
Fund Balance at End of Year	<u><u>\$         118,600</u></u>	<u><u>\$         118,600</u></u>	<u><u>\$         217,700</u></u>	<u><u>\$          99,100</u></u>

**CITY OF MAUMEE, OHIO**

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**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2003**

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Investment Earnings	\$ 0	\$ 0	\$ 2,588	\$ 2,588
All Other Revenues	<u>35,000</u>	<u>35,000</u>	<u>31,909</u>	<u>(3,091)</u>
Total Revenues	<u>35,000</u>	<u>35,000</u>	<u>34,497</u>	<u>(503)</u>
<b>Expenditures:</b>				
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	35,000	35,000	34,497	(503)
<b>Other Financing Sources (Uses):</b>				
Transfers In	<u>200,000</u>	<u>200,000</u>	<u>0</u>	<u>(200,000)</u>
Total Other Financing Sources (Uses)	<u>200,000</u>	<u>200,000</u>	<u>0</u>	<u>(200,000)</u>
Net Change in Fund Balance	235,000	235,000	34,497	(200,503)
Fund Balance at Beginning of Year	<u>187,124</u>	<u>187,124</u>	<u>187,124</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 422,124</u>	<u>\$ 422,124</u>	<u>\$ 221,621</u>	<u>\$ (200,503)</u>

**CITY OF MAUMEE, OHIO**

***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2003***

<b>POLICE PENSION FUND</b>				Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
<b>Revenues:</b>				
Property Taxes	\$ 136,000	\$ 136,000	\$ 132,582	\$ (3,418)
Intergovernmental Revenues	14,200	14,200	13,305	(895)
Total Revenues	<u>150,200</u>	<u>150,200</u>	<u>145,887</u>	<u>(4,313)</u>
<b>Expenditures:</b>				
Security of Persons and Property:				
Personal Services	424,106	491,106	490,860	246
Total Expenditures	<u>424,106</u>	<u>491,106</u>	<u>490,860</u>	<u>246</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(273,906)	(340,906)	(344,973)	(4,067)
<b>Other Financing Sources (Uses):</b>				
Transfers In	278,500	343,500	346,000	2,500
Total Other Financing Sources (Uses)	<u>278,500</u>	<u>343,500</u>	<u>346,000</u>	<u>2,500</u>
Net Change in Fund Balance	4,594	2,594	1,027	(1,567)
Fund Balance at Beginning of Year	146	146	146	0
Fund Balance at End of Year	<u>\$ 4,740</u>	<u>\$ 2,740</u>	<u>\$ 1,173</u>	<u>\$ (1,567)</u>

**CITY OF MAUMEE, OHIO**

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***Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2003***

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	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Licenses and Permits	\$ 10,000	\$ 10,000	\$ 5,100	\$ (4,900)
Total Revenues	<u>10,000</u>	<u>10,000</u>	<u>5,100</u>	<u>(4,900)</u>
<b>Expenditures:</b>				
General Government:				
Other Expenditures	<u>70,087</u>	<u>750</u>	<u>750</u>	<u>0</u>
Total Expenditures	<u>70,087</u>	<u>750</u>	<u>750</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(60,087)	9,250	4,350	(4,900)
Net Change in Fund Balance	(60,087)	9,250	4,350	(4,900)
Fund Balance at Beginning of Year	<u>63,203</u>	<u>63,203</u>	<u>63,203</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 3,116</u>	<u>\$ 72,453</u>	<u>\$ 67,553</u>	<u>\$ (4,900)</u>

**CITY OF MAUMEE, OHIO**

**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Debt Service Fund  
For the Year Ended December 31, 2003**

**OHIO WATER DEVELOPMENT AUTHORITY DEBT SERVICE FUND**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
<b>Expenditures:</b>				
Debt Service:				
Principal Retirement	47,751	47,751	47,701	50
Interest and Fiscal Charges	39,850	39,850	39,849	1
Total Expenditures	<u>87,601</u>	<u>87,601</u>	<u>87,550</u>	<u>51</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(87,601)	(87,601)	(87,550)	51
<b>Other Financing Sources (Uses):</b>				
Transfers In	87,550	87,550	43,775	(43,775)
Total Other Financing Sources (Uses)	<u>87,550</u>	<u>87,550</u>	<u>43,775</u>	<u>(43,775)</u>
Net Change in Fund Balance	(51)	(51)	(43,775)	(43,724)
Fund Balance at Beginning of Year	43,779	43,779	43,779	0
Fund Balance at End of Year	<u>\$ 43,728</u>	<u>\$ 43,728</u>	<u>\$ 4</u>	<u>\$ (43,724)</u>

**CITY OF MAUMEE, OHIO**

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**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Capital Projects Funds  
For the Year Ended December 31, 2003**

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Total Revenues	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
<b>Expenditures:</b>				
Capital Outlay	<u>86,671</u>	<u>761,976</u>	<u>761,891</u>	<u>85</u>
Total Expenditures	<u>86,671</u>	<u>761,976</u>	<u>761,891</u>	<u>85</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(86,671)	(761,976)	(761,891)	85
<b>Other Financing Sources (Uses):</b>				
Transfers In	<u>2,100,000</u>	<u>2,100,000</u>	<u>675,305</u>	<u>(1,424,695)</u>
Total Other Financing Sources (Uses)	<u>2,100,000</u>	<u>2,100,000</u>	<u>675,305</u>	<u>(1,424,695)</u>
Net Change in Fund Balance	2,013,329	1,338,024	(86,586)	(1,424,610)
Fund Balance at Beginning of Year	0	0	0	0
Prior Year Encumbrances	<u>86,671</u>	<u>86,671</u>	<u>86,671</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 2,100,000</u>	<u>\$ 1,424,695</u>	<u>\$ 85</u>	<u>\$ (1,424,610)</u>

**CITY OF MAUMEE, OHIO**

**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Capital Projects Funds  
For the Year Ended December 31, 2003**

WATERLINE CONSTRUCTION FUND				Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
<b>Revenues:</b>				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
<b>Expenditures:</b>				
Capital Outlay	81,000	430,465	430,287	178
Total Expenditures	81,000	430,465	430,287	178
Excess (Deficiency) of Revenues Over (Under) Expenditures	(81,000)	(430,465)	(430,287)	178
<b>Other Financing Sources (Uses):</b>				
Transfers In	0	349,000	349,465	465
Transfers Out	(6)	(6)	0	6
Total Other Financing Sources (Uses)	(6)	348,994	349,465	471
Net Change in Fund Balance	(81,006)	(81,471)	(80,822)	649
Fund Balance at Beginning of Year	6	6	6	0
Prior Year Encumbrances	81,000	81,000	81,000	0
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ (465)</u>	<u>\$ 184</u>	<u>\$ 649</u>

**CITY OF MAUMEE, OHIO**

**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Capital Projects Funds  
For the Year Ended December 31, 2003**

<b>STREET CONSTRUCTION FUND</b>				Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
<b>Revenues:</b>				
Intergovernmental Revenues	\$ 0	\$ 0	\$ 88,598	\$ 88,598
Total Revenues	<u>0</u>	<u>0</u>	<u>88,598</u>	<u>88,598</u>
<b>Expenditures:</b>				
Capital Outlay	242,123	1,198,703	1,147,705	50,998
Total Expenditures	<u>242,123</u>	<u>1,198,703</u>	<u>1,147,705</u>	<u>50,998</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(242,123)	(1,198,703)	(1,059,107)	139,596
<b>Other Financing Sources (Uses):</b>				
Transfers In	1,000,000	1,000,000	956,580	(43,420)
Transfers Out	(834,812)	(834,812)	(834,812)	0
Total Other Financing Sources (Uses)	<u>165,188</u>	<u>165,188</u>	<u>121,768</u>	<u>(43,420)</u>
Net Change in Fund Balance	(76,935)	(1,033,515)	(937,339)	96,176
Fund Balance at Beginning of Year	877,006	877,006	877,006	0
Prior Year Encumbrances	199,929	199,929	199,929	0
Fund Balance at End of Year	<u>\$ 1,000,000</u>	<u>\$ 43,420</u>	<u>\$ 139,596</u>	<u>\$ 96,176</u>



**CITY OF MAUMEE, OHIO**

**Schedule of Revenues, Expenditures and Changes in  
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)  
Nonmajor Capital Projects Funds  
For the Year Ended December 31, 2003**

<b>SIDEWALK CONSTRUCTION FUND</b>				Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
<b>Revenues:</b>				
Total Revenues	\$ 0	\$ 0	\$ 0	\$ 0
<b>Expenditures:</b>				
Capital Outlay	83,859	137,828	52,218	85,610
Total Expenditures	83,859	137,828	52,218	85,610
Excess (Deficiency) of Revenues Over (Under) Expenditures	(83,859)	(137,828)	(52,218)	85,610
<b>Other Financing Sources (Uses):</b>				
Transfers In	100,000	100,000	53,969	(46,031)
Total Other Financing Sources (Uses)	100,000	100,000	53,969	(46,031)
Net Change in Fund Balance	16,141	(37,828)	1,751	39,579
Fund Balance at Beginning of Year	83,859	83,859	83,859	0
Fund Balance at End of Year	\$ 100,000	\$ 46,031	\$ 85,610	\$ 39,579

***Fiduciary Funds***

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Fiduciary fund types are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds.

***Agency Funds***

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**Municipal Court Fund**

To account for funds that flow through the municipal court office.

**Ohio Board of Building Standards Assessment Fund**

To account for funds from the three percent (3%) fees as required by Ohio Revised Code.

**CITY OF MAUMEE, OHIO**

***Combining Statement of Changes in Assets and Liabilities  
Agency Funds  
For the Year Ended December 31, 2003***

	Balance December 31, 2002	Additions	Deductions	Balance December 31, 2003
<u>Municipal Court</u>				
Assets:				
Cash and Cash Equivalents	\$40,856	\$2,066,991	(\$2,075,514)	\$32,333
Total Assets	<u>\$40,856</u>	<u>\$2,066,991</u>	<u>(\$2,075,514)</u>	<u>\$32,333</u>
Liabilities:				
Due to Others	\$40,856	\$2,066,991	(\$2,075,514)	\$32,333
Total Liabilities	<u>\$40,856</u>	<u>\$2,066,991</u>	<u>(\$2,075,514)</u>	<u>\$32,333</u>
<u>Ohio Board of Building Standards Assessments</u>				
Assets:				
Cash and Cash Equivalents	\$809	\$2,574	(\$3,243)	\$140
Total Assets	<u>\$809</u>	<u>\$2,574</u>	<u>(\$3,243)</u>	<u>\$140</u>
Liabilities:				
Intergovernmental Payables	\$809	\$2,574	(\$3,243)	\$140
Total Liabilities	<u>\$809</u>	<u>\$2,574</u>	<u>(\$3,243)</u>	<u>\$140</u>
<u>Totals - All Agency Funds</u>				
Assets:				
Cash and Cash Equivalents	\$41,665	\$2,069,565	(\$2,078,757)	\$32,473
Total Assets	<u>\$41,665</u>	<u>\$2,069,565</u>	<u>(\$2,078,757)</u>	<u>\$32,473</u>
Liabilities:				
Intergovernmental Payables	\$809	\$2,574	(\$3,243)	\$140
Due to Others	40,856	2,066,991	(2,075,514)	32,333
Total Liabilities	<u>\$41,665</u>	<u>\$2,069,565</u>	<u>(\$2,078,757)</u>	<u>\$32,473</u>

*CAPITAL ASSETS USED IN THE  
OPERATION OF GOVERNMENTAL FUNDS*

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***CITY OF MAUMEE, OHIO***

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***Capital Assets Used in the Operation of Governmental Funds  
Schedule by Source  
December 31, 2003***

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<u>Capital Assets</u>	
Land	\$6,227,651
Construction in Progress	3,867,948
Buildings and Improvements	11,869,750
Machinery and Equipment	8,916,501
Infrastructure	<u>942,081</u>
Total Capital Assets	<u><u>\$31,823,931</u></u>
<u>Investment in Capital Assets</u>	
Acquired prior to January 1, 1986	\$4,134,119
General Fund	4,169,166
Special Revenue Funds	554,386
Capital Project Funds	<u>22,966,260</u>
Total Investment in Capital Assets	<u><u>\$31,823,931</u></u>

**CITY OF MAUMEE, OHIO**

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***Capital Assets Used in the Operation of Governmental Funds  
Schedule by Function and Activity  
December 31, 2003***

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<u>Function and Activity</u>	<u>Land</u>	<u>Construction in Progress</u>	<u>Buildings and Improvements</u>
<u>Security of Persons and Property:</u>			
Police	\$124,970	\$357,616	\$89,649
Fire	389,444	5,443	1,159,708
Total	514,414	363,059	1,249,357
<u>Leisure Time Activities:</u>			
Parks and Recreation	3,255,772	1,029,327	1,110,591
<u>Community Environment:</u>			
Inspection	0	0	0
<u>Public Health and Welfare:</u>			
Cemetery	97,080	0	4,300
<u>Basic Utility Services:</u>			
Storm Sewer	725	57,550	187,272
<u>Transportation:</u>			
Service	165,116	556,491	543,647
Street	0	0	0
Total	165,116	556,491	543,647
<u>General Government:</u>			
Clerk / Finance	0	0	0
Mayor	0	0	0
Administration	2,194,544	1,861,521	8,749,018
Court	0	0	25,565
Taxation	0	0	0
Total	2,194,544	1,861,521	8,774,583
Total Capital Assets	\$6,227,651	\$3,867,948	\$11,869,750

**CITY OF MAUMEE, OHIO**

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<u>Machinery and Equipment</u>	<u>Infrastructure</u>	<u>Totals</u>
\$1,349,258	\$0	\$1,921,493
<u>3,603,540</u>	<u>0</u>	<u>5,158,135</u>
4,952,798	0	7,079,628
<u>738,711</u>	<u>0</u>	<u>6,134,401</u>
<u>134,125</u>	<u>0</u>	<u>134,125</u>
<u>4,695</u>	<u>0</u>	<u>106,075</u>
<u>27,393</u>	<u>0</u>	<u>272,940</u>
1,728,723	942,081	3,936,058
<u>303,979</u>	<u>0</u>	<u>303,979</u>
<u>2,032,702</u>	<u>942,081</u>	<u>4,240,037</u>
142,837	0	142,837
24,483	0	24,483
543,979	0	13,349,062
264,754	0	290,319
<u>50,024</u>	<u>0</u>	<u>50,024</u>
<u>1,026,077</u>	<u>0</u>	<u>13,856,725</u>
<u>\$8,916,501</u>	<u>\$942,081</u>	<u>\$31,823,931</u>

**CITY OF MAUMEE, OHIO**

***Capital Assets Used in the Operation of Governmental Funds  
Schedule Changes by Function and Activity  
For Year Ended December 31, 2003***

<u>Function and Activity</u>	<u>December 31, 2002</u>	<u>Transfers</u>	<u>Additions</u>	<u>Deletions</u>	<u>December 31, 2003</u>
<u>Security of Persons and Property:</u>					
Police	\$1,379,396	\$0	\$561,061	(\$18,964)	\$1,921,493
Fire	4,451,929	(18,473)	724,679	0	5,158,135
Total	5,831,325	(18,473)	1,285,740	(18,964)	7,079,628
<u>Leisure Time Activities:</u>					
Parks and Recreation	4,408,054	0	1,791,765	(65,418)	6,134,401
<u>Community Environment:</u>					
Inspection	116,122	0	18,003	0	134,125
<u>Public Health and Welfare:</u>					
Cemetery	106,075	0	0	0	106,075
<u>Basic Utility Services:</u>					
Storm Sewer	247,189	0	25,751	0	272,940
<u>Transportation:</u>					
Service	2,711,441	0	1,278,277	(53,660)	3,936,058
Street	285,251	0	18,728	0	303,979
Total	2,996,692	0	1,297,005	(53,660)	4,240,037
<u>General Government:</u>					
Clerk / Finance	133,080	0	9,757	0	142,837
Mayor	24,483	0	0	0	24,483
Administration	11,718,841	0	1,630,221	0	13,349,062
Court	271,087	0	19,232	0	290,319
Taxation	48,418	0	1,606	0	50,024
Total	12,195,909	0	1,660,816	0	13,856,725
Total Capital Assets	\$25,901,366	(\$18,473)	\$6,079,080	(\$138,042)	\$31,823,931



*STATISTICAL SECTION*

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*STATISTICAL TABLES*

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***T**HE FOLLOWING UNAUDITED STATISTICAL TABLES REFLECT SOCIAL AND ECONOMIC DATA, FINANCIAL TRENDS AND FISCAL CAPACITY OF THE CITY.*

**CITY OF MAUMEE, OHIO**

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**GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION (1)  
LAST TEN YEARS**

<b>Year</b>	<b>Security of Persons and Property</b>	<b>Public Health and Welfare Services</b>	<b>Leisure Time Activities</b>	<b>Community Environment</b>	<b>Basic Utility Services</b>	<b>Trans- portation</b>	<b>General Government</b>	<b>Debt Service</b>	<b>Total</b>
1994	\$4,684,720	\$143,266	\$805,424	\$398,987	\$730,627	\$1,815,887	\$1,700,165	\$1,321,458	\$11,600,534
1995	4,779,701	147,288	815,434	466,250	653,447	1,978,489	1,760,272	1,316,522	11,917,403
1996	5,389,005	149,926	879,252	424,520	660,110	1,789,385	2,449,284	1,292,021	13,033,503
1997	5,639,014	161,857	875,039	622,870	636,055	2,477,625	2,715,412	1,143,318	14,271,190
1998	5,819,290	148,973	922,247	969,014	728,033	2,216,853	2,967,077	942,954	14,714,441
1999	6,126,442	154,426	1,074,825	481,991	647,918	2,068,012	2,813,519	853,707	14,220,840
2000	6,484,848	138,128	1,237,099	480,245	702,753	3,058,271	3,227,898	714,703	16,043,945
2001	7,236,689	145,977	1,206,257	668,836	782,987	2,406,627	3,084,259	566,120	16,097,752
2002	7,635,452	86,518	1,223,225	476,589	821,093	2,488,655	4,534,305	574,229	17,840,066
2003	8,122,303	150,897	1,256,182	767,296	949,100	2,636,857	3,826,318	526,445	18,235,398

(1) Includes General Fund, Special Revenue Funds, and Debt Service Funds

NOTE In 1996 the Income Tax Funds were reclassified from  
expendable trust funds to special revenue funds.

**CITY OF MAUMEE, OHIO**

**GENERAL GOVERNMENTAL REVENUES BY SOURCE (1)  
LAST TEN YEARS**

<b>Year</b>	<b>Total Taxes</b>	<b>Inter-Governmental Revenue</b>	<b>Charges for Services</b>	<b>Licenses and Permits</b>	<b>Investment Earnings</b>	<b>Special Assessments</b>	<b>Fines and Forfeitures</b>	<b>All Other</b>	<b>Total</b>
1994	\$3,135,671	\$692,178	\$133,080	\$207,717	\$754,529	\$1,299,381	\$672,697	\$89,191	\$6,984,444
1995	3,469,776	433,217	127,103	216,465	1,236,345	1,291,197	684,578	161,917	7,620,598
1996	11,683,786	3,216,639	157,697	182,783	1,370,001	1,293,887	777,803	119,930	18,802,526
1997	12,179,175	3,717,628	121,428	254,718	1,685,965	1,123,225	835,418	125,254	20,042,811
1998	12,840,732	3,771,091	163,692	204,012	1,780,556	974,534	772,967	420,924	20,928,508
1999	13,795,595	3,460,921	207,497	205,989	1,557,689	916,497	893,434	103,387	21,141,009
2000	14,698,838	3,098,978	280,092	238,093	2,598,399	875,432	820,394	181,945	22,792,171
2001	14,259,399	3,805,332	190,840	80,568	2,128,073	763,788	903,839	144,162	22,276,001
2002	14,556,643	3,380,667	351,783	172,346	916,853	703,373	883,405	219,962	21,185,032
2003	15,175,162	4,100,233	344,635	160,462	570,871	633,414	853,786	159,480	21,998,043

(1) Includes General Fund, Special Revenue Funds, and Debt Service Funds

NOTE: In 1996 the Income Tax Funds were reclassified from expendable trust funds to special revenue funds.

**CITY OF MAUMEE, OHIO**

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**PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN YEARS**

<b>Collection Year</b>	<b>Total Tax Levy</b>	<b>Current Tax Collections</b>	<b>Delinquent Tax Collections</b>	<b>Total Tax Collections</b>	<b>Percent of Total Tax Collections To Tax Levy</b>	<b>Accumulated Outstanding Delinquent Taxes</b>	<b>Percentage of Accumulated Delinquent Taxes to Total Tax Levy</b>
1994	\$1,168,001	\$1,088,430	\$11,944	\$1,100,374	94.21%	\$45,181	3.87%
1995	1,185,925	1,155,952	20,931	1,176,883	99.24%	44,515	3.75%
1996	1,153,600	1,124,814	16,123	1,140,937	98.90%	33,304	2.89%
1997	1,466,600	1,418,783	39,333	1,458,116	99.42%	91,017	6.21%
1998	1,637,500	1,568,358	54,298	1,622,656	99.09%	98,412	6.01%
1999	1,588,000	1,571,430	29,552	1,600,982	100.82%	96,905	6.10%
2000	1,591,077	1,498,373	78,385	1,576,758	99.10%	84,557	5.31%
2001	1,888,250	1,811,597	64,033	1,875,630	99.33%	116,706	6.18%
2002	1,835,033	1,780,100	42,088	1,822,188	99.30%	87,624	4.78%
2003	1,801,868	1,728,841	29,783	1,758,624	97.60%	80,331	4.46%

Source: Lucas County Auditor

***CITY OF MAUMEE, OHIO***

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***TANGIBLE TAX COLLECTED  
LAST TEN YEARS***

<b><u>Year Paid</u></b>	<b><u>Amount</u></b>
1994	\$261,324
1995	330,032
1996	311,041
1997	308,547
1998	279,798
1999	289,810
2000	309,781
2001	390,092
2002	338,199
2003	278,616

Source: Lucas County Auditor

**CITY OF MAUMEE, OHIO**

**ASSESSED VALUATIONS AND ESTIMATED TRUE VALUES  
OF TAXABLE PROPERTY  
LAST TEN YEARS**

Tax Levy Year	Real Property		Public Utility Personal		Tangible Personal Property		Total		Assessed Value as a Percent of Actual Value
	Assessed	Actual	Assessed	Actual	Assessed	Actual	Assessed	Actual	
1994	\$267,986,420	\$765,675,486	\$24,438,890	\$27,771,466	\$63,855,763	\$255,423,052	\$356,281,073	\$1,048,870,004	33.97%
1995	268,892,270	768,263,629	21,169,230	24,055,943	73,570,418	294,281,672	363,631,918	1,086,601,244	33.47%
1996	271,668,580	776,195,943	20,477,810	23,270,239	79,358,691	317,434,764	371,505,081	1,116,900,946	33.26%
1997	299,883,850	856,811,000	22,514,380	25,584,523	81,032,614	324,130,456	403,430,844	1,206,525,979	33.44%
1998	312,885,590	893,958,771	23,342,440	26,525,500	83,927,193	335,708,772	420,155,223	1,256,193,043	33.45%
1999	315,932,170	902,663,343	20,401,160	23,183,136	84,335,553	337,342,212	420,668,883	1,263,188,691	33.30%
2000	378,554,660	1,081,584,743	21,204,100	84,816,400	91,624,931	366,499,724	491,383,691	1,532,900,867	32.06%
2001	377,635,750	1,080,715,714	15,956,340	61,366,360	101,163,781	421,561,944	494,755,871	1,563,644,018	31.64%
2002	381,111,990	1,088,891,400	15,672,720	62,690,880	101,163,781	421,515,754	497,948,491	1,573,098,034	31.65%
2003	417,247,380	1,192,135,000	14,721,290	58,885,160	82,887,701	345,365,421	514,856,371	1,596,385,581	32.25%

Source: Lucas County Auditor



**CITY OF MAUMEE, OHIO**

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**PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS  
(PER \$1,000 OF ASSESSED VALUATIONS)  
LAST TEN YEARS**

Collection Year	City of Maumee				Maumee School District	Anthony Wayne School District	Springfield School District	Lucas County	Penta Vocational School District
	General Fund	Bond Retirement Fund	Police Pension Fund	Total City					
1994	3.40	0.50	0.30	4.20	57.40	62.90	60.80	18.35	2.20
1995	3.40	0.40	0.30	4.10	57.40	62.90	65.20	18.35	2.20
1996	3.40	0.30	0.30	4.00	57.40	64.60	65.20	19.70	2.20
1997	3.40	0.30	0.30	4.00	62.30	64.60	65.20	17.35	2.20
1998	3.40	0.30	0.30	4.00	62.30	64.50	64.20	17.35	2.20
1999	3.40	0.15	0.30	3.85	62.30	64.50	64.20	17.35	2.20
2000	3.40	0.00	0.30	3.70	62.30	64.50	65.10	17.95	2.20
2001	3.40	0.00	0.30	3.70	62.30	63.70	68.10	17.45	2.20
2002	3.40	0.00	0.30	3.70	62.30	63.70	68.10	17.45	2.20
2003	3.40	0.00	0.30	3.70	71.74	68.20	67.90	18.30	2.20

Source: Lucas County Auditor  
Lucas County Treasurer

**CITY OF MAUMEE, OHIO**

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**SPECIAL ASSESSMENT BILLINGS AND COLLECTIONS  
LAST TEN YEARS**

<u>Collection Year</u>	<u>Amount Billed</u>	<u>Amount Collected</u>	<u>Percent Collected</u>
1994	\$1,351,015	\$1,289,835	95.47%
1995	1,300,307	1,265,100	97.29%
1996	1,281,167	1,303,399	101.74%
1997	1,197,685	1,125,005	93.93%
1998	1,059,117	961,987	90.83%
1999	908,022	857,446	94.43%
2000	857,459	881,610	102.82%
2001	787,770	785,732	99.74%
2002	704,027	710,904	100.98%
2003	629,298	613,424	97.48%

Source: Lucas County Auditor

**COMPUTATION OF LEGAL DEBT MARGIN  
DECEMBER 31, 2003**

	<u>Total Debt</u>	<u>Unvoted Debt</u>
Net Assessed Valuation	\$514,856,371	\$514,856,371
Legal Debt Limitation (%) (1)	10.50%	5.50%
Legal Debt Limitation (\$) (1)	54,059,919	28,317,100
Applicable City Debt Outstanding (2)	0	0
Less: Applicable Debt Service Fund Amounts	0	0
Net Indebtedness Subject to Limitation	<u>0</u>	<u>0</u>
Legal Debt Margin	<u><u>\$54,059,919</u></u>	<u><u>\$28,317,100</u></u>

(1) Direct Debt Limitation Based Upon Section 133, The Uniform Bond Act of the Ohio Revised Code.

(2) City Debt Outstanding Includes Non Self-Supporting General Obligation Notes and Bonds Only.  
Enterprise Debt is Not Considered in the Computation of the Legal Debt Margin.

**CITY OF MAUMEE, OHIO**

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**RATIO OF NET GENERAL OBLIGATION DEBT TO ASSESSED  
VALUE AND NET GENERAL OBLIGATION DEBT PER CAPITA  
LAST TEN YEARS**

<b>Levy Year</b>		<b>Population (1)</b>	<b>Assessed Value (2)</b>	<b>Gross General Obligation Debt (3)</b>	<b>Debt Service Funds Available</b>	<b>Net General Obligation Debt</b>	<b>Ratio of Net General Obligation Debt to Assessed Valuation</b>	<b>Net General Obligation Debt Per Capita</b>
1994	a	15,561	\$356,281,073	\$500,000	\$44,873	\$455,127	0.13%	\$29.25
1995	a	15,561	363,631,918	5,160,000	62,365	5,097,635	1.40%	327.59
1996	a	15,561	371,505,081	4,460,000	48,593	4,411,407	1.19%	283.49
1997	a	15,561	403,430,844	2,700,000	40,351	2,659,649	0.66%	170.92
1998	a	15,561	420,155,223	1,000,000	50,355	949,645	0.23%	61.03
1999	a	15,561	420,668,883	0	0	0	0.00%	0.00
2000	b	15,074	491,383,691	0	0	0	0.00%	0.00
2001	b	15,074	494,755,871	0	0	0	0.00%	0.00
2002	b	15,074	497,948,491	0	0	0	0.00%	0.00
2003	b	15,074	514,856,371	0	0	0	0.00%	0.00

(1) Source: a) U.S. Bureau of Census, Federal 1990 Census.  
b) U.S. Bureau of Census, Federal 2000 Census.

(2) Source: Lucas County Auditor.

(3) Includes all general obligation notes and general obligation bonded debt supported by property taxes.

**CITY OF MAUMEE, OHIO**

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**RATIO OF ANNUAL DEBT SERVICE EXPENDITURES  
FOR GENERAL OBLIGATION BONDED DEBT TO TOTAL GENERAL GOVERNMENTAL EXPENDITURES  
LAST TEN YEARS**

<u>Year</u>	<u>Debt Principal</u>	<u>Debt Interest</u>	<u>Total Debt Service</u>	<u>Total General Governmental Expenditures</u>	<u>Ratio of Tax Debt Service to Governmental Expenditures</u>
1994	\$100,000	\$35,250	\$135,250	\$11,600,534	1.17%
1995	100,000	29,375	129,375	11,917,403	1.09%
1996	100,000	23,500	123,500	13,033,503	0.95%
1997	100,000	17,625	117,625	14,271,190	0.82%
1998	100,000	11,750	111,750	14,714,441	0.76%
1999	100,000	5,875	105,875	14,220,840	0.74%
2000	0	0	0	16,043,945	0.00%
2001	0	0	0	16,097,752	0.00%
2002	0	0	0	17,840,066	0.00%
2003	0	0	0	18,235,398	0.00%

**CITY OF MAUMEE, OHIO**

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**COMPUTATION OF ALL DIRECT AND OVERLAPPING GOVERNMENT DEBT  
DECEMBER 31, 2003**

<u>Jurisdiction (1)</u>	<u>Net Debt Outstanding (2)</u>	<u>Percentage Applicable to City of Maumee</u>	<u>Amount Applicable to City of Maumee</u>
<b>Direct</b>			
City of Maumee	\$0	0.00%	\$0
<b>Overlapping Subdivisions</b>			
Anthony Wayne School District	26,975,000	5.78%	1,559,155
Springfield School District	11,135,000	1.39%	154,777
Penta County Vocational School District	0	0.00%	0
Lucas County	82,945,000	6.24%	<u>5,175,768</u>
			<u>6,889,700</u>
		Total	<u><u>\$6,889,700</u></u>

Source: Lucas County Auditor and Fiscal Officers of Subdivision.

(1) Maumee City School District has no outstanding debt supported by a tax levy.

(2) Includes Non Self - Supporting General Obligation Notes and Bonds Only.  
Enterprise and Special Assessment Debt is not included.

***CITY OF MAUMEE, OHIO***

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***DEMOGRAPHIC STATISTICS  
LAST TEN YEARS***

<u>Year</u>		<u>City of Maumee Population (1)</u>	<u>Lucas County Population (1)</u>	<u>Unemployment Rate County Area (2)</u>	<u>School Enrollment (3)</u>
1994	a	15,561	462,361	5.8%	3,146
1995	a	15,561	462,361	5.0%	3,123
1996	a	15,561	462,361	5.1%	3,096
1997	a	15,561	462,361	5.2%	3,057
1998	a	15,561	462,361	5.5%	3,002
1999	a	15,561	462,361	5.2%	3,012
2000	b	15,074	455,054	4.7%	3,005
2001	b	15,074	455,054	4.6%	3,051
2002	b	15,074	455,054	6.3%	3,057
2003	b	15,074	455,054	7.8%	2,987

Source: (1) a) U.S. Bureau of Census of Population - Federal 1990 Census  
b) U.S. Bureau of Census of Population - Federal 2000 Census  
(2) U.S. Department of Labor - Bureau of Labor Statistics  
(3) Maumee City School District

**PROPERTY VALUE AND CONSTRUCTION PERMITS  
LAST TEN YEARS**

<b>Year</b>	<b>Residential (1)</b>		<b>Commercial (1)</b>	
	<b>Number of Permits</b>	<b>Property Value</b>	<b>Number of Permits</b>	<b>Property Value</b>
1994	473	\$3,254,647	95	\$16,296,453
1995	458	3,896,700	88	25,328,514
1996	431	4,360,691	94	30,302,733
1997	431	3,464,924	76	27,827,229
1998	472	3,092,737	95	41,495,847
1999	429	3,908,121	93	56,805,346
2000	351	4,348,056	78	25,940,148
2001	381	3,810,645	56	11,875,443
2002	389	3,194,683	68	32,036,514
2003	380	3,388,874	84	19,672,027

(1) Source: City of Maumee Building Department.



**CITY OF MAUMEE, OHIO**

**PRINCIPAL TAXPAYERS (PROPERTY TAX)  
DECEMBER 31, 2003**

	<u>Taxpayer</u>	<u>Type of Business</u>	<u>2003 Assessed Valuation (Tax Duplicate)</u>	<u>Percent of Total Assessed Valuation</u>
1	The Andersons, Inc.	Retail Sales - Grain/Fertilizer	\$7,847,030	1.52%
2	Harvey Tolson/Fordman LLC	Real Estate Holding Company	6,846,100	1.33%
3	Spartan Chemical	Manufacturing	5,066,370	0.98%
4	Chio Corporation	Real Estate Holding Company	5,380,630	1.05%
5	Ford Motor Company	Automotive Stamping	4,243,370	0.82%
6	St. Luke's Hospital	Health Care	3,637,950	0.71%
7	Toledo Edison	Utility - Electric	4,098,150	0.80%
8	Meijer Properties, Inc.	Retail Sales	3,500,000	0.68%
9	National Amusements	Theater	3,384,230	0.66%
10	Manhattan Building Company	Real Estate Holding Company	2,902,620	0.56%
		Sub-Total	46,906,450	9.11%
		All Others	467,949,921	90.89%
		Total	<u>\$514,856,371</u>	<u>100.00%</u>

Based on valuation of property taxes levied in 2002.  
Source: Lucas County Auditor - Land and Buildings.

**CITY OF MAUMEE, OHIO**

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**PRINCIPAL TAXPAYERS (INCOME TAX)  
DECEMBER 31, 2003**

	<u>Taxpayer</u>	<u>Type of Business</u>	<u>Amount of Tax Paid in 2003 (1)</u>	<u>Percentage of Total</u>
1	Ford Motor Company	Automotive Stamping	\$932,203	6.99%
2	United Parcel Service	Package Delivery Service	746,408	5.59%
3	St. Luke's Hospital	Hospital	726,273	5.44%
4	The Andersons, Inc.	Retail Sales - Grain/Fertilizer	631,604	4.73%
5	Dana Corp. & Dana Commercial Credit Corp.	Corporate Offices	578,704	4.34%
6	Paramount Care, Inc.	Corporate Offices	344,068	2.58%
7	Spartan Chemical Company, Inc.	Corporate Offices	293,739	2.20%
8	Maumee City Board of Education	Education	263,586	1.97%
9	Therma-Tru Corp.	Corporate Offices	181,609	1.36%
10	Hickory Farms & Hickory Farms Catalogues	Corporate Offices & Catalogue Sales	178,573	1.34%
		Sub-total	4,876,767	36.54%
		All Others	8,468,976	63.46%
		Total	<u>\$13,345,743</u>	<u>100.00%</u>

Source: Maumee Director of Finance

(1) Amount represents cash basis withholding tax paid.

**CITY OF MAUMEE, OHIO**

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**PRINCIPAL EMPLOYERS  
DECEMBER 31, 2003**

	<u>Employer</u>	<u>Type of Business</u>	<u>Approximate Number of Employees</u>
1	United Parcel Service	Package Delivery	1,872
2	St. Luke's Hospital	Hospital	1,714
3	The Andersons, Inc.	Retail Sales - Grain / Fertilizer	1,621
4	Hickory Farms & Hickory Farms Catalogues	Corporate Offices & Catalogue Sales	1,280
5	Ford Motor Company	Automotive Stamping	928
6	Meijer, Inc.	Retail Sales	964
7	Dana Corp. & Dana Commercial Credit Corp.	Corporate Offices	805
8	Maumee City School District	Education	688
9	Paramount Care, Inc.	Corporate Offices	405
10	Spartan Chemical	Corporate Offices	210

Source: Maumee Director of Finance

**CITY OF MAUMEE, OHIO**

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**MISCELLANEOUS STATISTICS  
DECEMBER 31, 2003**

Date of Incorporation	1838	Police Services:		Water System:	
Charter Adopted	1951	Number of Stations	1	Miles of Water Mains	80
Form of Government	Council/ Mayor	Number of Police Personnel and Officers	45	Number of Fire Hydrants	925
Area (square miles)	10.6	Number of Patrol Units	9		
Facilities and Services:		Fire/Emergency Medical Services:		Sewerage System:	
Miles of Streets	93	Number of Stations	2	Miles of Sanitary Sewers	88
Number of Street Lights	1,431	Number of Fire Personnel and Officers	63	Miles of Storm Sewers	65
Recreation and Culture:		Number of Calls Answered		Education:	
Number of Parks	13	Fire	394	Elementary Schools	6
Park Area (acres)	119.3	EMS	2,405	Secondary Schools	1
		Number of Inspections	2,619	Number of Hospitals	1
Number of Libraries	1			Number of Patient Beds	314
				Number of Cemeteries	2
Building Permits Issued in 2003	464			Cemetery Area (acres)	20



**Auditor of State  
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**CITY OF MAUMEE**

**LUCAS COUNTY**

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
DECEMBER 16, 2004**