



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

CITY OF NORWOOD
HAMILTON COUNTY

TABLE OF CONTENTS

TITLE	PAGE
Report of Independent Accountants (under separate cover)	
Comprehensive Annual Financial Report (under separate cover)	
Report of Independent Accountants on Compliance and on Internal Control Required by <i>Government Auditing Standards</i>	1

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

City of Norwood
Hamilton County
4645 Montgomery Road
Norwood, Ohio 45212

To the City Council:

We have audited the financial statements of the City of Norwood, Hamilton County, Ohio (the City), as of and for the fiscal year ended December 31, 2001, and have issued our report thereon dated June 21, 2002, wherein we noted that the City adopted Government Accounting Standards Board Statements No. 33 and 36. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*. However, we noted certain immaterial instances of noncompliance that we have reported to the management of the City in a separate letter dated June 21, 2002.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to the management of the City in a separate letter dated June 21, 2002.

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

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

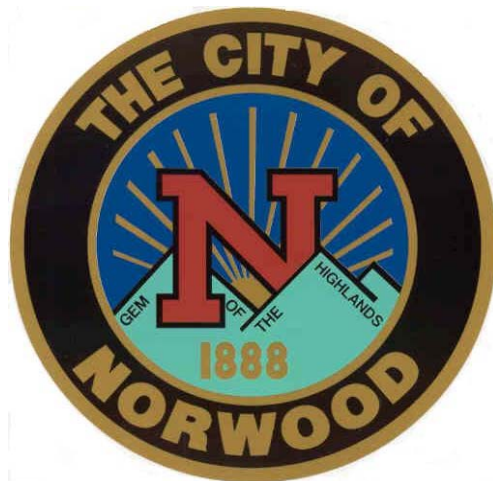
Jim Petro
Auditor of State

June 21, 2002

City of Norwood, Ohio

Comprehensive Annual Financial Report

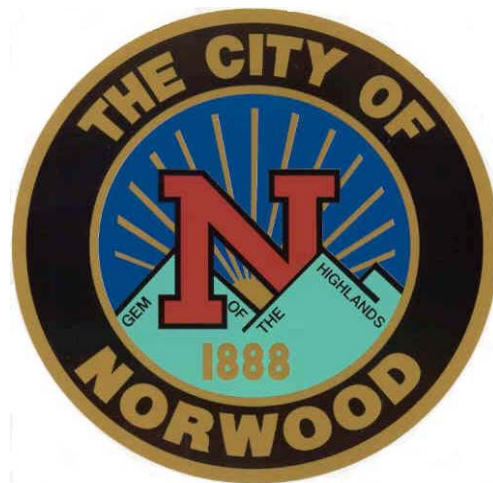
For the Year Ended December 31, 2001



City of Norwood, Ohio

Comprehensive Annual Financial Report

For the Year Ended December 31, 2001



Prepared by
Donnie R. Jones
City Auditor

**CITY OF NORWOOD, OHIO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
YEAR ENDED DECEMBER 31, 2001**

TABLE OF CONTENTS

	<u>PAGE</u>
Table of Contents	I
 <u>Introductory Section</u> 	
Letter of Transmittal	V
Certificate of Achievement	XVI
Public Officials	XVII
Chart of Organization	XVIII
 <u>Financial Section</u> 	
Report of Independent Accountants	1
 General Purpose Financial Statements:	
Combined Balance Sheet - All Fund Types and Account Groups	4
Combined Statement of Revenue, Expenditures and Changes In Fund Balances - All Governmental Fund Types and Expendable Trust Funds	6
Combined Statement of Revenue, Expenditures and Changes in Fund Balances - Budget (Non-GAAP Budgetary Basis) and Actual - Governmental Funds	8
Statement of Revenue, Expenses and Changes In Retained Earnings - Proprietary Fund Type	12
Statement of Cash Flows - Proprietary Fund Type	13
Notes to Financial Statements	14

Financial Statements of Individual Funds:

General Fund:

Statement of Revenue, Expenditures and Changes in Fund Balance	33
Schedule of Revenue, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual	38

Special Revenue Funds:

Combining Balance Sheet - Special Revenue Funds	50
Combining Statement of Revenue, Expenditures and Changes in Fund Balances - Special Revenue Funds	56
Schedule of Revenue, Expenditures and Changes in Fund Balances - - Budget (Non-GAAP Budgetary Basis) and Actual	62
-Total Special Revenue Funds	90

Capital Project Funds:

Combining Balance Sheet - Capital Project Funds	92
Combining Statement of Revenue, Expenditures and Changes in Fund Balances - Capital Project Funds	94
Schedule of Revenue, Expenditures and Changes in Fund Balances - - Budget (Non-GAAP Budgetary Basis) and Actual	96
-Total Capital Projects Funds	102

Fiduciary Funds:

Combining Balance Sheet - Fiduciary Funds - Trust and Agency	105
Combining Balance Sheet - Expendable Trust Funds	106
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Expendable Trust Funds	106
Combining Statement of Changes in Assets and Liabilities - Agency Funds	107

Account Groups:

Comparative Schedule of General Fixed Assets	110
Comparative Schedule of General Fixed Assets by Source	110
Comparative Schedule of General Fixed Assets by Function and Activity	111
Comparative Schedule of Changes in General Fixed Assets	112
Comparative Schedule of General Long-Term Obligations	113

Schedules:

Schedule of Annual Debt Service	115
Outstanding Bonds and Notes	116

Statistical Section

<u>TABLE</u>	<u>PAGE</u>
1 General Governmental Revenue by Source - Last Ten Years (1992-2001)	117
2 General Revenue by Source as a Percentage of Total General Governmental Revenue for 2001	117
3 Tax Revenue by Source for 2001	117
4 Nine Year Comparision of General Governmental Revenue by Source (1993-2001)	118
5 2001 Revenue as Compared to 1992 as a percentage Increase by Revenue Source	118
6 General Governmental Expenditures by Function - Last Ten Years (1992-2001)	119
7 General Governmental Expenditures by Function as a Percentage of Total General Governmental Expenditures for 2001	119
8 Public Safety Expenditures by Office of Division for 2001	120
9 Nine Year Comparision of General Governmental Expenditures by Function (1992 - 2001)	120
10 2001 Expenditures as Compared to 1992 as a percentage Increase/(Decrease) by Function	120
11 Real and Personal Property Tax Levy and Collections - Last Ten Years (1992 - 2001)	121
13 Assessed Valuations and Estimated True Values - Last Ten Years (1992-2001)	121
14 Property Tax Rates - Direct and Overlapping Governments - Last Ten Years (1991-2000)	122
15 Computation of Direct and Overlapping Debt - December 31, 2001	122
16 Special Assessment Billings and Collections - Last Ten Years (1991-2000)	122
17 Computation of Legal Debt Margin - December 31, 2001	123
18 Last Ten Years - Comparison Report - Earnings Tax Collections (1992-2001)	123
19 Ratio of Net General Bonded Debt to Assessed Value and Net Bonded Debt Per Capita - Last Ten Years (1992-2001)	124
20 Ratio of Annual Debt Service for General Bonded Debt to Total General Fund Expenditures - Last Ten Years (1992-2001)	124
21 Ten Largest Employers - December 31, 2001	125
22 Unemployment Statistics - Last Eight Years (1992- 2001)	125
23 Surety Bond Coverage - December 31, 2001	126
24 Miscellaneous Statistics- December 31, 2001	126
25 Population by Age for the City of Norwood	127
26 Changes in Population During the Last Four Decades	127
27 Housing Summary for the City of Norwood	128
28 Housing Summary for Hamilton County	128
29 Number of Full-Time Norwood City Employees as Compared to Average Number of Full-Time Employees in Ohio Cities-2001	129

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Introductory Section



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City Auditor

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June 21, 2002

The Honorable Mayor, Members of
Norwood City Council, other Elected
City Officials, and the Citizens of
the City of Norwood, Ohio

Dear Citizens:

We are pleased to submit the Comprehensive Annual Financial Report (CAFR) for the City of Norwood, Ohio (the City) for the year ended December 31, 2001. This is the eighth CAFR issued by the City of Norwood. This report is prepared by the City Auditor's Office, which is responsible for both the accuracy of the data and the completeness and fairness of its presentation, including disclosures. We believe that the information presented is accurate in all material respects and reported in a manner designed to show the financial position and operating results of the City.

Norwood's 2001 CAFR is presented in three sections: Introductory, Financial, and Statistical. The Introductory Section, which provides information on the general contents of the report, contains this letter of transmittal, a list of public officials, and a Chart of Organization of the City government. The Financial Section is comprised of the Report of Independent Accountants, the general purpose financial statements, the combining financial statements and the schedules. The Statistical Section provides various economic and demographic data about the City, generally on a multi-year basis.

The City is the only governmental unit in the reporting entity. In determining what constitutes the City's reporting entity, the criteria established by the Governmental Accounting Standards Board were used. We did not find the City to be financially accountable for any potential component units. The Norwood City School District is not a part of the reporting entity as it is a separate governmental jurisdiction and is not included in the City's financial reports.

The City provides the full range of municipal services including police and fire protection, parks, recreation, public works (highways, streets, and waste collection), health and social services, public improvement, planning and zoning, general and administrative services, and water and sewer services.

"Gem of The Highlands"

ECONOMIC CONDITION AND OUTLOOK

The City of Norwood is geographically located in the center of the "Greater Cincinnati Area" and is completely surrounded by the City of Cincinnati. The "Greater Cincinnati Area" consists of 8 counties located in southwest Ohio, northern Kentucky and southeast Indiana. According to the Greater Cincinnati Chamber of Commerce in its 2002 Economic Outlook, "The outlook for 2002 suggests that anticipated improvements in productivity growth, even if slightly moderated from the giddy days of the tech boom, still offer tremendous opportunity to improve the standard of living for those in the Greater Cincinnati region, the U.S. and the world." The 2002 Economic Outlook goes on to point out several factors, some negative and some positive, that will have an impact on the region. Some of the negative factors are a tight labor market, corporate restructuring which could result in the loss of jobs, the Comair strike which could effect tourism, and the civil unrest during the spring of 2001 in Cincinnati. Some of the positive factors that will impact the region are the "low cost of doing business, due in part to the strength of the transportation network, e.g. the international airport (rated one of the best in the world), the availability of water and rail, and the multiple expressways in the region; a skilled labor force with 29% of the adults age twenty-five and over holding a bachelor's degree; business expansions; and information technology using and producing industries account for about 11% of the regions employment base." While the Gross Regional Products is expected to be reported at approximately 2.1 % for 2001, it is expected that for 2002 it will grow to 3.4% .

The demographics of Norwood have been changing at a steady pace over the last ten years. Norwood was predominately a manufacturing city that has evolved into a diverse mix of manufacturing, financial, service-oriented, retail and professional office types of businesses. This evolution has proven to be a steady factor in Norwood's economy. The earnings tax collection during 2001 increased by 7.7% over the 2000 collections.

Norwood's solid employment growth should continue in 2002. Creation of new jobs by increased commercial and retail development are expected to lead to an increase in total wages. Total wages earned in Norwood are expected to experience an overall growth rate of 2% in 2002 as newly constructed commercial properties are fully leased and large local employers add approximately 675 new jobs to their local facilities. Norwood is home to one of the area's most successful retail shopping centers. Greater Cincinnati's economic outlook is positive and Norwood's strategic central location and the availability of a large undeveloped tract of prime commercial land will assure no slow down in the level of commercial construction and development. Located along the Norwood Lateral which links Interstates 71 and 75, the City continues to be a desirable location for business relocation and continued commercial and retail development.

MAJOR INITIATIVES

During 2001, the City has continued the significant changes to the administration of City programs instituted in 1996. By emphasizing the long term improvement of City services and infrastructure the City has focused on improving the quality of life for all of its citizens. Some of these improvements are in the area of street resurfacing, additional police and fire personnel, and upgraded sewers and catch basins to handle rain water run off. Programs for economic development, safety, public health, infrastructure improvements and other critical issues have contributed to the improvement of the City's condition and outlook. While it is not possible to describe all the major initiatives and accomplishments that have occurred during 2001, the following areas are of particular interest.

Economic Development - In the year 2001, Norwood's economic revitalization continued with the leasing of the Rookwood Tower office building. The 170,000 square foot office building is now home to 20 office tenants with a combined workforce of 440 employees. The 470,000 square foot Rookwood Commons office and retail complex is estimated to generate in excess of \$500,000 in annual earnings tax revenue to the City of Norwood.

In 2001, planning began on a new office and retail development in a 4 plus acre area bounded by Williams Avenue, Smith Road and I-71. The project, known as The Cornerstone at Norwood, is expected to include approximately 130,000 square feet of office space in addition to retail and restaurant uses.

Throughout 2001, the City also continued to work with General Motors and an interested developer towards redevelopment of the former Globe Wernicke site. The project pursued by the City continues to focus primarily on office development. In 1999, the City prepared and adopted an Urban Renewal Plan for the Globe site area. Throughout the year, General Motors continued to work with the Ohio EPA regarding the environmental status of the site and discussions continued with an interested developer.

2001 Community Development Block Grant (CDBG) funded projects included restoration of the Avilla Place / Duck Creek Road alley, purchase of a handicapped-accessible transport vehicle for use by the Norwood Senior Center, and continued support for the Norwood Service League and Norwood Public Youth Dental Program. The City also secured \$325,000 in CDBG funding for street improvements in 2002. The approved three year CDBG project funding totals consist of \$44,000 in assistance to the Norwood Service League (\$14,667 per year), \$30,000 for youth dental services (\$10,000 per year), \$100,000 for improvements to the Duck Creek Road / Avilla Place alley (FY2000), \$50,000 for purchase of a handicapped-accessible Senior Center transport vehicle (FY2001), and \$325,000 for street improvements (FY2002).

Planning - The Planning Department is involved with a number of ongoing projects and tasks, as well as responding to community concerns. The Planning Director supports the Planning Commission as well as the Board of Zoning Appeals in reviewing applications and proposals for changes in the City. As businesses seek to locate in the City, the Director helps them work through the processes involved. The Planning Director also serves as an advisor to the Norwood Tree Board. Also, the Planning Department coordinates with the Economic Development Department on some projects. Current projects include an update to the comprehensive plan, an update of the zoning code, brownfields clean up and redevelopment at the Globe Site, redevelopment at Smith and Williams (Cornerstone at Norwood), and economic revitalization of the Montgomery Road commercial corridor.

Work on the new comprehensive plan continues. This project began in the fall of 1999, and will likely continue through much of 2002. During 2001, the community steering committee assisted with development of a draft plan, which was presented to the public in early 2002. The plan centers on public involvement by setting up a number of volunteer work groups who will support ongoing planning and implementation.

One of the major outcomes of the comprehensive plan will be an update of the zoning code. Work on this has begun as the plan update winds down. The Planning Department and Planning Commission are beginning to review the existing code as well as codes from various other communities. The goal is a code that is responsive to community needs and is easy to understand and administer.

As a built-out and landlocked community, the key to Norwood's economic development lies in redevelopment projects such as the Globe Site and Cornerstone. Various industrial companies have used the Globe Site over Norwood's history. The site is highly visible, located in the Central Business District. Revitalization of this site will include office, medical, retail, and restaurant uses. The Cornerstone site was a small residential neighborhood, left isolated by the building of Interstate 71 nearly 30 years ago. This project also includes a mix of office, retail, and restaurant uses. The Planning and Economic

Development Departments have worked with the developers to assure that these projects will benefit the City economically and culturally.

As with other cities built on industry, Norwood has brownfields—areas of environmental contamination, whether perceived or real—which require additional effort for redevelopment. Norwood has applied for a US EPA grant to assess local brownfields. The City has also applied for monies under the state’s Clean Ohio Fund to clean up the Globe Site in support of the proposed redevelopment there.

The Montgomery Road commercial corridor has been affected like many similar traditional downtowns originally developed for pedestrian traffic. Lack of parking has pushed many shops and small offices into malls or office parks more easily accessible to the automobile. As an outgrowth of the new comprehensive plan, a group of business owners and citizens is being formed to further develop the revitalization goals and actions outlined in the plan. A survey of businesses in the area is being developed as well. Success in this effort will require a great deal of private sector participation as well as public involvement and support.

The City continues to participate in the Hamilton County Regional Planning Commission’s Planning Partnership. The Partnership is currently working on issues such as regional storm water management, transportation improvements, and revitalization of inner-ring suburbs. Given Norwood’s strategic location within the region, it is important to continue to be an active participant in these discussions.

Other activities and issues in which the Planning Department is involved include housing rehabilitation and increasing home ownership, response to issues stemming from increasing racial and economic diversity in the community, greenspace improvement, landscaping requirements for new development projects, response to development pressures on the residential and commercial areas in the southwestern part of the City, and coordination of other local and regional planning efforts being carried out by other jurisdictions and organizations.

The Norwood Tree Board - The Norwood Tree Board, established in 2000, with members first appointed for 2001, promotes tree care and improvement throughout the City. The Board organizes an annual Arbor Day celebration, distributing tree saplings to residents and providing information. Other programs include placing memorial trees donated by residents or friends of the community, providing educational materials to residents and schools, and development of landscaping projects at the City’s gateways. The Tree Board also assists in reviewing landscaping plans for new development projects.

Fire Department - Many changes and improvements have taken place during 2001. Goals, programs and projects were initiated this year in the fire division. Necessary improvements were made to existing programs to ensure that the citizens of Norwood continue to receive the best possible fire, emergency medical service and safety services available.

Due to a major water leak in the roof at the firehouse that caused extensive damage to several offices located in the fire house, some of the programs, such as fire prevention inspections, were delayed. However, they are now back on schedule for 2002.

This year was very difficult for all fire service personnel, as well as all Americans across the country. This year all Americans realized that there will always be someone trying to help them in the worst possible circumstances. The events of September 11, 2001 will forever be remembered and the losses will never be forgotten. Although it is the hope that we will never encounter another day like September 11, 2001, it has heightened the awareness for being prepared for the devastation that can occur from weapons of mass destruction. It is the fire department’s goal to establish a “proactive approach”, rather than an “reactive approach” to these demands. Some policies and procedures have been changed to meet these demands and we will have to continue to monitor them to ensure their effectiveness in the future.

In January of 2002, the Fire Division introduced four new members to the force, which brings the fire division total personnel to 56. The average age of members of the Norwood Fire Department is 37 years. The average years of service for all members is 12 years of service.

Police Department - The City of Norwood is undergoing a metamorphosis of sorts. The Police Division is evolving to cope with the dynamics of change and fulfill the needs of the citizenry.

In the year 2001, the Police Division lost a number of veteran officers to retirement or other job opportunities. Six new officers were employed, trained, and assimilated into the division. The positions were filled, but the entire department is in dire need of training in the various disciplines. This issue has been researched, planned for, and recommendations communicated to the Administration.

Suggestions for new programs were solicited. Programs already in existence were examined to determine if desired outcomes had been obtained. Consequently some were modified for improvement and others were discontinued. The Division continues to espouse the theory of community based policing. Planning for a neighborhood substation is underway. The intent is to deliver the best possible service to the consumer. The D.A.R.E and School Resource Officer programs are directed at our youth and continue in effect.

One of the new programs was the formation of a Strategic Operations Group (SOG). The SOG team has been thoroughly trained and will respond to SWAT call outs, search warrants, and other emergency operations.

In September 2001, the Patrol Division made the long awaited move to the new facility. A period of transition with necessary adjustments and normal growing pains was worked through. That phase of remodeling and improvement has now been completed. The expected remodeling of the detective and 911 divisions is still pending.

Health Department - In January of 2001, the Norwood Health Department received a notice of grant award from the Hamilton County Department of Environmental Services to continue an office paper recycling program, as well as funds to implement a litter program. By the end of the year, over 11 tons of mixed-use office paper had been recycled and diverted from the solid waste landfill. We also received funds for auxiliary police officers to supervise court-appointed individuals in picking up litter from the major streets, parks and city properties on weekends. What a difference it made in the appearance of the City each Monday morning!

With the passage of legislation that changed the manner in which food operations were licensed and inspected, Norwood Health Department employees attended several trainings in the new "Food Code." The new law also required that a cost methodology be adopted to determine the maximum dollar amount facilities could be charged for licenses. It also eliminated several facilities from being licensed. By the end of the year, the new code, inspection forms and licensing program were pretty much routine matters.

Our annual Blood Drive was held in February and again in August with a total of 67 pints of blood donated to Hoxworth. Residents and employees came together to pull off both of these days. Special thanks to Jesse Layne for recruiting so many folks to come and donate a pint of blood.

For the fourth straight year the Norwood Health Department conducted "tobacco compliance checks" with the help of high school students from Norwood and St. Bernard. But this year, we added a new "twist"...we engaged several police departments to accompany us on the compliance checks to issue citations. Hamilton County was also designated as a target county, requiring that 25% of all licensed tobacco outlets be surveyed. When the dust had cleared, 67 of the 283 sites, or 24%, sold tobacco products to minors. This percentage is down from 28% the previous year.

Joe Chalfant and Donna Laake attended classes sponsored by the Ohio Department of Health and the Ohio EPA to learn more about indoor air quality and the "Tools for Schools" program. This proactive approach to solving indoor air problems identified in local schools will improve the quality of life for many Norwood students while in school. Many thanks to Barb Rider, Steve Collier and the entire Norwood City School District for partnering with us on this very exciting project. It will be implemented in all Norwood public school buildings in the Spring of 2002.

With summer came the USEPA cleanup of Candy's Radiator. Due to the high level of lead contamination in a residential area at 5111 Hunter Avenue, the USEPA designated the site as eligible for cleanup under the Superfund Act. For over two weeks, hazardous waste professionals removed literally tons of contaminated soil for disposal at a hazardous waste facility. The public was kept informed by means of a public hearing and handouts to residents about the plan and its progress. In the end, the site was cleaned to meet residential standards for lead. Many thanks to the USEPA for the professional manner in which the cleanup was conducted.

All the paperwork and signatures were finally obtained by the Norwood Health Department staff and work proceeded on repaving the alley between Duck Creek and Avilla Place using Community Development Block Grant Funds. What an improvement for the citizens in the area! The alley had been not only an eyesore but a health hazard due to the ponding of water and mosquito growth. Thankfully these problems no longer exist.

Speaking of mosquitoes...Norwood Health Department joined forces with other area health departments to form "S.W.A.R.M." The Southwest Area Regional Mosquito Task Force meets monthly to coordinate education, surveillance and treatment for mosquito control in order to prevent the transmission of the West Nile Virus. The task force produced a video for public access television giving basic information about eliminating mosquito breeding sources. We also participated in the collection of mosquitoes and dead crows and blue jays for testing.

Other activities such as the annual "Child Safety Day" remained on our agenda. We received funding from a Cardiovascular Heart Disease Grant to conduct a community assessment. The information will guide us in planning the best use of our available resources. Look for an exciting "NORWOOD WALKS" program in 2002. Chandra Corbin and Donna Laake were also trained in tobacco prevention programs and have conducted one class to date. And then there was ANTHRAX.....

Norwood was not immune to the anthrax scare. The events of September 11, 2001 changed our lives forever. We responded to 13 situations along with the Norwood Fire Department to assess the potential for anthrax exposure. Only 2 specimens were sent to the Ohio Department of Health laboratory for testing, and thankfully, both were negative.

FINANCIAL INFORMATION

Internal Control

The City has established internal accounting controls that provide reasonable assurance that assets are safeguarded, transactions are recorded and reported appropriately, and policies are followed. The concept of reasonable assurance recognizes that the cost of a control procedure should not exceed the expected benefit. It is our intention to review these controls in depth on an ongoing basis for continued refinements and improvements

Budgetary Control

Operating budgets are legally adopted each fiscal year for all funds except the Trust and Agency funds. The Combined Statement of Revenue, Expenditures and Changes in Fund Balances - Budget (Non-GAAP Budgetary Basis) and Actual includes all governmental fund types. This financial statement was prepared using the budgetary basis of accounting. Encumbrances are included as expenditures (Non-GAAP).

The budgetary process begins at least six months prior to the calendar year for which the budget is to be adopted, with the City certifying the proposed budget to the County Auditor by July 20 or as extended by the County Auditor. By January 1, City Council may adopt annual or temporary appropriation measures using, in part, the official certificate of estimated resources approved by the County Budget Commission and tax rates certified by the County Auditor. By April 1, City Council must adopt annual appropriation ordinances. Appropriations lapse at year end.

The levels of appropriation control for the General Fund, and certain other Special Revenue Funds, including the Street Maintenance and Repair Fund, State Highway Improvement, Economic Development Fund, and Emergency Medical Services Fund for each budgeted expenditure classification that may not be exceeded are: personal services, contractual, materials and supplies, and other. The levels of appropriation control for the budgeted expenditures that may not be exceeded in the Debt Service Fund are principal retirement and interest. All other are appropriated in total. Any revisions that alter the budgeted expenditure classification of any division within a City department must be approved by City Council. During the year, several supplementary appropriations were necessary. Encumbrances do not lapse at year end and are included as expenditures in the current year budget (Non-GAAP Budgetary Basis).

GENERAL AND SPECIAL REVENUE FUNDS

GENERAL FUND

Virtually all of the general services of the City have been financed from the General Fund. General Fund revenues include property taxes, the City income tax, local government funds, plus other revenues provided by you, the citizens of this community.

General Fund - Revenues

Income Tax

The 2% locally levied income tax applies to gross salaries, wages and other personal services compensation earned by City residents, and upon earnings of nonresidents earned while working in the City. Credits against the tax are granted for residents employed outside the City. The tax also applies to net income of business organizations derived from business activities conducted in the City. Income tax collections for 2001 were \$10,674,957 an increase of \$766,348 or 7.73% from 2000 levels. Receipts from this tax are directly related to employment levels and general economic conditions in the Greater Cincinnati area. This increase was due to a combination of employment growth within the City and increased collection efforts in 2001.

Property Taxes

Property tax revenues increased 9.3% in 2001 to \$3,028,333 an increase of \$257,463 from 2000 levels. This is based primarily on the redevelopment of several pieces of property that had been demolished to make way for the new Rookwood Commons project. During 2000 and into 2001 Rookwood Commons was built on these properties and property taxes reflect that increase.

Admission Tax

Admissions tax collections for 2001 were \$5,810. This is a decrease of \$50,432 from 2000 collections. The reason for the large decrease is due to one entertainment center that has gone out of business. In 2002 admission tax revenue should be at about the 2001 level.

Charges for Services

Charges for services includes charges for emergency medical services. In mid 2000 the paramedic special revenue fund was terminated and approximately half of the year's receipts were deposited into the Emergency Medical Fund while the remaining deposits were made to the General Fund. In 2001, all revenues for emergency medical services were deposited into the General Fund. Revenues deposited to the General Fund in 2000 was \$125,496. In 2001 all receipts for emergency medical services revenue deposited into the General Fund were \$490,282.

Intergovernmental Revenue

Included in this revenue category is \$63,082 of Alcoholic Beverages Taxes received in 2001. This is an increase of \$55,760 from the 2000 collections. This is due to the completion of several restaurants commencing business at Rookwood Common.

Fines, Licenses and Permits

Fines, licenses and permits decreased \$126,463 in 2001 as compared to 2000. Building permits for 2000 and 2001 were \$393,006 and \$209,411 respectively, for a decrease of \$183,595. This decrease occurred because the permits for the building of Rookwood Commons were issued in 2000.

Contributions and Donations

Contributions and donations increased in 2001 as compared to 2000. Contributions for 2000 and 2001 were \$725 and \$44,240 respectively, for an increase of \$43,515. This increase is due to the Norwood City Schools contributing to help the City defray part of the cost of the school resource officer.

Miscellaneous Revenue

Included in this revenue is \$50,102 of investment income earned on certificates of deposit and investments. This revenue decreased \$23,157 as compared to 2000. Also, included in this revenue is \$85,000 that was paid by a company who did not fulfill their commitment concerning a contractual agreement. During 2000 this company paid \$170,000. The net difference was a decrease of \$85,000 in 2001. Also in 2001 the City received a rebate of \$204,309.

The revenues for 2001 compared to 2000 were as follows:

	<u>2001</u>	<u>2000</u>	Increase (Decrease) Amount	Percent
General Fund				
Revenues (Non-GAAP Budgetary Basis)				
Taxes	\$13,709,100	\$12,736,447	\$972,653	7.64%
Intergovernmental Revenues	1,194,589	1,161,646	32,943	2.84%
Charges for Services	611,108	217,308	393,800	181.22%
Fines, Licenses and Permits	589,906	716,369	(126,463)	(17.65)%
Miscellaneous (includes donations)	<u>620,039</u>	<u>432,369</u>	<u>187,670</u>	43.41%
TOTAL	<u>\$16,724,742</u>	<u>\$15,264,139</u>	<u>1,460,603</u>	9.57%

General Fund - Expenditures

General Fund expenditures for 2001 increased overall when compared to 2000. Public safety had the largest percentage increase of 17.99% and the largest expenditure increase of \$1,538,457. The increase in expenditures in the area of public safety is due to hiring additional personnel due to increased compliment levels for both the police department and the fire department, a 4% wage increase plus benefit increases, increasing minimum manpower levels and higher Workers Compensation premium payments. Community environment increased for 2001 when compared with 2000 by 15.03%. This is a direct result of an additional man on the park crew for the entire year and another man for approximately one half of the year. General government had the largest decrease in spending when comparing 2001 with 2000. The decrease is (10.63)%. The Public health increase in 2001 over 2000 is 11.46%. This increase is a result of 4% pay increase plus an increase in the Workers Compensation premium payment.

	2001	2000	Increase (Decrease)	
			Amount	Percent
Expenditures (Non-GAAP Budgetary Basis)				
General Government	\$3,204,313	\$3,585,462	\$(381,149)	(10.63)%
Public Safety	10,089,149	8,550,692	1,538,457	17.99%
Community Environment	403,958	351,188	52,770	15.03%
Highways and Streets	125,717	121,265	4,452	3.67%
Public Health	408,276	366,282	41,994	11.46%
Waste Removal	865,445	876,260	(10,815)	(1.23)%
TOTAL	<u>\$15,096,858</u>	<u>\$13,851,149</u>	<u>\$1,245,709</u>	8.99%

SPECIAL REVENUE FUNDS

The revenues from the Special Revenue Funds are derived from specific sources and are designated for specific uses. Special Revenue Funds consist of the following:

- Street Maintenance and Repair Fund
- Permissive Tax Fund
- Economic Development Fund
- State Highway Improvement Fund
- Cypress Way Nature Preserve Fund
- Senior Dental Fund
- Drug Law Enforcement Fund
- Urban Development Fund
- Pace Telecommunications Fund
- BJA Crime Prevention Fund
- Recreation Commission Fund
- Drug Abuse Resistance Education (D.A.R.E.) Fund
- Lindner Park Flower Fund
- Police and Fire Pension Repayment Fund
- Bureau of Crippled Children's Safety Fund
- Separation Pay Fund
- Robert S. McCullough Garden Fund
- Alcohol Education and Enforcement Fund
- Building Code Assessment Fund
- Police Vehicle Replacement Fund
- Council on Aging Fund
- C.O.P.S. F.A.S.T. Grant Fund

STEP Grant Fund
Recycle Ohio! Grant Fund
SRO Fund
21st Century Grant Fund
Emergency Medical Services Fund
Tree Board

Special Revenue Funds had Non - GAAP Basis revenues of \$1,913,952 and expenditures of \$2,958,083 in 2001.

ENTERPRISE OPERATIONS

The City's Enterprise Fund is used to finance and account for the acquisitions, operations and maintenance of City facilities and services designated to be entirely, or predominantly, self-supported from user charges. Operations are accounted for in such a manner to show a profit or loss on a basis comparable with industries in the private sector. The City's sole enterprise fund is the Water Fund. The Service Director can adjust the water rates with prior notice to council. The most recent rate of increase of 6% took effect on January 1, 1998 (the City of Norwood passed along the City of Cincinnati's rate increase to its customers.) This increase in water rates was needed in order to continue the process of upgrading the City's antiquated water system and just to keep even with the ever increasing cost of water. The current rate is sufficient to operate the system above break-even assuming operation and expense levels remain consistent with current levels. However, this rate will not allow for the much needed extensive capital improvements to the system. Any significant increases in expenses or rate increases from the City of Cincinnati not passed along to the City of Norwood customers would quickly have the water fund operating with an annual deficit, necessitating additional subsidies from the General Fund. During 1999, the City finished the testing and replacement program for all commercial business meters. These new meters are technologically improved as compared to the old meters. This replacement program stalled in 2001. However, it is expected that in 2002 it will continue with a test area of about 500 meters. If the program proves to be effective then it should continue throughout the City of Norwood.

CASH MANAGEMENT

It is the City's policy to conform to the regulations established in the Ohio Revised Code so as to ensure the safety of its deposits and investments. During the year, the temporarily idle cash was invested in certificates of deposit with varying maturities, taking into account the cash flow needs of the City. Cash received on a daily basis through the mail for earnings taxes and water bills is deposited immediately in an interest bearing "lock box" account.

RISK MANAGEMENT

The City is exposed to a variety of accidental losses and has established a risk management strategy that attempts to minimize losses and carrying costs of insurance.

Risk control techniques have been established to reasonably assure that the City's employees are aware of their responsibilities regarding loss exposures related to their duties. Similarly, risk control techniques have been established to reduce possible losses to property owned or under the control of the City. Furthermore, supervisory personnel are held responsible for monitoring risk control techniques on an operational basis.

The primary technique used for risk financing is the purchase of insurance policies from the Ohio Municipal League Joint Self Insurance Pool that includes large deductible amounts. The use of a large deductible clause and the City's participation with other Cities in the Self Insurance Pool reduces the cost

of insurance. However, if losses occur, the portion of the uninsured losses is not expected to be significant with respect to the financial position of the City.

OTHER INFORMATION

Independent Audit

For 2001, the Auditor of the State of Ohio has audited the accompanying general purpose financial statements. Their report is included herein.

Certificate of Achievement

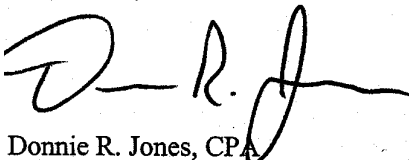
During 2001, the Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Norwood for our CAFR for the fiscal year ended December 31, 2000. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized CAFR, the contents of which conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a one-year period.

This is the seventh year that the City has received this prestigious award. We believe our current report continues to conform to the Certificate of Achievement Program requirements, and we are submitting it to the GFOA for their review.

ACKNOWLEDGMENTS

The preparation of this CAFR could not have been accomplished without the efficient and dedicated services of the entire staff of the Auditor's Office. In particular I would like to express my sincere appreciation to Deputy Auditor Janet Kennedy, without whom this report would not have been possible. Due credit also should be given to the City Administration for their interest and support in planning and conducting the operations of the City in a responsible and progressive manner.

Respectfully,



Donnie R. Jones, CPA
Auditor of City of Norwood

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Norwood,
Ohio

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

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



Smith D. Howe
President

Jeffrey L. Esler
Executive Director

CERTIFICATE OF ACHIEVEMENT

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Norwood, Ohio for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended December 31, 2000. This was the seventh consecutive year that the government has achieved this prestigious award.

In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

CITY OF NORWOOD, OHIO

PUBLIC OFFICIALS

MAYOR

JOSEPH H. HOCHBEIN

AUDITOR

DONNIE R. JONES

TREASURER

TIMOTHY MOLONY

LAW DIRECTOR

VICTORIA D. GARRY

PRESIDENT OF COUNCIL

JANE GROTE

COUNCIL MEMBERS

HELEN GERACI
COY FUGETT
CHARLES MARSHALL

JOSEPH W. SANKER
MICHAEL FULMER
TINA ADAMS

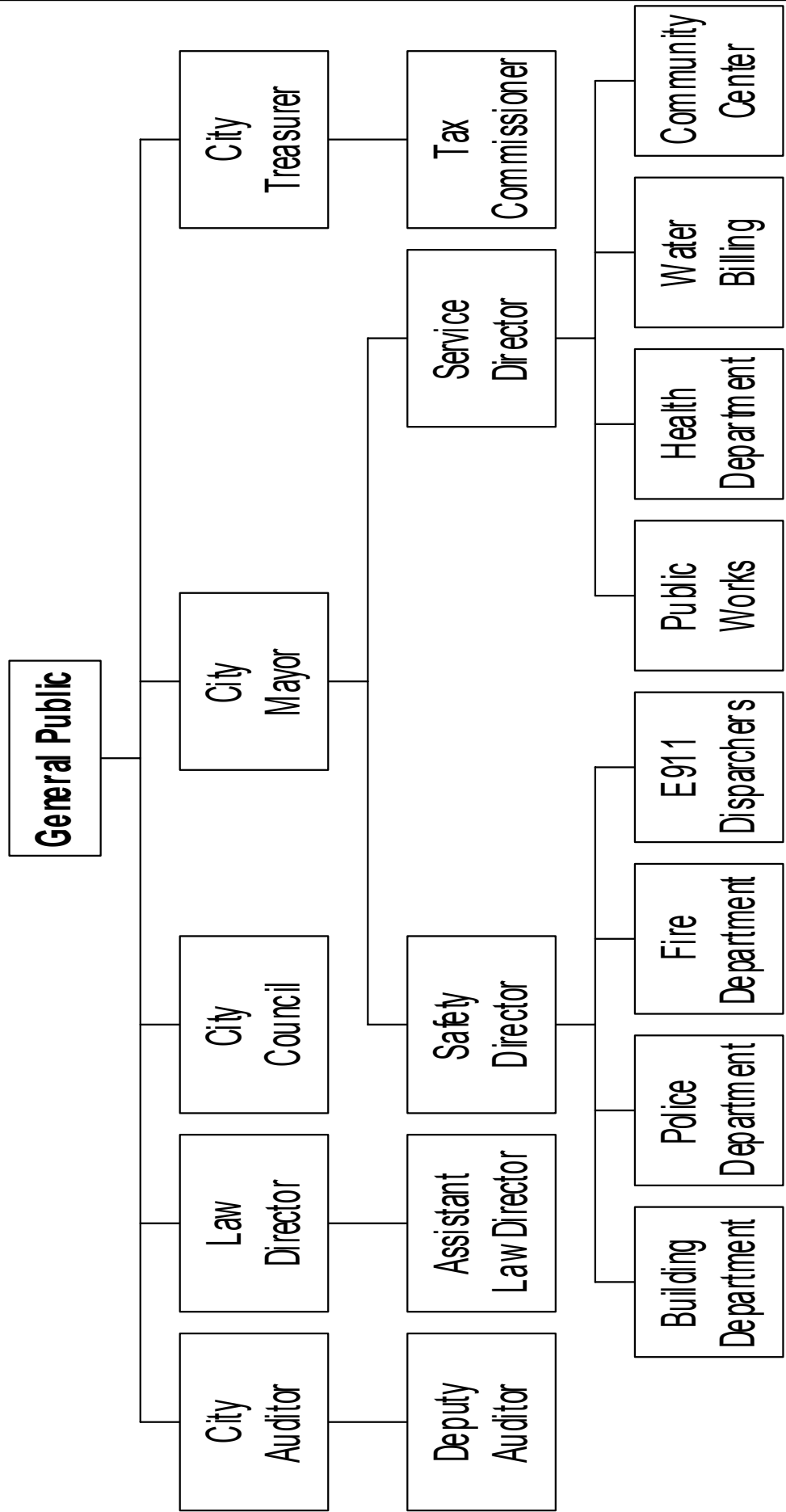
RITA SMITH
RUTH CAIN
WILLIAM DeLUCA

APPOINTED OFFICIALS

DEPUTY AUDITOR
ASSISTANT LAW DIRECTOR
DIRECTOR PUBLIC SAFETY
DIRECTOR PUBLIC SERVICE
TAX COMMISSIONER
BUILDING COMMISSIONER
POLICE CHIEF
FIRE CHIEF
SUPERINTENDENT OF PUBLIC WORKS
HEALTH COMMISSIONER
COMMUNITY CENTER DIRECTOR
COMMUNITY DEVELOPMENT DIRECTOR
PLANNING DIRECTOR
CLERK OF COURTS

JANET KENNEDY
M. PATIA R. TABAR
JACK CAMERON
VICTOR SCHNEIDER
JOHN HANRAHAN
DANIEL BLY
WILLIAM SCHLIE
CURT GOODMAN
KEVIN CROSS
DONNA LAAKE
JERRY OSTERMAN
RICHARD DETTMER
SUSAN ROSCHKE
MARY GRUBBS

City of Norwood, Ohio
 Chart of Organization
 December 21, 2001



Financial Section



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

250 West Court Street
Suite 150 E
Cincinnati, Ohio 45202
Telephone 513-361-8550
800-368-7419
Facsimile 513-361-8577
www.auditor.state.oh.us

REPORT OF INDEPENDENT ACCOUNTANTS

City of Norwood
Hamilton County
4645 Montgomery Road
Norwood, Ohio 45212

To the Members of City Council:

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

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

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

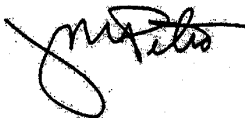
As discussed in Note 15 to the general purpose financial statements, during the year ended December 31, 2001, the City adopted Governmental Accounting Standards Board Statements No. 33 and 36.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 21, 2002, on our consideration of the Government's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

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

City of Norwood
Hamilton County
Report of Independent Accountants
Page 2

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

A handwritten signature in black ink, appearing to read "Jim Petro", written in a cursive style.

Jim Petro
Auditor of State

June 21, 2002

**GENERAL PURPOSE
FINANCIAL STATEMENTS**

CITY OF NORWOOD, OHIO
Combined Balance Sheet - All Fund Types and Account Groups
December 31, 2001

Governmental Fund Types

	General	Special Revenue	Debt Service	Capital Projects
Assets and Other Debits				
Cash and Cash Equivalents	\$ 1,474,405	\$ 1,233,149	\$ 9,438	\$ 470,840
Receivables:				
Taxes	4,478,236			
Accounts, Net	512,240	358,527		
Special Assessment			5,177,880	
Interest		1,051		
Investments		102,879		
Inventory	5,743	2,300		
Restricted Assets - Cash Equivalents				
Fixed Assets:				
Land and Improvements				
Buildings				
Accumulated Depreciation				
Machinery and Equipment				
Accumulated Depreciation				
Licensed Vehicles				
Accumulated Depreciation				
Amount Available in the Debt Service Fund				
Amount to be Provided for Retirement of				
General Long-Term Obligations				
Total Assets and	\$ 6,470,624	\$ 1,697,906	\$ 5,187,318	\$ 470,840
Other Debits				
Liabilities, Equity and Other Credits				
Liabilities				
Accounts Payable	\$ 202,342	\$ 28,381		\$ 105,532
Accrued Wages and Benefits Payable	1,192,443	63,656		
Due to Others				
Deferred Revenue	3,706,903	242,850	5,177,880	
Estimated Liability for Compensated Absences		93,818		
Estimated Liability for Unpaid Claims				
Deposits Payable from Restricted Assets				
Loan Payable				
Obligations under Capital Leases				
General Obligation Bonds Payable				
Special Assessment Debt				
with Governmental Commitment				
Police and Fire Pension Liability				
Total Liabilities	5,101,688	428,705	5,177,880	105,532
Equity and Other Credits				
Investments in General Fixed Assets				
Retained Earnings				
Unreserved				
Fund Balance				
Reserved for Encumbrances	83,759	156,683		117,186
Reserved in Accordance with Trusts				
Unreserved				
Undesignated	1,285,177	1,112,518	9,438	248,122
Total Equity and Other Cr	1,368,936	1,269,201	9,438	365,308
Total Liabilities, Equity				
and Other Cred:	\$ 6,470,624	\$ 1,697,906	\$ 5,187,318	\$ 470,840

The accompanying notes to the financial statements are an integral part of this statement.

Proprietary Fund Type	Fiduciary Fund Types	Account Groups		Totals (Memorandum Only)	
		General Fixed Assets	General Long-Term Obligations	2001	2000
Enterprise	Trust and Agency				
\$ 1,288,443	\$ 349,888	\$	\$	\$ 4,826,163	\$ 5,738,773
				4,478,236	3,711,398
576,493	429,942			1,877,202	1,149,259
				5,177,880	5,547,729
				1,051	21,524
41,789				102,879	649,955
40,328				49,832	
				40,328	39,566
		1,527,504		1,527,504	1,527,504
54,890		4,603,237		4,658,127	4,658,127
(54,890)				(54,890)	(54,890)
2,582,571		2,779,361		5,361,932	5,165,623
(1,053,862)				(1,053,862)	(1,003,820)
165,698		2,912,377		3,078,075	3,185,204
(97,321)				(97,321)	(75,861)
			9,438	9,438	14,825
			17,751,308	17,751,308	18,814,663
<u>\$ 3,544,139</u>	<u>\$ 779,830</u>	<u>\$ 11,822,479</u>	<u>\$ 17,760,746</u>	<u>\$ 47,733,882</u>	<u>\$ 49,089,579</u>
\$ 96,988	\$	\$	\$	\$ 433,243	\$ 749,119
31,795				1,287,894	1,151,414
	777,246			777,246	765,054
				9,127,633	8,028,925
19,670			3,276,351	3,389,839	3,268,166
			20,000	20,000	20,000
40,328				40,328	39,566
288,310				288,310	319,755
			762,558	762,558	994,431
			6,423,544	6,423,544	6,929,957
			2,962,522	2,962,522	3,071,310
			4,315,771	4,315,771	4,560,446
477,091	777,246		17,760,746	29,828,888	29,898,143
		11,822,479		11,822,479	11,742,572
3,067,048				3,067,048	3,011,914
				357,628	658,284
	2,584			2,584	2,584
				2,655,255	3,776,082
<u>3,067,048</u>	<u>2,584</u>	<u>11,822,479</u>		<u>17,904,994</u>	<u>19,191,436</u>
<u>\$ 3,544,139</u>	<u>\$ 779,830</u>	<u>\$ 11,822,479</u>	<u>\$ 17,760,746</u>	<u>\$ 47,733,882</u>	<u>\$ 49,089,579</u>

CITY OF NORWOOD, OHIO

Combined Statement of Revenue, Expenditures and Changes in Fund Balances
All Governmental Fund Types and Expendable Trust Funds
 For the Year Ended December 31, 2001

	Governmental Fund Types		
	General	Special Revenue	Debt Service
Revenue			
Taxes	\$ 13,599,547	\$ 581,002	\$
Charges for Services	595,120	463,075	
Intergovernmental Revenue	1,281,076	669,451	
Fines, Licenses and Permits	589,906	10,330	
Special Assessments			369,849
Donations	44,240	37,654	
Miscellaneous	575,799	257,300	98,963
Total Revenue	16,685,688	2,018,812	468,812
Expenditures			
Current:			
General Government	3,157,739	460,518	
Public Safety	10,144,612	274,523	
Community Environment	403,809	1,048,710	
Highways and Streets	125,592	547,215	
Public Health	404,746	31,591	
Waste Removal	852,585		
Capital Outlay		3,502	
Debt Service:			
Principal Retirement		208,756	615,200
Interest		1,244	644,979
Miscellaneous			
Total Expenditures	15,089,083	2,576,059	1,260,179
Other Financing Sources (Uses):			
Capital Leases			
Operating Transfers In		718,799	785,980
Operating Transfers (Out)	(1,465,381)		
Total Other Financing Sources	(1,465,381)	718,799	785,980
Excess (Deficiency) of Revenue and Other Financing Sources over (under) Expenditures and Other Uses			
	131,224	161,552	(5,387)
Fund Balances , January 1 (restated, see Note 15)			
	1,237,712	1,107,649	14,825
Fund Balances, December 31	\$ 1,368,936	\$ 1,269,201	\$ 9,438

The accompanying notes to the financial statements are an integral part of this :

ances -

Capital Projects	Fiduciary Fund Type Expendable Trust	Totals (Memorandum Only)	
		2001	2000
\$	\$	\$ 14,180,549	\$ 13,376,194
		1,058,195	907,922
		1,950,527	1,470,475
		600,236	831,175
		369,849	369,849
		81,894	104,875
21,152		953,214	894,324
<u>21,152</u>		<u>19,194,464</u>	<u>17,954,814</u>
		3,618,257	3,931,187
		10,419,135	9,228,158
		1,452,519	1,240,698
		672,807	721,859
		436,337	400,173
		852,585	873,022
1,409,634		1,413,136	335,631
449,544		1,273,500	1,333,070
49,119		695,342	773,780
<u>1,908,297</u>		<u>20,833,618</u>	<u>18,837,578</u>
217,671		217,671	
429,416		1,934,195	2,174,008
(468,814)		(1,934,195)	(2,174,008)
<u>178,273</u>		<u>217,671</u>	
(1,708,872)		(1,421,483)	(882,764)
<u>2,074,180</u>	<u>2,584</u>	<u>4,436,950</u>	<u>5,319,714</u>
<u>\$ 365,308</u>	<u>\$ 2,584</u>	<u>\$ 3,015,467</u>	<u>\$ 4,436,950</u>

statement.

CITY OF NORWOOD, OHIO

Combined Statement of Revenue, Expenditures and Changes in Fund Balances

Budget (Non-GAAP Budgetary Basis) and Actual - Governmental Funds

For the Year Ended December 31, 2001

	General Fund		
	Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenue</u>			
Taxes	\$ 13,426,413	\$ 13,709,100	\$ 282,687
Special Assessments			
Intergovernmental Revenue	1,144,094	1,194,589	50,495
Charges for Services	607,800	611,108	3,308
Fines, Licenses and Permits	582,540	589,906	7,366
Donations	44,240	44,240	
Miscellaneous	470,316	575,799	105,483
Total Revenue	16,275,403	16,724,742	449,339
<u>Expenditures</u>			
Current:			
General Government	3,288,990	3,204,313	84,677
Public Safety	10,159,397	10,089,149	70,248
Community Environment	415,203	403,958	11,245
Highways and Streets	130,355	125,717	4,638
Public Health	413,210	408,276	4,934
Waste Removal	877,974	865,445	12,529
Capital Outlay			
Debt Service:			
Principal Retirement			
Interest			
Total Expenditures	15,285,129	15,096,858	188,271
Excess of Revenue Over (Under) Expenditures	990,274	1,627,884	637,610
Other Financing Sources (Uses):			
Operating Transfers In			
Operating Transfers (Out)	(1,465,381)	(1,465,381)	
Total Other Financing Sources (Uses)	(1,465,381)	(1,465,381)	
Excess of Revenue Over (Under) Expenditures and Other Financing Sources (Uses)	(475,107)	162,503	637,610
Cancellation of Prior Year Encumbrances	83,992	84,191	199
Fund Balances, January 1	391,115	391,115	
Fund Balances, December 31	\$	\$ 637,809	\$ 637,809

(Continued)

The accompanying notes to the financial statements are an integral part of this statement.

(Continued)

e)	Special Revenue Funds			Debt Service Fund		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
	\$ 507,325	\$ 518,025	\$ 10,700	\$ 369,848	\$ 369,848	\$
	647,026	677,523	30,497			
	424,404	431,724	7,320			
	8,106	10,330	2,224			
	41,750	41,730	(20)			
	227,195	234,620	7,425	89,526	98,963	9,437
	<u>1,855,806</u>	<u>1,913,952</u>	<u>58,146</u>	<u>459,374</u>	<u>468,811</u>	<u>9,437</u>
	564,191	480,257	83,934			
	350,946	286,622	64,324			
	1,371,404	1,234,122	137,282			
	622,615	574,418	48,197			
	77,094	34,357	42,737			
	406,642	138,307	268,335			
	210,000	210,000		615,200	615,200	
				644,979	644,979	
	<u>3,602,892</u>	<u>2,958,083</u>	<u>644,809</u>	<u>1,260,179</u>	<u>1,260,179</u>	
	(1,747,086)	(1,044,131)	702,955	(800,805)	(791,368)	9,437
	718,799	718,799		785,980	785,980	
	<u>718,799</u>	<u>718,799</u>		<u>785,980</u>	<u>785,980</u>	
	(1,028,287)	(325,332)	702,955	(14,825)	(5,388)	9,437
	43,452	43,452				
	<u>1,285,057</u>	<u>1,285,057</u>		<u>14,825</u>	<u>14,825</u>	
	<u>\$ 300,222</u>	<u>\$ 1,003,177</u>	<u>\$ 702,955</u>	<u>\$</u>	<u>\$ 9,437</u>	<u>\$ 9,437</u>

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CITY OF NORWOOD, OHIO

Combined Statement of Revenue, Expenditures and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) and Actual - Governmental Funds

For the Year Ended December 31, 2001

(Continued)

	<u>Capital Project Funds</u>		
	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenue</u>			
Taxes	\$	\$	\$
Special Assessments			
Intergovernmental Revenue			
Charges for Services			
Fines, Licenses and Permits			
Donations			
Miscellaneous	29,561	29,541	(20)
Total Revenue	<u>29,561</u>	<u>29,541</u>	<u>(20)</u>
<u>Expenditures</u>			
Current:			
General Government			
Public Safety			
Community Environment			
Highways and Streets			
Public Health			
Waste Removal			
Capital Outlay	1,556,454	1,319,105	237,349
Debt Service:			
Principal Retirement			
Interest			
Total Expenditures	<u>1,556,454</u>	<u>1,319,105</u>	<u>237,349</u>
Excess of Revenue Over (Under) Expenditures	(1,526,893)	(1,289,564)	237,329
Other Financing Sources (Uses):			
Operating Transfers In	429,416	429,416	
Operating Transfers (Out)	(468,814)	(468,814)	
Total Other Financing Sources (Uses)	<u>(39,398)</u>	<u>(39,398)</u>	
Excess of Revenue Over (Under) Expenditures and Other Financing Sources (Uses)	(1,566,291)	(1,328,962)	237,329
Cancellation of Prior Year Encumbrances	12,676	12,676	
Fund Balances, January 1	<u>1,564,091</u>	<u>1,564,091</u>	
Fund Balances, December 31	<u>\$ 10,476</u>	<u>\$ 247,805</u>	<u>\$ 237,329</u>

(Continued)

The accompanying notes to the financial statements are an integral part of this statement.

Totals (Memorandum Only)

e)	Budget	Actual	Variance Favorable (Unfavorable)
	\$ 13,933,738	\$ 14,227,125	\$ 293,387
	369,848	369,848	
	1,791,120	1,872,112	80,992
	1,032,204	1,042,832	10,628
	590,646	600,236	9,590
	85,990	85,970	(20)
	<u>816,598</u>	<u>938,923</u>	<u>122,325</u>
	18,620,144	19,137,046	516,902
	3,853,181	3,684,570	168,611
	10,510,343	10,375,771	134,572
	1,786,607	1,638,080	148,527
	752,970	700,135	52,835
	490,304	442,633	47,671
	877,974	865,445	12,529
	1,963,096	1,457,412	505,684
	825,200	825,200	
	<u>644,979</u>	<u>644,979</u>	
	21,704,654	20,634,225	1,070,429
	(3,084,510)	(1,497,179)	1,587,331
	1,934,195	1,934,195	
	<u>(1,934,195)</u>	<u>(1,934,195)</u>	
	(3,084,510)	(1,497,179)	1,587,331
	140,120	140,319	199
	<u>3,255,088</u>	<u>3,255,088</u>	
	<u>\$ 310,698</u>	<u>\$ 1,898,228</u>	<u>\$ 1,587,530</u>

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CITY OF NORWOOD, OHIO
Statement of Revenue, Expenses and Changes in Retained Earnings
Proprietary Fund Type
For the Year Ended December 31, 2001
(With Comparative Totals For 2000)

	Total Enterprise Fund	
	2001	2000
<u>Operating Revenue:</u>		
Charges for Services	\$ 2,514,933	\$ 2,620,936
Total Operating Revenue	2,514,933	2,620,936
 <u>Operating Expenses:</u>		
Personal Services	350,961	450,647
Contractual Services	2,007,285	1,735,391
Materials and Supplies	8,006	59,694
Depreciation	71,502	59,771
Other	13,033	3,437
Total Operating Expenses	2,450,787	2,308,940
Operating Income (Loss)	64,146	311,996
 <u>Non-Operating Revenue (Expense):</u>		
Interest	(9,360)	(10,281)
Other	348	1,980
Total Non-Operating Revenue (Expense)	(9,012)	(8,301)
Net Income (Loss)	55,134	303,695
Retained Earnings, January 1	3,011,914	2,708,219
Retained Earnings, December 31	\$ 3,067,048	\$ 3,011,914

The accompanying notes to the financial statements are an integral part of this statement.

CITY OF NORWOOD, OHIO
Statement of Cash Flows
Proprietary Fund Type
For the Year Ended December 31, 2001
(With Comparative Totals For 2000)

	Total Enterprise Fund	
	2001	2000
<u>Cash Flows from Operating Activities:</u>		
Cash Received from Customers	\$ 2,482,912	\$ 2,659,027
Cash Payments for Goods and Services	(2,084,337)	(1,876,245)
Cash Payments to Employees	(418,947)	(367,466)
Other	348	1,980
	(20,024)	417,296
<u>Net Cash Provided (Used) By Operating Act:</u>		
<u>Cash Flows from Capital and Related Financing Activities:</u>		
Interest	(9,360)	(10,281)
Repayment of Loan Payable	(31,445)	(30,524)
Acquisition of Fixed Assets	(9,273)	(375,371)
Net Cash Used for Capital and Related Financing Activities	(50,078)	(416,176)
Net Increase (Decrease) in Cash	(70,102)	1,120
Cash at Beginning of Year	1,398,873	1,397,753
Cash at End of Year	\$ 1,328,771	\$ 1,398,873
<u>Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities:</u>		
Operating Income (Loss)	\$ 64,146	\$ 393,996
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:		
Depreciation Expense	71,502	59,771
Other Revenue	348	1,980
(Increase) Decrease in Accounts Receivable	(32,783)	35,062
Increase in Inventory	(41,789)	
Decrease in Accounts Payable	(14,224)	(77,723)
Increase in Accrued Wages and Benefits	(72,834)	2,699
Increase (Decrease) in Estimated Liability for Compensated Absences	4,848	(1,518)
Increase in Deposits Payable	762	3,029
Total Adjustments	(84,170)	23,300
Net Cash Provided (Used) by Operating Act:	\$ (20,024)	\$ 417,296

Reconciliation of total cash:

Cash \$1,288,443 + Restricted Assets \$40,328 = Total Cash \$1,328,771.

The accompanying notes to the financial statements are an integral part of this statement.

Notes to Financial Statements

- 1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
- 2) DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS
- 3) RECEIVABLES
- 4) TAXES
- 5) CHANGES IN FIXED ASSETS
- 6) LONG-TERM OBLIGATIONS
- 7) CAPITAL LEASES
- 8) CONTINGENCIES
- 9) RISK MANAGEMENT
- 10) PENSION AND RETIREMENT
- 11) U.D.A.G. LOAN RECEIVABLE
- 12) C-9 TRUST
- 13) DEFICIT FUND BALANCES
- 14) PRONOUNCEMENTS ISSUED BUT NOT YET EFFECTIVE

CITY OF NORWOOD, OHIO

NOTES TO FINANCIAL STATEMENTS

For the year ended December 31, 2001

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Norwood, Ohio (the City) was incorporated in 1888 as a political subdivision of the State of Ohio established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The City operates under the Council-Mayor form of government and provides the following services: public safety (police and fire), highways and streets, sanitation, health and social services, culture-recreation, public improvements, planning and zoning and general administrative services.

Reporting Entity

The accompanying general purpose financial statements comply with the provisions of the Governmental Accounting Standards Board (the GASB) Statement No. 14, "The Financial Reporting Entity", in that the financial statements include all of the primary government, as well as its component units, which are legally separate organizations for which the elected officials of the primary government are financially accountable. Financial accountability is defined as the appointment of a voting majority of the component unit's governing body and either (1) the City's ability to impose its will over the component unit, or (2) the potential that the component unit will provide a financial benefit to or impose a financial burden on the City. Based on the foregoing, the City as a reporting entity does not have a blended component unit.

Fund and Account Groups

The City records its transactions in numerous individual funds and account groups to comply with the limitations and restrictions placed on both the resources made available to the City and the services provided. These financial statements present all of the fund types and account groups of the City. Individual funds and account groups summarized in the accompanying financial statements are classified as follows:

1) Governmental Fund Types

Governmental funds are used to account for the City's general government activities. Annual appropriations are made by Council action. To assure legal and accounting compliance, the City maintains records showing revenues, actual and accrued expenditures, and encumbrances to assure that budgetary authority is not exceeded.

The governmental fund types include:

General Fund - This is the chief operating fund for the City and it is used to account for all revenues and expenditures which are not accounted for in other funds or account groups. The

primary sources of revenue for this fund are earnings taxes, property taxes and local government funds.

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

Debt Service Fund - This fund is used to account for principal and interest on general obligation bonds paid principally from taxes levied by the City. It also accounts for the servicing of general obligation special assessment bonds.

Capital Project Funds - These funds are used primarily to account for resources designated to construct or acquire general fixed assets. Such resources are derived principally from proceeds of general obligation debt and from subsidies from the general fund and state grants. It is the City's policy to use the proceeds derived from the sale of bonds only for the capital improvement purpose detailed in the bond authorizing ordinance and in accordance with state statutes. Any premium and accrued interest received from the sale of bonds is deposited into the debt service fund.

2) **Proprietary Funds**

Enterprise Funds - These funds account for operations of entities that provide services, on a user charge or other basis, to the general public or private organizations. The City has one such Enterprise Fund, which is the Water Fund.

3) **Fiduciary Fund Types**

Trust and Agency Funds - These funds are used to account for assets held by the City in a fiduciary capacity. These funds include expendable trust funds and agency funds. Expendable Trust Funds are utilized to account for assets held by the city in a fiduciary capacity where both the principal and interest may be spent.

4) **Fixed Assets**

General Fixed Assets - Fixed assets acquired or constructed for general governmental services are recorded as expenditures in the fund making the expenditure and capitalized in the general fixed assets account group. These assets are capitalized at historical cost, or estimated values which approximate historical cost. The cost of infrastructure is not included in the general fixed assets account group. Accumulated depreciation is not reported on general fixed assets.

Proprietary Fund Type - Fixed assets in the proprietary fund are stated at historical cost, or estimated values which approximate historical cost. The estimated fair market value at the time of acquisition is used for assets contributed. Depreciation is calculated using the straight-line method over the assets' estimated useful lives. The following lives are used:

Buildings	45-60 years
Machinery and Equipment	3-20 years
Licensed Vehicles	3-10 years

All fixed assets under construction and intended for ultimate use by a proprietary fund are recorded at historical cost in the applicable proprietary fund.

5) **General Long-Term Obligations**

All unmatured long-term indebtedness is reported in the general long-term obligations account group. The general obligation bonds are secured by the full faith and credit of the City. The special assessment bonds are secured by the value of the property assessed and are also general obligations of the City. In addition to the unmatured general long-term indebtedness, it is the City's policy to record long-term liabilities of the governmental funds in the general long-term obligations account group for compensated absences, obligations under capital leases, estimated claims and judgments, and unfunded pension costs representing the City's commitment to fund such costs from future operations.

Measurement Focus/Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The governmental fund types and Expendable Trust Funds utilize the flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets. The Proprietary Fund is accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Fund equity (i.e., net total assets) is segregated into contributed capital and retained earnings components. Proprietary funds' operating statements present increases (e.g., revenue) and decreases (e.g., expenses) in net total assets.

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made. The modified accrual basis of accounting is followed for the governmental agency and expendable funds. The full accrual basis of accounting is followed for the proprietary fund types.

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

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

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year-end: income taxes, and intergovernmental revenue.

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

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

Under modified accrual basis, expenditures are recorded when the related fund liability is incurred, except for unmatured interest on general long-term debt, which is recognized when due, and certain compensated absences which are recognized when the obligations are expected to be liquidated with expendable available financial resources. Allocations of cost, such as depreciation and amortization, are not recognized under the modified accrual basis.

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

Budgetary Data

Operating budgets are legally adopted each fiscal year for all funds except the Trust and Agency funds. The Combined Statement of Revenue, Expenditures and Changes in Fund Balances - Budget (Non-GAAP Budgetary Basis) and Actual includes all governmental funds. This financial statement was prepared using the budgetary basis of accounting. Encumbrances are included as expenditures (Non-GAAP).

The budgetary process begins at least six months prior to the calendar year for which the budget is to be adopted, with the City certifying the proposed budget to the County Auditor by July 20 or as extended by the County Auditor. By January 1, City Council may adopt annual or temporary appropriation measures using, in part, the official certificate of estimated resources approved by the County Budget Commission and tax rates certified by the County Auditor. By April 1, City Council must adopt annual appropriation ordinances. Appropriations lapse at year end.

The levels of appropriation control for the General Fund, and certain other Special Revenue Funds, including the Street Maintenance and Repair Fund, State Highway Fund, Economic Development Fund, and Paramedic Fund, for each budgeted expenditure classification that may not be exceeded are: personal services, contractual, materials & supplies, and other. The levels of appropriation control for the budgeted expenditures that may not be exceeded in the Debt Service Fund are principal retirement and interest. All other city funds are appropriated in total by fund. Any revisions that alter the budgeted expenditure classification of any division within a City department must be approved by City Council. During the year, several supplementary appropriations were necessary. Encumbrances do not lapse at year-end and are included as expenditures in the current year budget (Non-GAAP Budgetary Basis)

The adjustments necessary to convert the results of operations and fund balances at the end of the year from the generally accepted accounting principles (GAAP) basis to the non-GAAP budgetary basis are as follows:

	Revenues and Other Sources Over (Under)		Fund Balances	
	Expenditures And Other Uses		December 31, 2001	
	<u>General Fund</u>	<u>Special Revenue</u>	<u>General Fund</u>	<u>Special Revenue</u>
As reported (GAAP basis)	\$131,224	\$161,552	\$1,368,936	\$1,269,201
Increase (Decrease) due to:				
Inventory	(5,743)	(2,300)	(5,743)	(2,300)
Revenues:				
Received in 2001 and earned in 2000	1,322,627	13,136		
Received in 2002 and earned in 2001	(1,283,573)	(116,728)	(1,283,573)	(116,728)
Expenditures:				
Accrued December 31, 2000 and paid in 2001	(1,130,575)	(418,837)		
Accrued December 31, 2001 and paid in 2002	1,394,785	185,855	1,394,785	185,855
Change in beginning fund balance		(1,268)		
Current Year Encumbrances	(792,705)	(231,538)	(792,705)	(231,538)
Prior Year Encumbrances			(2,113)	
Expenditures related to Prior Year Encumbrances	<u>526,464</u>	<u>84,796</u>	_____	_____
(Non-GAAP) Budgetary Basis	<u>\$162,504</u>	<u>\$(325,332)</u>	<u>\$ 637,809</u>	<u>\$1,003,177</u>

	<u>Capital Projects Funds</u>	<u>Capital Projects Funds</u>
As reported (GAAP basis)	\$(1,708,872)	\$365,308
Increase (Decrease) due to:		
Revenues:		
Received in 2001 and earned in 2000	8,388	
Expenditures:		
Accrued December 31, 2000 and paid in 2001	(135,280)	
Accrued December 31, 2001 and paid in 2002	105,532	105,532
Current Year Encumbrances	(170,304)	(170,304)
Prior Year Encumbrances		(52,731)
Expenditures related to Prior Year Encumbrances	<u>571,574</u>	_____
(Non-GAAP) Budgetary Basis	<u>\$(1,328,962)</u>	<u>\$247,805</u>

Other Accounting Policies

- A. *Investments* - The investments of the City of Norwood are comprised primarily of time deposits.
- B. *Inventories* - The City does not maintain large inventories of supplies and materials; therefore, inventoriable items are recorded as expenditures when purchased.
- C. *Inter-Fund Transactions* - During the course of normal operations, the City has numerous transactions between funds including transfers of resources to provide services, purchase assets, and pay debt service. The governmental and proprietary fund type financial statements generally reflect such transactions as operating transfers. The General Fund absorbs the costs of providing administrative services to enterprise funds.
- D. *Deferred Revenues* - The City reports deferred revenue on its Combined Balance Sheet - All Fund Types and Account Groups. Deferred revenues arise when a potential revenue does not meet the "available" criteria for recognition in the current period. Uncollected property taxes and uncollected special assessments not meeting the availability criteria have been deferred and will be realized and recorded as revenue in a subsequent period.
- E. *Cash* - For purposes of the statement of cash flows, the City of Norwood considers all highly liquid investments, including restricted assets, with an original maturity of three months or less to be cash equivalents.
- F. *Total (Memorandum Only)* - The amounts in the Totals (Memorandum Only) columns of the combined financial statements are a summation of the accounts of the fund types and account groups and are presented solely to assist in financial analysis. Data included in the columns do not present financial GAAP. Eliminations of interfund transactions have not been made, and the data presented is not to be considered consolidated. In addition, the amounts are not to be interpreted as total resources and obligations of the City of Norwood or sources and uses thereof. Comparative data for the prior year has also been provided in the general purpose financial statements in order to provide an understanding of changes in the City's financial position and operations. Certain prior year items have been reclassified to be in conformity with the current year's presentation.

2. DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS

The City of Norwood combines the cash balances of individual funds to form a pool of cash and investments. Each fund reports its respective equity in cash as an element of its resources. In addition, several funds separately hold cash and investments. Earnings from the pooled cash and investments are allocated on a monthly basis to each participating fund based on month-end equity balances. The cash accounts of the Mayor's Court is held separately from those of other City funds.

Deposits

Cash deposits of the City as of December 31, 2001, are comprised of the following:

Demand deposit accounts	\$4,501,450
Certificates of deposit	<u>467,920</u>
	<u>\$4,969,370</u>

The bank balance for all City deposits at December 31, 2001 was \$5,101,466. The difference between the bank balance and the amounts recorded by the City is caused by outstanding checks.

The GASB has established credit risk categories for deposits:

Category 1 -

Deposits that are insured or collateralized with securities held by the City or its agents in the City's name.

Category 2 -

Deposits that are collateralized with securities held by the pledging financial institution's trust department or agent in the City's name.

Category 3 -

Deposits that are uncollateralized or collateralized with securities held by the pledging financial institution, or by its trust department or agent but not in the City's name.

Based on the foregoing criteria, at December 31, 2001, \$100,000 of the City's deposits were insured by the FDIC and the remaining \$5,001,466 was uncollateralized as defined by the GASB. These deposits were, however, collateralized with securities held by a financial institution, but not in the City's name.

Investments

The State of Ohio statutes authorize the City to invest in obligations of the U.S. Treasury, agencies, and instrumentalities of the U. S. Government, unregistered, with the securities held by counter party trust department, in the City's name. These amounts can be reconciled to the Combined Balance sheet as follows:

Deposits and investments, as defined by GASB Statement No. 3 and disclosed above:

Demand deposit accounts	\$4,501,450
Certificates of deposit	467,920
Investments	<u>0</u>
Total	<u>\$4,969,370</u>

Amounts from the Combined Balance sheet are as follows:

Cash	\$4,826,163
Investments	102,879
Restricted Assets - Cash Equivalents	<u>40,328</u>
Total	<u>\$4,969,370</u>

3. RECEIVABLES

Accounts Receivable are presented in the general purpose financial statements net of the allowance for uncollectibles. The balance of the allowance account of the Water Fund was \$45,544 at December 31, 2001.

4. TAXES

City Earnings Tax

The locally levied 2.0% earnings tax applies to gross salaries, wages and other personal service compensation earned by residents both in and out of the City and to earnings of nonresidents (except certain transients) earned

in the City. It also applies to net income of business organizations for business conducted in the City. The tax is the largest single source of General Fund revenue. Actual collections in 2001 were \$10,674,957.

Property Taxes

The assessed valuation of property within the City subject to the levy of ad valorem taxes includes real property, public utilities property and tangible personal property. The assessed value upon which the 2001 levy was based was \$263,722,830, \$19,243,900 and \$66,970,490 for property, respectively (per Hamilton County Auditor). The City's property taxes are collected by the Hamilton County Auditor and are remitted to the City on a periodic basis. Real property taxes collected in any calendar year are generally levied on assessed values as of January 1 of the preceding year according to the following calendar:

Property Tax Calendar - 2002

Lien date	January 1, 2001
Levy date - first half	December 31, 2001
First installment payment due	January 31, 2002
Second installment payment due	June 20, 2002

Assessed values are established by the County Auditor, at no more than 35% of appraised market value. The laws of the State of Ohio presently require that all property be revalued no less than every six years, at any time the County Auditor finds that true or taxable value thereof has changed, and in the third calendar year following the year in which a sexennial reappraisal is completed if ordered by the State Commissioner of Tax Equalization. Real property was reappraised during 1999 with the results affecting collections beginning in 2000. The City recognized the property taxes due to be paid in 2002 (levied in 2001) as deferred revenue because they are intended to finance the 2002 fiscal year.

Public utilities property taxes in any calendar year are those levied on assessed values as of December 31 of the preceding year. Tangible personal property of public utilities is generally assessed at 100% of true value. Tangible personal property used in business, other than public utilities, is assessed at 25% of true value.

5. CHANGES IN FIXED ASSETS

A summary of changes in general fixed assets for 2001 is as follows:

	Balance January 1, 2001	Additions	Deletions	Balance December 31, 2001
Land and				
Improvements	\$1,527,504	\$	\$	\$1,527,504
Buildings	4,603,237			4,603,237
Machinery and				
Equipment	2,589,088	248,913	58,640	2,779,361
Licensed Vehicles	<u>3,022,743</u>	<u>117,550</u>	<u>227,916</u>	<u>2,912,377</u>
Total	<u>\$11,742,572</u>	<u>\$ 366,463</u>	<u>\$286,556</u>	<u>\$11,822,479</u>

6. LONG-TERM OBLIGATIONS

The City's long-term debt outstanding and other long-term obligations are reflected in the general long-term obligations account group. Revenues from all sources have been sufficient to meet all of the City's debt service requirements through December 31, 2001.

General Long-Term Debt

The long-term debt consists of general obligation bonds and special assessment debt. The general obligation debt is tax-supported. Annually, City Council authorizes a transfer from the General Fund to the Debt Service Fund to service the tax-supported debt. The special assessment debt is serviced by revenues received from special assessments and is also backed by the full faith and credit of the government as additional security.

Annual Long-Term Debt Requirements

The annual requirements to amortize all long-payments, are as presented below:

Year Ending	<u>General Obligation Bonds</u>			<u>Special Assessment Bonds</u>	
	<u>Total</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
December 31					
2002	\$ 1,257,679	\$ 533,439	\$ 354,392	\$ 118,034	\$ 251,814
2003	1,255,178	562,078	323,252	128,067	241,781
2004	1,202,680	542,384	290,447	138,953	230,896
2005	1,117,703	489,567	258,287	150,764	219,085
2006	1,032,726	430,204	232,674	163,579	206,270
Thereafter	<u>8,067,488</u>	<u>3,865,872</u>	<u>872,978</u>	<u>2,263,125</u>	<u>1,065,513</u>
Total	<u>\$13,933,455</u>	<u>\$6,423,544</u>	<u>\$2,332,030</u>	<u>\$2,962,522</u>	<u>\$2,215,359</u>

Changes in Long-Term Obligations

During the year ended December 31, 2001, the following changes occurred in liabilities reported in the General Long-Term Obligations Account Group:

	<u>Balance</u>		<u>Balance</u>
	<u>January 1, 2001</u>	<u>Additions</u>	<u>December 31, 2001</u>
		<u>Reductions</u>	
General Obligation Bonds	\$6,929,957	\$	\$ 6,423,544
Special Assessment Debt	3,071,310		2,962,522
Estimated Liability for Compensated Absences	3,253,344	1,808,482	3,276,351
Estimated Liability for Unpaid Claims (Note 9)	20,000		20,000
Obligations under Capital Leases (Note 7)	994,431	217,671	762,558
Pension Liability (Note 10)	<u>4,560,446</u>	<u>115,481</u>	<u>4,315,771</u>
Total Changes in Long- Term Obligations	<u>\$18,829,488</u>	<u>\$2,141,634</u>	<u>\$17,760,746</u>

General Obligation Bonds and Special Assessment Debt:

Bonds payable at December 31, 2001, are comprised of the following individual issues:

<u>Description</u>	<u>Rate</u>	<u>Final Maturity</u>	<u>Amount Outstanding</u>
Special Assessment Debt:			
Central Parke Project	8.5%	March 1, 2015	<u>\$2,962,522</u>
General Obligation Bonds:			
Property Acquisition Bonds	5.0%	January 1, 2003	\$ 100,000
Recreation and Street Improvement Bonds	6.5%	March 1, 2005	523,594
Various Purpose Bonds	5.38%	September 1, 2013	4,076,356
Acquisition and Building Improvement Bonds	5.95%	March 1, 2014	<u>1,723,594</u>
Total			<u>\$6,423,544</u>

During 1994, the City entered into a loan agreement with the Ohio Public Works Commission to help fund improvement of the water distribution system. The interest rate on the loan is 3% and the maturity date is January 1, 2010. Debt service requirements for principal and interest on this loan are as follows:

<u>Years Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2002	\$16,078	\$4,325	\$20,403
2003	32,882	7,922	40,804
2004	33,876	6,928	40,804
2005	34,900	5,904	40,804
2006	35,955	4,850	40,805
Thereafter	<u>134,619</u>	<u>8,197</u>	<u>142,816</u>
Total	<u>\$288,310</u>	<u>\$38,126</u>	<u>\$326,436</u>

The Ohio Revised Code provides that the net debt of a municipal corporation, when approved by the electors, shall not exceed 10.5% of the total value of all property in the municipal corporation as listed and assessed for taxation. In addition, the unvoted net debt of municipal corporations cannot exceed 5.5% of the total taxable value of property. The statutory limitations on debt are measured by a direct ratio of net debt to tax valuations and expressed in terms of a percentage. At December 31, 2001, the City had \$6,423,544 of "total net debt." Special assessment bonds are excluded in calculating the total net indebtedness of the City.

The Ohio Revised Code specifies that all special assessment debt is general obligation debt. All special assessment bond issues are, therefore, backed by the full faith and credit of the City.

The primary responsibility for the annual payments to special assessment bond holders is with the property owners on whose behalf the City has issued special assessment debt. The special assessments which cover both principal and interest due are collected by the Hamilton County Auditor each year with the property owners' tax payments. The collections are then sent to the City which pays the principal and interest due.

The following is a schedule of future minimum payments on capital leases and the present value of the net minimum lease payments at December 31, 2001:

<u>Year</u>	<u>General Long-Term Obligation</u>
2002	\$ 380,884
2003	261,013
2004	117,273
2005	27,396
2006	27,396
Thereafter	<u>4,566</u>
Total minimum lease payments	818,528
Less: Amounts representing interest	<u>55,971</u>
Present value of net minimum lease payments	<u>\$ 762,558</u>
Capital Lease Payments - 2001	<u>\$498,663</u>

8. CONTINGENCIES

There are pending against the City various claims and lawsuits arising in the normal course of operations. Management is of the opinion that any resulting liability from these claims and lawsuits will not have a material adverse effect upon the City's financial condition.

The City has received state grants for specific purposes that are subject to review by the grantor agencies. Such reviews could lead to requests for reimbursements to the grantor agency for expenditures disallowed under the terms of the grant. City management believes such disallowances, if any, will be minor.

9. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; injuries to employees; employee health claims; unemployment compensation claims; a certain portion of retiree health claims and environmental damage. The City maintains a comprehensive all risk property insurance program administered by the Ohio Municipal League that provides insurance coverage for all City property. This insurance program is to cover losses due to theft of, damage to, or destruction of assets, purchases general liability insurance for specific operations and professional liability insurance for certain operations. The City also participates in the State of Ohio Workers Compensation program for on-duty injuries to employees. There has been no reduction in insurance coverage from 2000. Insurance settlements for claims resulting from the risks covered by commercial insurance have not exceeded the insurance coverage in any of the past three years. State law authorizes the issuance of judgment bonds to settle claims. The City's available legal debt margin of \$12,823,003 at December 31, 2001, is considered adequate for catastrophic loss coverage.

Changes in the balances of claims liabilities during 2001 and 2000 are as follows:

	<u>General Fund</u>		<u>General Fund Long-Term Obligations</u>	
	<u>2001</u>	<u>2000</u>	<u>2001</u>	<u>2000</u>
Balances at January 1	\$ 0	\$ 0	\$20,000	\$20,000
Current-Year Claims and Changes in Estimates	5,705	16,097		
Claim Payments	<u>5,705</u>	<u>16,097</u>		
Balance at December 31	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$20,000</u>	<u>\$20,000</u>

The \$20,000 is an estimate of potential liability as a result of pending claims against the City, which would not be covered by insurance companies

10. PENSION AND RETIREMENT

City employees are covered by one of two pension systems. They are the Ohio Police and Fire Pension Fund (OPFPF) and the Public Employees Retirement System (PERS), which are State pension systems. Both are cost-sharing, multiple-employer, defined benefit, public employee retirement systems.

Ohio Police and Fire Pension Fund

Police and fire fighters of the City of Norwood are members of the OPFPF. OPFPF 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 OPFPF issues a publicly available financial report that includes financial information and required supplementary information for the plan. That report may be obtained by writing to OPFPF, 140 East Town Street, Columbus, Ohio 43215-5164.

Funding Policy

Plan members are required to contribute 10% of their annual covered salary, while the City of Norwood is required to contribute 19.5% and 24% respectively for police officers and fire fighters. The City of Norwood's total contributions to OPFPF for the years ended December 31, 2001, 2000 and 1999 were \$1,520,963, \$1,437,752, and \$1,311,670, respectively equal to the required contributions for each year.

The OPFPF has also allocated to the city a portion of the unfunded prior service cost of the fund which is the deficiency existing at the time the fund was established in 1967 as determined by actuarial evaluation. The City also owes an underpaid employer contributions of \$1,628,071. Minimum payment of \$17,500 is being paid monthly to repay the delinquent employer contributions. The unpaid contribution should be fully paid in

approximately 8 years. The following table reflects the unfunded prior service cost for police officers and fire fighters at December 31:

	<u>2001</u>	<u>2000</u>
Police	\$1,409,916	\$1,428,768
Fire	<u>1,277,784</u>	<u>1,294,851</u>
Total unfunded prior service cost	<u>\$2,687,700</u>	<u>\$2,723,619</u>

As prescribed by Section 742.30 of the Ohio Revised Code, this accrued liability has and will continue to be paid over a term of sixty-two years in annual installments which began in 1973 and which will end in 2035. At December 31, 2001, 33 years remain in which semi-annual installments fixed by the fund's Board of Trustees at \$39,479 and \$35,769 will be paid for police and fire fighters, respectively. The accrued liability for the unfunded prior service cost is included in the General Long-Term Obligations Account Group at December 31, 2001.

Other Postemployment Benefit Information

OPFPF provides postemployment health care coverage to any person who receives or is eligible to receive a monthly benefit check or is a spouse or eligible dependent child of such person. The health care coverage provided by the police and fire fighters' retirement system is considered an other postemployment benefit. A portion of each employer's contribution to the OPFPF is set aside for the funding of postemployment health care. The Ohio Revised Code provides the statutory authority allowing the fund's board of trustees to provide health care coverage to all eligible individuals. Health care funding and accounting are on a pay-as-you-go basis. Currently, 7.5% of covered payroll is used to pay retiree health care expenses. The number of participants eligible to receive health care benefits as of December 31, 2000 (the latest information available) were 12,853 for Police and 10,037 for Firefighters. OPFPF's total health care expenses for the year ended December 31, 2000, (the latest information available) were \$106,160,054, which were net of member contributions of \$5,657,431. The portion of the City's 2001 contributions that was used to pay postemployment benefits was \$238,418 for 50 police employees and \$271,378 for 58 fire fighter employees.

State PERS

All non-uniformed full-time City employees, elected officials, and part-time employees are enrolled in PERS. In 2001, there were approximately 285 covered employees.

PERS provides retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by state statute per Chapter 145 of the Ohio Revised Code. PERS issues a stand-alone financial report. Interested parties may obtain a copy by making a written request to PERS, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 466-2085.

Funding Policy

The Ohio Revised Code provides statutory authority for employee and employer contributions. Employees contribute 8.5% of their annual compensation. The City's contribution rate for 2001 was 13.55% of covered payroll; 9.254% was used to fund pension obligations and 4.3% was used to fund health care for 2001. The City's contributions to PERS for the years ended December 31, 2001, 2000, and 1999 were \$476,459, \$343,378, and \$428,373, respectively, equal to the required contributions for each year.

Other Postemployment Benefit Information

PERS provides postemployment health care coverage to age and service retirees with ten or more years of qualifying service credit. Health care coverage for disability recipients and primary survivor recipients is available. The health care coverage provided by PERS is considered an Other Postemployment Benefit (OPEB). A portion of each employer's contribution to PERS is set aside for the funding of postemployment health care. The Ohio Revised Code provides statutory authority for employer contributions. Employer contributions, equal to 4.3% of member covered payroll, are used to fund health care expenses.

OPEB are financed through employer contributions and investment earnings thereon. The number of active PERS contributing participants was 411,076. The actuarial value of the Retirement System's net assets available for OPEB at December 31, 2000 was \$11,735.9 million (the latest information available). The actuarially accrued liability and the unfunded actuarial liability, based on the actuarial cost method used, were \$14,364.6 million and \$2,628.7 million, respectively. The employer contribution rates are the actuarially determined contribution requirements for PERS. The contributions allocated to retiree health and Medicare, along with investment income on allocated assets and periodic adjustments in health care provisions are expected to be sufficient to sustain the program indefinitely. The portion of the City's 2001 contributions that was used to pay postemployment benefits was \$155,181 for 220 non-uniformed employees.

11. U.D.A.G. Loan Receivable

The City of Norwood has one long-term loan receivable. The loan, in the amount of \$3,331,000 represents the contractual repayment of Urban Development Action Grants previously made to certain organizations. This loan is fully reserved within the Economic Development Fund

12. C-9 TRUST

In 1990, the City established a voluntary employee benefit association under I.R.C. §501(c)(9) (C-9 Trust) to provide certain welfare benefits to eligible employees of the City of Norwood and their beneficiaries. Employees become eligible to participate upon the effective date of their retirement, provided they are eligible for benefits under the ordinances of the City and are eligible for benefits under the City's Health Benefits Program. Benefits provided under the plan are funded on a pay-as-you go basis and consist of health care benefits not covered by other insurance carriers and are limited to \$2,000 per Plan Year for each Plan Participant. The plan is wholly funded by the City. There are approximately 312 participants currently eligible to receive benefits under this plan. The amount contributed by the City in 2001 was \$60,000. The City does not have fiduciary responsibility for this trust.

13. DEFICIT FUND BALANCES

There are two Special Revenue Funds that have deficit fund balances on a GAAP basis. These two funds are Drug Abuse Resistance Education Fund and Separation Pay Fund and have deficit fund balances of \$379 and \$81,120, respectively. The deficit will be covered by future revenue.

14. RECLASSIFIED FUND

For 2001, the C-9 Trust Fund has been reclassified from an Expendable Trust Fund to a Special Revenue Fund. This fund has been reported in the past as a blended component unit. It has now been determined that under GASB Statement No. 14. It should be a special Revenue Fund. As a result of this reclassification the beginning balances of the Expendable Trust Fund and Special Revenue Funds changed as follows:

	<u>Amount at 12/31/00</u>	<u>Restated Amount</u>
Expendable Trust Funds	\$244,074	\$ 2,584
Special Revenue Funds	766,114	1,107,649

15. CHANGE IN ACCOUNTING PRINCIPLES AND RESTATEMENT OF FUND BALANCES

For 2001 the City implemented GASB Statement 33, "Accounting and financial Reporting for Nonexchange Transactions" and GASB No. 36, "Recipient Reporting for Certain Shared Nonexchange Revenues." These statements establish accounting and financial reporting standards for nonexchange transactions involving financial or capital resources. The timing for the recognition of assets, liabilities, and expenditures/expenses resulting from nonexchange transactions will be the same whether the accrual or the modified accrual basis of accounting is required. However, for revenue recognition to occur on the modified accrual basis, the criteria established for accrual basis revenue recognition must be met and the revenue must be available. At December 31, 2000, the implementation of GASB Statement 33 had the following effect on fund balances:

<u>Fund Name</u>	<u>Fund Balance as Reported 12/31/00</u>	<u>GASB 33 Implementation</u>	<u>Fund Balance as Reported 12/31/00</u>
General Fund			
Street Maintenance and Repair	20,647	73,451	94,098
Permissive Tax	246,381	20,639	267,020
State Highway Improvement	13,455	5,955	19,410

In addition to the above noted change to fund balance the restatement of fund balances had the following effect on prior year excess (deficiency) of revenue and other financing sources over (under) expenditures and other financing uses:

<u>Fund Name</u>	<u>Excess (Deficiency) of Revenue and Other Financing Sources Over (Under) Expenditures and Other Financing Uses as Reported 12/31/00</u>	<u>GASB 33 Implementation</u>	<u>Excess (Deficiency) of Revenue and Other Financing Sources Over (Under) Expenditures and Other Financing Uses as Reported 12/31/00</u>
General Fund			
Street Maintenance and Repair	(15,555)	73,451	57,896
Permissive Tax	87,314	20,639	107,953
State Highway Improvement	6,797	5,955	12,752

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GENERAL FUND

FINANCIAL STATEMENTS

The General Fund is the general operating fund of the City and is used to account for all revenues and expenditures not required to be accounted for in other funds. Revenues are primarily derived from income and property taxes. Functions financed from the General Fund include public safety, government administration, community environment and recreational activities.

CITY OF NORWOOD, OHIO
Statement of Revenue, Expenditures and Changes in Fund Balance
For the Year Ended December 31, 2001

	Total	
	2001	2000
GENERAL FUND		
Revenue		
Taxes		
Real Property	\$ 3,028,333	\$ 2,770,870
Municipal Income Tax	10,565,304	9,946,367
Admission Tax	5,910	56,342
	13,599,547	12,773,579
Intergovernmental Revenue		
State Shared Taxes and Permits		
Local Government	933,555	830,689
Estate Tax	248,935	288,520
Hotel Tax	20,410	22,120
Alcoholic Beverages Tax	63,082	7,322
Cigarette Tax	1,135	1,133
Trailer Tax	150	150
State Grants or Aid	9,206	9,012
Federal Grants or Aid	4,603	2,700
	1,281,076	1,161,646
Charges for Services	595,120	307,816
Fines, Licenses and Permits		
Fines and Forfeitures	305,606	245,401
Licenses and Permits	284,300	470,968
	589,906	716,369
Contributions and Donations	44,240	725
Miscellaneous		
Interest	80,637	73,259
Other Miscellaneous	495,162	400,163
	575,799	473,422
Total Revenue	16,685,688	15,433,557

(Continued)

CITY OF NORWOOD, OHIO
Statement of Revenue, Expenditures and Changes in Fund Balance
For the Year Ended December 31, 2001

	Total	
	2001	2000
GENERAL FUND		
Expenditures		
City Council	\$ 104,697	\$ 100,023
Office of the Clerk of Council	51,592	43,108
Office of the Mayor	91,019	102,512
Mayor's Clerk of Court	105,480	136,762
Office of the City Solicitor	167,510	149,595
Office of the Auditor	240,036	221,695
Office of the Treasurer:		
Treasurer Section	81,588	79,428
Earnings Tax Office and Board of Review	181,637	156,285
	263,225	235,713
Civil Service Commission	56,429	35,665
Department of Safety/Service:		
Office of Safety/Service		
Office of the Public Works Director		
Office of the Safety Director	112,063	106,892
Office of the Service Director	67,955	60,584
Other Transportation Costs	65,744	79,929
Project Coordinator	43,136	57,962
Division of Buildings	284,022	322,171
Division of Police:		
Police Administration Section	190,442	164,852
Crime Control, Prevention and Investigation	4,045,377	3,414,927
Auxiliary Police Officers	162,329	127,862
Total Division of Police	4,398,148	3,707,641
Division of Fire:		
Fire Administration Section	275,350	237,000
Fire Fighting and Prevention Section	4,702,188	4,124,028
Total Division of Fire	4,977,538	4,361,028
Division of Streets and Water	125,592	122,329
Division of Waste Collection	852,585	873,022

(Continued)

CITY OF NORWOOD, OHIO
Statement of Revenue, Expenditures and Changes in Fund Balance
For the Year Ended December 31, 2001

	Total	
	2001	2000
GENERAL FUND		
Expenditures (Continued)		
Division of City Garage	157,181	146,582
City Bus Service	43,503	35,213
Division of Community Development	1,038	(6,895)
Division of Community Center	96,290	141,217
Division of Engineering		20
Division of Facilities Maintenance:		
Public Land and Buildings Section	371,947	337,400
Parks and Playgrounds Section	306,481	208,501
Total Division of Facilities Maintenance	678,428	545,901
Emergency Dispatchers	605,812	476,073
Total Department of Safety/Service	12,509,034	11,029,670
Department of Health		
Division of Administration	155,158	139,357
Division of Medical Services	132,666	124,489
Division of Environmental Health	116,922	106,436
Total Department of Health	404,746	370,282
School Crossing Guards	51,051	19,417

(Continued)

CITY OF NORWOOD, OHIO
Statement of Revenue, Expenditures and Changes in Fund Balance
For the Year Ended December 31, 2001

	Total	
	2001	2000
GENERAL FUND		
Expenditures (Continued)		
Nondepartmental Accounts		
Employee Benefits:		
Contribution to State Pension System (I		2,029
Police and Fire Accrued Liability	150,496	150,496
Contribution to Employee Hospital Care	315,613	725,149
C-9 Trust	60,000	60,692
DRETAC	8,921	3,814
COBRA	3,756	3,829
Contribution to Workmen's Compensation		
Insurance	5,004	4,587
State Unemployment Compensation	6,223	11,696
Government Services and Fees:		
State Examiner's Fees	47,241	37,160
County Auditor's and Treasurer's Fees	44,189	40,061
Election Expense	3,422	10,553
Advertisement of Delinquent Taxes	764	403
Professional Services and Legal Fees:		
Judgments Against the City	7,528	16,097
Outside Legal Fees	13,566	19,147
Miscellaneous Accounts:		
Real Estate Tax (County)	14,609	21,282
Earnings Tax Refund	221,616	197,790
Insurance	132,566	126,952
Random Drug Testing	8,748	8,748
Total Nondepartmental Accounts	1,044,262	1,440,485
TOTAL EXPENDITURES	15,089,083	13,884,926

(Continued)

CITY OF NORWOOD, OHIO
Statement of Revenue, Expenditures and Changes in Fund Balance
For the Year Ended December 31, 2001

	Total	
	2001	2000
GENERAL FUND		
Excess of Revenue Over (Under)		
Expenditures	1,596,605	1,506,853
Other Financing Sources (Uses)		
Operating Transfers In		269,595
Operating Transfers (Out)	(1,465,381)	(1,904,413)
Total Other Financing Sources (Uses)	(1,465,381)	(1,634,818)
Excess of Revenue and Other		
Financing Sources Over (Under)		
Expenditures and Other Uses	131,224	(127,965)
Fund Balance, January 1	1,237,712	1,323,899
Fund Balance, December 31	\$ 1,368,936	\$ 1,195,934

CITY OF NORWOOD, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended December 31, 2001

	Budget 2001	Actual 2001	Variance Favorable (Unfavorable)
GENERAL FUND			
Revenue			
Taxes			
Real Property	\$ 3,028,333	\$ 3,028,333	\$
Municipal Income Tax	10,392,580	10,674,957	282,377
Admission Tax	5,500	5,810	310
Total Taxes	13,426,413	13,709,100	282,687
Intergovernmental Revenue			
State Shared Taxes and Permits			
Local Government	796,573	847,068	50,495
Estate Tax	248,935	248,935	
Hotel Tax	20,410	20,410	
Alcoholic Beverages Tax	63,082	63,082	
Cigarette Tax	1,135	1,135	
Trailer Tax	150	150	
State Grants or Aid	9,206	9,206	
Federal Grants or Aid	4,603	4,603	
Total Intergovernmental Revenue	1,144,094	1,194,589	50,495
Charges for Services	607,800	611,108	3,308
Fines, Licenses and Permits			
Fines and Forfeitures	301,143	305,606	4,463
Licenses and Permits	281,397	284,300	2,903
Total Fines, Licenses and Permits	582,540	589,906	7,366
Contributions	44,240	44,240	
Miscellaneous			
Interest	50,750	80,637	29,887
Other Miscellaneous	419,566	495,162	75,596
Total Miscellaneous Revenue	470,316	575,799	105,483
Total Revenue	\$ 16,275,403	\$ 16,724,742	\$ 449,339

(Continued)

CITY OF NORWOOD, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended December 31, 2001

	<u>Budget</u> 2001	<u>Actual</u> 2001	<u>Variance</u> Favorable (Unfavorable)
GENERAL FUND			
Expenditures			
City Council:			
Personal Expenditures	\$ 103,264	\$ 103,264	\$
Contractual Services	388	388	
Materials and Supplies	<u>1,535</u>	<u>463</u>	<u>1,072</u>
Total City Council	105,187	104,115	1,072
Office of the Clerk of Council:			
Personal Expenditures	39,599	39,548	51
Contractual Services	11,226	10,842	384
Materials and Supplies	<u>275</u>	<u>175</u>	<u>100</u>
Total Office of the Clerk of Council	51,100	50,565	535
Office of the Mayor:			
Personal Expenditures	70,683	70,543	140
Contractual Services	17,411	16,041	1,370
Materials and Supplies	<u>5,727</u>	<u>5,211</u>	<u>516</u>
Total Office of the Mayor	93,821	91,795	2,026
Mayor's Clerk of Court:			
Personal Expenditures	79,716	79,666	50
Contractual Services	28,217	24,480	3,737
Materials and Supplies	<u>3,823</u>	<u>3,599</u>	<u>224</u>
Total Mayor's Clerk of Court	111,756	107,745	4,011
Office of the City Solicitor:			
Personal Expenditures	149,214	149,214	
Contractual Services	17,939	16,565	1,374
Materials and Supplies	<u>2,573</u>	<u>2,261</u>	<u>312</u>
Total Office of the City Solicitor	169,726	168,040	1,686

(Continued)

CITY OF NORWOOD, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended December 31, 2001

	<u>Budget</u> 2001	<u>Actual</u> 2001	<u>Variance</u> Favorable (Unfavorable)
GENERAL FUND			
Expenditures (Continued)			
Office of the Auditor:			
Personal Expenditures	223,444	223,444	
Contractual Services	11,374	10,899	475
Materials and Supplies	<u>5,548</u>	<u>4,875</u>	<u>673</u>
Total Office of the Auditor	240,366	239,218	1,148
Office of the Treasurer:			
Treasurer Section:			
Personal Expenditures	77,699	77,375	324
Contractual Services	3,023	2,889	134
Materials and Supplies	<u>1,359</u>	<u>1,259</u>	<u>100</u>
Total Treasurer Section	82,081	81,523	558
Earnings Tax Office and Board of Review:			
Personal Expenditures	162,138	162,138	
Contractual Services	16,736	15,679	1,057
Materials and Supplies	<u>4,449</u>	<u>3,999</u>	<u>450</u>
Total Earnings Tax Office and Board c	183,323	181,816	1,507
Total Office of the Treasurer	265,404	263,339	2,065
Civil Service Commission:			
Personal Expenditures	19,669	19,377	292
Contractual Services	53,271	36,866	16,405
Materials and Supplies	<u>415</u>	<u>365</u>	<u>50</u>
Total Civil Service Commission	73,355	56,608	16,747

(Continued)

CITY OF NORWOOD, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended December 31, 2001

	Budget 2001	Actual 2001	Variance Favorable (Unfavorable)
GENERAL FUND			
Expenditures (Continued)			
Department of Safety/Service:			
Office of the Directors:			
Office of the Safety Director:			
Personal Expenditures	103,265	103,249	16
Contractual Services	14,849	12,128	2,721
Materials and Supplies	2,727	1,817	910
Total Office of the Safety Director	120,841	117,194	3,647
Office of the Service Director:			
Personal Expenditures	61,687	61,687	
Contractual Services	5,358	4,298	1,060
Materials and Supplies	952	652	300
Total Office of the Service Director	67,997	66,637	1,360
Other Transportation Costs:			
Materials and Supplies	80,890	78,391	2,499
Total Other Transportation Costs	80,890	78,391	2,499
Total Office of the Director	269,728	262,222	7,506
Project Coordinator:			
Personal Expenditures	44,202	44,202	
Contractual Services	1,277	1,225	52
Materials and Supplies	241	241	
Total Project Coordinator	45,720	45,668	52
Division of Buildings:			
Personal Expenditures	224,958	223,814	1,144
Contractual Services	68,549	62,350	6,199
Materials and Supplies	2,998	1,998	1,000
Other	3,023	2,523	500
Total Division of Buildings	299,528	290,685	8,843

(Continued)

CITY OF NORWOOD, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended December 31, 2001

	Budget 2001	Actual 2001	Variance Favorable (Unfavorable)
GENERAL FUND			
Expenditures (Continued)			
Division of Police:			
Police Administration Section:			
Personal Expenditures	143,567	143,567	
Contractual Services	32,289	22,309	9,980
Materials and Supplies	8,986	6,493	2,493
Other	3,556	3,356	200
Total Police Administration Section	188,398	175,725	12,673
Crime Control, Prevention and Investigation:			
Personal Expenditures	3,889,240	3,888,292	948
Contractual Services	91,796	86,922	4,874
Materials and Supplies	55,497	53,407	2,090
Total Crime Control, Prevention and Investigation	4,036,533	4,028,621	7,912
Auxiliary Police Officers:			
Personal Expenditures	157,123	157,078	45
Contractual Services	984	980	4
Materials and Supplies	2,480	1,480	1,000
Total Auxiliary Police Officers	160,587	159,538	1,049
Total Division of Police	4,385,518	4,363,884	21,634
Division of Fire:			
Fire Administration Section:			
Personal Expenditures	212,077	211,671	406
Contractual Services	36,171	34,395	1,776
Materials and Supplies	6,419	4,321	2,098
Other	29,055	28,055	1,000
Total Fire Administration Section	283,722	278,442	5,280

(Continued)

CITY OF NORWOOD, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended December 31, 2001

	Budget 2001	Actual 2001	Variance Favorable (Unfavorable)
GENERAL FUND			
Expenditures (Continued)			
Fire Fighting and Prevention Section:			
Personal Expenditures	4,613,858	4,592,457	21,401
Contractual Services	51,195	42,247	8,948
Materials and Supplies	23,190	20,104	3,086
Total Fire Fighting and Prevention	4,688,243	4,654,808	33,435
Total Division of Fire	4,971,965	4,933,250	38,715
Superintendent of Public Works:			
Personal Expenditures	111,781	111,637	144
Contractual Services	13,079	11,671	1,408
Materials and Supplies	5,495	2,409	3,086
Total Division of Superintendent	130,355	125,717	4,638
Division of Waste Collection:			
Personal Expenditures			
Contractual Services	873,669	861,140	12,529
Materials and Supplies	4,305	4,305	
Total Division of Waste Collection	877,974	865,445	12,529
Division of City Garage:			
Personal Expenditures	144,630	143,580	1,050
Contractual Services	6,706	4,680	2,026
Materials and Supplies	9,947	7,331	2,616
Total Division of City Garage	161,283	155,591	5,692
City Bus Service:			
Personal Expenditures	39,944	39,667	277
Contractual Services	463	181	282
Materials and Supplies	4,464	4,164	300
Total City Bus Service	44,871	44,012	859

(Continued)

CITY OF NORWOOD, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended December 31, 2001

	<u>Budget</u> 2001	<u>Actual</u> 2001	<u>Variance</u> Favorable (Unfavorable)
GENERAL FUND			
Expenditures (Continued)			
Division of Community Development:			
Personal Expenditures	1,138	1,038	100
Contractual Services	50		50
Materials and Supplies	<u>50</u>	<u> </u>	<u> </u>
Total Division of Community Developme	1,188	1,038	150
Division of Community Center:			
Personal Expenditures	68,900	68,694	206
Contractual Services	9,370	7,390	1,980
Materials and Supplies	5,017	4,518	499
Other	17,613	17,213	400
Total Division of Community Center	<u>100,900</u>	<u>97,815</u>	<u>3,085</u>
Public Land and Buildings Section:			
Personal Expenditures	41,811	41,598	213
Contractual Services	194,938	182,834	12,104
Materials and Supplies	34,869	30,444	4,425
Other	133,760	131,260	2,500
Total Public Land and Buildings Sec	<u>405,378</u>	<u>386,136</u>	<u>19,242</u>
Parks and Playgrounds Section:			
Personal Expenditures	263,644	259,992	3,652
Contractual Services	30,845	27,390	3,455
Materials and Supplies	18,626	17,723	903
Total Parks and Playgrounds Sectior	<u>313,115</u>	<u>305,105</u>	<u>8,010</u>
Total Division of Facilities Maintena	718,493	691,241	27,252
			(Continued)

CITY OF NORWOOD, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended December 31, 2001

	<u>Budget</u> 2001	<u>Actual</u> 2001	<u>Variance</u> Favorable (Unfavorable)
GENERAL FUND			
Expenditures (Continued)			
Emergency Dispatchers:			
Personal Expenditures	573,247	570,620	2,627
Contractual Services	48,796	46,221	2,575
Materials and Supplies	4,945	3,945	1,000
Other	<u>3,545</u>	<u>3,545</u>	
Total Emergency Dispatchers	630,533	624,331	6,202
Total Department of Safety/Service	12,638,056	12,500,899	137,157
Department of Health:			
Division of Administration:			
Personal Expenditures	126,956	126,939	17
Contractual Services	19,951	18,678	1,273
Materials and Supplies	3,382	2,620	762
Other	<u>9,067</u>	<u>8,767</u>	300
Total Division of Administration	159,356	157,004	2,352
Division of Medical Services:			
Personal Expenditures	105,019	104,887	132
Contractual Services	22,340	21,443	897
Materials and Supplies	<u>7,643</u>	<u>7,359</u>	284
Total Division of Medical Services	135,002	133,689	1,313
Division of Environmental Health:			
Personal Expenditures	101,030	100,668	362
Contractual Services	16,318	15,568	750
Materials and Supplies	817	660	157
Other	<u>687</u>	<u>687</u>	
Total Division of Environmental Health	118,852	117,583	1,269
Total Department of Health	413,210	408,276	4,934
Crossing Guards:			
Personal Expenditures	50,475	50,475	
Materials and Supplies	<u>65</u>	<u>15</u>	50
Total Crossing Guards	50,540	50,490	50

(Continued)

CITY OF NORWOOD, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended December 31, 2001

	<u>Budget</u> 2001	<u>Actual</u> 2001	<u>Variance</u> Favorable (Unfavorable)
GENERAL FUND			
Expenditures (Continued)			
Nondepartmental Accounts:			
Employee Benefits:			
Police and Fire Accrued Liability	150,496	150,496	
Contribution to Employee Hospital C	321,245	315,613	5,632
C-9 Trust	60,000	60,000	
DRETAC	8,921	8,921	
COBRA	4,773	4,023	750
Workmen's Compensation Insurance	5,453	5,004	449
State Unemployment Compensation	7,192	6,676	516
Government Services and Fees:			
State Examiner's Fees	50,000	50,000	
County Auditor's and Treasurer's Fe	44,889	44,189	700
Election Expense	3,422	3,422	
Advertisement of Delinquent Taxes	764	764	
Professional Services and Legal Fees:			
Judgments Against the City	13,234	7,925	5,309
Outside Legal Fees	15,452	14,327	1,125
Miscellaneous Accounts:			
Real Estate Tax (County)	21,478	21,478	
Earnings Tax Refund	223,975	221,616	2,359
Insurance	132,566	132,566	
Random Drug Testing	8,748	8,748	
Total Nondepartmental Accounts	<u>1,072,608</u>	<u>1,055,768</u>	<u>16,840</u>
Total Expenditures	15,285,129	15,096,858	188,271

(Continued)

CITY OF NORWOOD, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended December 31, 2001

	<u>Budget</u> 2001	<u>Actual</u> 2001	<u>Variance</u> Favorable (Unfavorable)
GENERAL FUND			
Expenditures (Continued)			
Other Financing Sources (Uses)			
Operating Transfers (Out)	<u>(1,465,381)</u>	<u>(1,465,381)</u>	<u> </u>
Total Other Financing Sources (Uses)	(1,465,381)	(1,465,381)	
Excess of Revenue and Other Financing Sources Over (Under) Expenditures and Other Uses	(475,107)	162,503	637,610
Cancellation of Prior Years Encumbrances	83,992	84,191	199
Fund Balance, January 1	<u>391,115</u>	<u>391,115</u>	<u> </u>
Fund Balance, December 31	<u>\$ </u>	<u>\$ 637,809</u>	<u>\$ 637,809</u>

SPECIAL REVENUE FUNDS
COMBINING FINANCIAL STATEMENTS

Special Revenue Funds are established to account for revenues from specific sources which are legally restricted to be expended for specific purposes.

A description of the City's Special Revenue Funds follows:

Street Maintenance and Repair Fund - To account for revenues generated from a percent of the City's portion of state gasoline excise tax revenues, and the City's portion of motor vehicle license charges collected by the state; and to account for expenditures made for street maintenance and repair.

Permissive Tax Fund - To account for revenues derived from state collected, locally distributed motor vehicle license fees; and to account for all expenditures relating to specific road improvements approved by the County Engineer.

Economic Development Fund - To account for revenues derived from the repayment of Urban Development Action Grants to the City; and to account for all expenditures relating to economic development.

State Highway Improvement Fund - To account for revenues generated from a percent of the City's portion of state gasoline excise tax revenues, and the City's portion of motor vehicle license charges collected by the state; and to account for expenditures made for improvements to state highways within the City limits.

Cypress Way Nature Preserve Fund- specifically designated for the upkeep and maintenance of the preserve; and to account for expenses related to upkeep and maintenance of the preserve.

Senior Dental Fund - To account for revenues derived from donations and dental fees; and to account for expenditures of the Senior Citizen's dental program.

Drug Law Enforcement Fund- To account for revenues derived from the seizure of property used in the commission of drug crimes; and to account for the expenditures relating to law enforcement.

Urban Development Fund- To account for the receipt of federal Urban Development Action Grants received by the City for the purpose of urban development; and account for the expenditure of these funds to the grantor.

Pace Telecommunications Fund - To account for the receipt of cable television franchise fees specifically dedicated to local access programing; and to account for the expenditure of these funds for this purpose.

BJA Crime Prevention Fund - To account for the receipt of United States Department of Justice grant for the purpose of reducing crime and improve public safety and to account for the expenditure of these funds to the grantor.

Recreation Commission Fund - To account for funds received from recreation programs and other sources and to account for the expenditure of these funds for the Recreation Commission.

Drug Abuse Resistance Education (DARE) Fund
for the purpose of reducing substance abuse through an education program and to account for the expenditures for grantor.

Lindner Park Flower Fund - To account for a donation from Mr. Carl Lindner who donated funds for the purpose of providing flowers and shrubs for Lindner Park and to account for expenditures for this purpose.

Police and Fire Pension Repayment Fund - pension obligations.

Bureau of Crippled Children's Safety Fund - to help fund children's health programs; and to account for expenditures related to these children health programs.

Separation Pay Fund - To account for funds transferred from the City's General Fund to pay separation obligations of retiring City employees; and to account for the expenditure of separation pay.

Robert S. McCullough Garden Fund - To account for donations and other revenues derived for the purpose of maintaining the Robert McCullough Garden at Lindner Park; and to account for expenditures of maintaining the Robert McCullough Garden at Lindner Park.

Alcohol Education and Enforcement Fund - levied for alcohol related traffic violations; and to account for the expenditure of funds related to alcohol education and enforcement programs by the police department.

Building Code Assessment Fund - To account for the revenue derived from the state mandated 3% fee on building permits; and to account for the payment of this fee to the state.

Police Vehicle Replacement Fund - To account for donations and other revenues derived for the purpose of repairing and replacing police vehicles; and to account for the expenditures of these funds for this purpose.

Council on Aging Fund - To account for revenue derived from The Council on Aging for the City of Norwood's congregate lunch program.

C.O.P.S. F.A.S.T. Grant Fund - To account for revenue derived from the C.O.P.S. Grant and to account for expenditure of funds related to the C.O.P.S program.

STEP Grant Fund - To account for revenue derived from the STEP Grant Program and to account for expenditure of funds related to STEP Grant.

Recycle Ohio! Grant - To account for revenue derived from the Recycle Ohio Grant Program and to account for expenditure of funds related to Recycle Ohio Grant

SRO FUND - The SRO (School Resource Officer) is to account for the miscellaneous revenue and for funds transferred from the City's General Fund and to account for expenditure of funds related to the SRO program

21st Century Grant - To account for revenue received from the Norwood School District for worked performed by the City in connection with the School District's 21st Century Grant and to account for expenditure of funds related to 21st Century Grant.

Emergency Medical Services Fund - To account for funds transferred from the City's General Fund to pay operating expenses associated with providing emergency medical expense excluding employee cost.

Tree Board - To account for funds received from donations and to account for the expenditures of these funds for the Tree Board.

C-9 Trust Fund - To account for revenues needed to fund the Norwood retired employees C-9 Trust Plan; and to account for the expenditures of money expenses of the trust.

CITY OF NORWOOD, OHIO
Combining Balance Sheet
Special Revenue Funds
December 31, 2001

	Street Maintenance and Repair	Permissive Tax	Economic Development	State Highway Improvement
<u>Assets</u>				
Cash	\$ 145,831	\$ 423,779	\$ 235,435	\$ 46,084
Investments				
Investment Interest Receivable				
Accounts Receivable	221,370	89,048		19,675
Inventory				
Total Assets	\$ 367,201	\$ 512,827	\$ 235,435	\$ 65,759
 <u>Liabilities and Fund Equity</u>				
Liabilities				
Accounts Payable	\$ 14,435		\$ 4,984	\$ 4,758
Accrued Wages and Benefits	23,909		14,435	
Deferred Revenue	164,448	\$ 64,782		13,620
Estimated Liability for Compensated Absences				
Total Liabilities	202,792	64,782	19,419	18,378
 Fund Equity				
Fund Balances:				
Reserved for				
Encumbrances	2,097	134,805	10,147	420
Unreserved	162,312	313,240	205,869	46,961
Total Fund Equity (De:	164,409	448,045	216,016	47,381
Total Liabilities and Fund Equity	\$ 367,201	\$ 512,827	\$ 235,435	\$ 65,759

Cypress Way Nature Preserve	Senior Dental	Drug Law Enforcement	Urban Development	PACE Telecommunications
\$ 2,034	\$ 27,333	\$ 6,899	\$ 1,000	\$ 62,044
	2,300			
<u>\$ 2,034</u>	<u>\$ 29,633</u>	<u>\$ 6,899</u>	<u>\$ 1,000</u>	<u>\$ 62,044</u>
\$ 548		\$ 631		
548		631		
500	466	676		
986	29,167	5,592	1,000	62,044
1,486	29,633	6,268	1,000	62,044
<u>\$ 2,034</u>	<u>\$ 29,633</u>	<u>\$ 6,899</u>	<u>\$ 1,000</u>	<u>\$ 62,044</u>

(Continued)

CITY OF NORWOOD, OHIO
Combining Balance Sheet
Special Revenue Funds
December 31, 2001

(Continued)

	BJA Crime Prevention	Recreation Commission	D. A. R. E.	Lindner Park Flower
<u>Assets</u>				
Cash	\$ 45,405	\$ 13,267	\$ 2,072	\$ 20,691
Investments				
Investment Interest Receivable				
Accounts Receivable				
Inventory				
Total Assets	\$ 45,405	\$ 13,267	\$ 2,072	\$ 20,691
 <u>Liabilities and Fund Equity</u>				
<u>Liabilities</u>				
Accounts Payable	\$ 358	\$ 668		
Accrued Wages and Benefits		5,309	\$ 2,451	
Bond Anticipation				
Estimated Liability for Compensated Absences				
Total Liabilities	358	5,977	2,451	
 <u>Fund Equity</u>				
<u>Fund Balances:</u>				
Reserved for				
Encumbrances		1,780		110
Unreserved	45,047	5,510	(379)	20,581
Total Fund Equity	45,047	7,290	(379)	20,691
Total Liabilities and Fund Equity	\$ 45,405	\$ 13,267	\$ 2,072	\$ 20,691

<u>Police and Fire Pension Repayment</u>	<u>Bureau of Crippled Children's Safety</u>	<u>Separation Pay</u>	<u>Robert S. McCullough Garden</u>	<u>Alcohol Education and Enforcement</u>	<u>Building Code Assessment</u>
	\$ 16,641	12,698	\$ 4,296	\$ 7,800	\$ 1,028
	<u>\$ 16,641</u>	<u>\$ 12,698</u>	<u>\$ 4,296</u>	<u>\$ 7,800</u>	<u>\$ 1,028</u>
				\$ 706	
		\$ 93,818			
		93,818		706	
	16,641	(81,120)	4,296	111 6,983	1,028
	16,641	(81,120)	4,296	7,094	1,028
	<u>\$ 16,641</u>	<u>\$ 12,698</u>	<u>\$ 4,296</u>	<u>\$ 7,800</u>	<u>\$ 1,028</u>

(Continued)

CITY OF NORWOOD, OHIO
Combining Balance Sheet
Special Revenue Funds
December 31, 2001

(Continued)

	Police Vehicle Replacement	Council on Aging	C.O.P.S. F.A.S.T. Grant	S.T.E.P. Grant	Recycle Ohio! Grant
<u>Assets</u>					
Cash	\$ 2,368	\$ 8,597		\$ 26,591	\$ 4,024
Investments					
Investment Interest Receivable					
Accounts Receivable					
Inventory					
Total Assets	\$ 2,368	\$ 8,597		\$ 26,591	\$ 4,024
 <u>Liabilities and Fund Equity</u>					
<u>Liabilities</u>					
Accounts Payable					
Accrued Wages and Benefits					
Bond Anticipation					
Estimated Liability for Compensated Absences					
Total Liabilities					
 <u>Fund Equity</u>					
Fund Balances:					
Reserved for Encumbrances					
Unreserved	2,368	8,597		26,591	4,024
Total Fund Equity (De	2,368	8,597		26,591	4,024
Total Liabilities and Fund Equity	\$ 2,368	\$ 8,597	\$	\$ 26,591	\$ 4,024

SRO	21st Century Grant	Emergency Medical Services	Tree Board	C-9	Total	
					2001	2000
	\$ 25,019	\$ 10,880	\$ 30	\$ 81,303	\$ 1,233,149	\$ 1,068,350
				102,879	102,879	344,955
				1,051	1,051	13,136
	28,434				358,527	100,045
					2,300	
	<u>\$ 53,453</u>	<u>\$ 10,880</u>	<u>\$ 30</u>	<u>\$ 185,233</u>	<u>\$ 1,697,906</u>	<u>\$ 1,526,486</u>
	\$ 1,044	\$ 249			\$ 28,381	\$ 322,149
	17,552				63,656	96,688
					242,850	
					93,818	
	18,596	249			428,705	418,837
	2,380	3,191			156,683	45,067
	<u>32,477</u>	<u>7,440</u>	<u>30</u>	<u>185,233</u>	<u>1,112,518</u>	<u>1,062,582</u>
	<u>34,857</u>	<u>10,631</u>	<u>30</u>	<u>185,233</u>	<u>1,269,201</u>	<u>1,107,649</u>
<u>\$</u>	<u>\$ 53,453</u>	<u>\$ 10,880</u>	<u>\$ 30</u>	<u>\$ 185,233</u>	<u>\$ 1,697,906</u>	<u>\$ 1,526,486</u>

CITY OF NORWOOD, OHIO

Combining Statement of Revenue, Expenditures and Changes in Fund Balance

Special Revenue Funds

For the Year Ended December 31, 2001

	Street Maintenance and Repair	Permissive Tax	Economic Development	State Highway Improvement
<u>Revenue</u>				
Taxes				
License Tax	\$ 163,924			\$ 13,290
Gasoline Tax	372,171			31,617
Total Taxes	<u>536,095</u>			<u>44,907</u>
Intergovernmental				
State Shared Taxes and Permits		\$ 184,527		
State Grants or Aid				
Federal Grants or Aid			\$ 350,000	
Total Intergovernmental:		<u>184,527</u>	<u>350,000</u>	
Charges for Services				
Fines, Licenses and Permits:	1,281			
Donations				
Miscellaneous	1,676		152,085	238
Total Revenue	<u>539,052</u>	<u>184,527</u>	<u>502,085</u>	<u>45,145</u>
<u>Expenditures</u>				
Current				
General Government				
Public Safety				
Community Environment				
Highways and Streets	530,041		525,972	17,174
Public Health				
Capital Outlay		3,502		
Debt Service:				
Principal Retirement				
Interest Expense				
Total Expenditures	<u>530,041</u>	<u>3,502</u>	<u>525,972</u>	<u>17,174</u>
Excess of Revenue Over				
(Under) Expenditures	<u>9,011</u>	<u>181,025</u>	<u>(23,887)</u>	<u>27,971</u>
Other Financing Sources (Uses)				
Operating Transfers In	61,300			
Operating Transfers (Out)				
Total Other Financing				
Sources (Uses)	<u>61,300</u>			
Excess of Revenue and Other Sources				
Over (Under) Expenditures				
and Other Uses	70,311	181,025	(23,887)	27,971
Fund Balances:				
January 1 (restated see not	<u>94,098</u>	<u>267,020</u>	<u>239,903</u>	<u>19,410</u>
December 31	<u>\$ 164,409</u>	<u>\$ 448,045</u>	<u>\$ 216,016</u>	<u>\$ 47,381</u>

Cypress Way Nature Preserve	Senior Dental	Drug Law Enforcement	Urban Development	PACE Telecommunications
	\$ 20,294			
	20,294			
		\$ 5,623		
\$ 11,250				\$ 62,044
11,250	20,294	5,623		62,044
		64,163		
12,736				77,594
	12,030			
12,736	12,030	64,163		77,594
(1,486)	8,264	(58,540)		(15,550)
(1,486)	8,264	(58,540)		(15,550)
2,972	21,369	64,808	1,000	77,594
\$ 1,486	\$ 29,633	\$ 6,268	\$ 1,000	\$ 62,044

(Continued)

CITY OF NORWOOD, OHIO
Combining Statement of Revenue, Expenditures and Changes in Fund Balance
Special Revenue Funds
For the Year Ended December 31, 2001

(Continued)

	BJA Crime Prevention	Recreation Commission	D. A. R. E.	Lindner Park Flower
<u>Revenue</u>				
Taxes				
License Tax				
Gasoline Tax				
Total Taxes				
Intergovernmental				
State Shared Taxes and Permits				
State Grants or Aid	48,871			
Federal Grants or Aid			\$ 13,536	
Total Intergovernmental	48,871		13,536	
Charges for Services		\$ 118,935		
Fines, Licenses and Permits				
Donations				\$ 30,000
Miscellaneous				
Total Revenue	48,871	118,935	13,536	30,000
<u>Expenditures</u>				
Current				
General Government				
Public Safety	21,088		61,100	
Community Environment		240,299		19,527
Highways and Streets				
Public Health				
Capital Outlay				
Debt Service:				
Principal Retirement				
Interest Expense				
Total Expenditures	21,088	240,299	61,100	19,527
Excess of Revenue Over				
(Under) Expenditures	27,783	(121,364)	(47,564)	10,473
Other Financing Sources (Uses)				
Operating Transfers In	2,837	125,308	50,000	
Operating Transfers (Out)				
Total Other Financing				
Sources (Uses)	2,837	125,308	50,000	
Excess of Revenue and Other Sources				
Over (Under) Expenditures				
and Other Uses	30,620	3,944	2,436	10,473
Fund Balances:				
January 1 (restated see note)	14,427	3,346	(2,815)	10,218
December 31	\$ 45,047	\$ 7,290	\$ (379)	\$ 20,691

Police and Fire Pension Repayment	Bureau of Crippled Children's Safety	Separation Pay	Robert S. McCullough Garden	Alcohol Education and Enforcement	Building Code Assessment
	\$ 22,368			\$ 1,563	
	22,368			1,563	
			\$ 586		\$ 3,426
	22,368		586	1,563	3,426
		\$ 195,731		706	4,490
	19,561				
\$ 208,756					
1,244					
210,000	19,561	195,731		706	4,490
(210,000)	2,807	(195,731)	586	857	(1,064)
210,000		153,574			
210,000		153,574			
	2,807	(42,157)	586	857	(1,064)
	13,834	(38,963)	3,710	6,237	2,092
\$	\$ 16,641	\$ (81,120)	\$ 4,296	\$ 7,094	\$ 1,028

(Continued)

CITY OF NORWOOD, OHIO

Combining Statement of Revenue, Expenditures and Changes in Fund Balance

Special Revenue Funds

For the Year Ended December 31, 2001

(Continued)

	Police Vehicle Replacement	Council on Aging	C.O.P.S. F.A.S.T. Grant	S.T.E.P. Grant	Recycle Ohio! Grant
Revenue					
Taxes					
License Tax					
Gasoline Tax					
Total Taxes					
Intergovernmental					
State Shared Taxes and Permits					
State Grants or Aid					\$ 4,117
Federal Grants or Aid				\$ 24,175	
Total Intergovernment				24,175	4,117
Charges for Services					
Fines, Licenses and Permits					
Donations					
Miscellaneous		\$ 29,421			
Total Revenue		29,421		24,175	4,117
Expenditures					
Current					
General Government					
Public Safety	\$ 21,244		\$ (4,869)	9,253	
Community Environment		43,168			1,043
Highways and Streets					
Public Health					
Capital Outlay					
Debt Service:					
Principal Retirement					
Interest Expense					
Total Expenditures	21,244	43,168	(4,869)	9,253	1,043
Excess of Revenue Over					
(Under) Expenditures	(21,244)	(13,747)	4,869	14,922	3,074
Other Financing Sources (Uses)					
Operating Transfers In	5,000				780
Operating Transfers (Out)					
Total Other Financing					
Sources (Uses)	5,000				780
Excess of Revenue and Other Sources					
Over (Under) Expenditures					
and Other Uses	(16,244)	(13,747)	4,869	14,922	3,854
Fund Balances:					
January 1 (restated see no	18,612	22,344	(4,869)	11,669	170
December 31	\$ 2,368	\$ 8,597	\$	\$ 26,591	\$ 4,024

SRO	21st Century Grant	Emergency Medical Services	Tree Board	C-9	Total	
					2001	2000
					\$ 177,214	\$ 167,076
					403,788	356,132
					581,002	523,208
					184,527	132,694
					97,213	64,462
					387,711	49,257
					669,451	246,413
	\$ 281,223	\$ 2,917		\$ 60,000	463,075	540,106
			\$ 480	7,174	10,330	114,806
					37,654	104,150
					257,300	284,548
	281,223	2,917	480	67,174	2,018,812	1,813,231
	264,787				460,518	425,768
\$ (2,407)		104,245			274,523	557,107
			450	123,431	1,048,710	807,728
					547,215	599,530
					31,591	29,891
					3,502	45,380
					208,756	262,274
					1,244	7,726
(2,407)	264,787	104,245	450	123,431	2,576,059	2,735,404
2,407	16,436	(101,328)	30	(56,257)	(557,247)	(922,173)
		110,000			718,799	1,198,569
						(269,595)
		110,000			718,799	928,974
2,407	16,436	8,672	30	(56,257)	161,552	6,801
(2,407)	18,421	1,959		241,490	1,107,649	759,313
\$	\$ 34,857	\$ 10,631	\$ 30	\$ 185,233	\$ 1,269,201	\$ 766,114

CITY OF NORWOOD, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2001

	Budget 2001	Actual 2001	Variance Favorable (Unfavorable)
STREET MAINTENANCE AND REPAIR			
Revenue			
Taxes			
License Tax	\$ 142,550	\$ 144,007	\$ 1,457
Gasoline Tax	327,500	335,166	7,666
Total Taxes	<u>470,050</u>	<u>479,173</u>	<u>9,123</u>
Licenses and Permits	1,281	1,281	
Miscellaneous	<u>330</u>	<u>1,676</u>	<u>1,346</u>
Total Revenue	471,661	482,130	10,469
Expenditures			
Highways and Streets			
Personal Services	349,047	346,985	2,062
Contractual Services	27,567	24,790	2,777
Materials and Supplies	79,257	68,409	10,848
Other	<u>115,779</u>	<u>114,779</u>	<u>1,000</u>
Total Expenditures	571,650	554,963	16,687
Other Financing Sources			
Operating Transfers In	<u>61,300</u>	<u>61,300</u>	
Total Other Financing Sources	61,300	61,300	
Excess of Revenue and Other Financing Sources (under) Expenditures and Other Uses	(38,689)	(11,533)	27,156
Cancellation of Prior Years Encumbrances	15,111	15,111	
Fund Balance, January 1	<u>23,578</u>	<u>23,578</u>	
Fund Balance, December 31	<u>\$</u>	<u>\$ 27,156</u>	<u>\$ 27,156</u>

(Continued)

CITY OF NORWOOD, OHIO
 Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended December 31, 2001

	Budget 2001	Actual 2001	Variance Favorable (Unfavorable)
PERMISSIVE TAX			
Revenue:			
Permissive Tax	\$ 160,261	\$ 160,261	\$
Total Revenue	160,261	160,261	
Expenditures			
Capital Outlay	406,642	138,307	268,335
Total Expenditures	406,642	138,307	268,335
Excess of Revenue and Other Financing Sources (under) Expenditures and Other Uses	(246,381)	21,954	268,335
Fund Balance, January 1	246,381	246,381	
Fund Balance, December 31	\$	\$ 268,335	\$ 268,335

(Continued)

CITY OF NORWOOD, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2001

	Budget 2001	Actual 2001	Variance Favorable (Unfavorable)
ECONOMIC DEVELOPMENT			
Revenue			
Intergovernmental Revenue	350,000	350,000	
Miscellaneous	\$ 164,000	\$ 163,953	\$ (47)
Total Revenue	514,000	513,953	(47)
Expenditures			
Community Environment			
Personal Services	121,212	120,632	580
Contractual Services	878,284	662,142	216,142
Materials and Supplies	1,152	1,152	
Total Expenditures	1,000,648	783,926	216,722
Excess of Revenue and Other Financing Sources (under) Expenditures and Other Uses	(486,648)	(269,973)	216,675
Cancellation of Prior Year Encumbrance	22,085	22,085	
Fund Balance, January 1	464,563	464,563	
Fund Balance, December 31	\$	\$ 216,675	\$ 216,675

(Continued)

CITY OF NORWOOD, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2001

	Budget 2001	Actual 2001	Variance Favorable (Unfavorable)
	<u> </u>	<u> </u>	<u> </u>
STATE HIGHWAY IMPROVEMENT			
Revenue			
Taxes			
License Tax	\$ 11,500	\$ 11,676	\$ 176
Gasoline Tax	25,775	27,176	1,401
Total Taxes	<u>37,275</u>	<u>38,852</u>	<u>1,577</u>
Miscellaneous	235	238	3
Total Revenue	37,510	39,090	1,580
Expenditures			
Highways and Streets	<u>50,965</u>	<u>19,455</u>	<u>31,510</u>
Total Expenditures	50,965	19,455	31,510
Excess of Revenue and Other Financing Sources (under) Expenditures and Other Uses	(13,455)	19,635	33,090
Cancellation of Prior Years Encumbrances	875	875	
Fund Balance, January 1	<u>12,580</u>	<u>12,580</u>	
Fund Balance, December 31	<u><u>\$ 33,090</u></u>	<u><u>\$ 33,090</u></u>	<u><u>\$ 33,090</u></u>

(Continued)

CITY OF NORWOOD, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2001

	Budget 2001	Actual 2001	Variance Favorable (Unfavorable)
CYPRESS WAY NATURE PRESERVE			
Revenue			
Donations	\$ 11,250	\$ 11,250	\$
Total Revenue	11,250	11,250	
Expenditures			
Community Environment	14,222	13,768	454
Total Expenditures	14,222	13,768	454
Excess of Revenue and Other Financing Sources (under) Expenditures and Other Uses	(2,972)	(2,518)	454
Cancellation of Prior Years Encumbrances	219	219	
Fund Balance, January 1	2,753	2,753	
Fund Balance, December 31	\$	\$ 454	\$ 454

(Continued)

CITY OF NORWOOD, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2001

	Budget 2001	Actual 2001	Variance Favorable (Unfavorable)
SENIOR DENTAL			
Revenue			
State Grants or Aid	\$ 19,613	\$ 20,294	\$ 681
Total Revenue	19,613	20,294	681
Expenditures			
Public Health	40,982	14,796	26,186
Total Expenditures	40,982	14,796	26,186
Excess of Revenue and Other Financing Sources (under) Expenditures and Other Uses	(21,369)	5,498	26,867
Cancellation of Prior Years Encumbrances	1,500	1,500	
Fund Balance, January 1	19,869	19,869	
Fund Balance, December 31	\$	\$ 26,867	\$ 26,867

(Continued)

CITY OF NORWOOD, OHIO
 Schedule of Revenue, Expenditures and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended December 31, 2001

	Budget 2001	Actual 2001	Variance Favorable (Unfavorable)
DRUG LAW ENFORCEMENT			
Revenue			
Fines	\$ 3,450	\$ 5,623	\$ 2,173
Total Revenue	3,450	5,623	2,173
Expenditures			
Public Safety	68,257	65,239	3,018
Total Expenditures	68,257	65,239	3,018
Excess of Revenue and Other Financing Sources (under) Expenditures and Other Uses	(64,807)	(59,616)	5,191
Fund Balance, January 1	64,807	64,807	
Fund Balance, December 31	<u>\$</u>	<u>\$ 5,191</u>	<u>\$ 5,191</u>

(Continued)

CITY OF NORWOOD, OHIO
 Schedule of Revenue, Expenditures and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended December 31, 2001

	Budget 2001	Actual 2001	Variance Favorable (Unfavorable)
URBAN DEVELOPMENT			
Expenditures			
General Government	\$ 1,000	\$	\$ 1,000
Total Expenditures	1,000		1,000
Excess of Revenue and Other Financing Sources (under) Expenditures and Other Uses	(1,000)		1,000
Fund Balance, January 1	1,000	1,000	
Fund Balance, December 31	<u>\$</u>	<u>\$ 1,000</u>	<u>\$ 1,000</u>

(Continued)

CITY OF NORWOOD, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2001

	Budget 2001	Actual 2001	Variance Favorable (Unfavorable)
PACE TELECOMMUNICATIONS			
Revenue			
Miscellaneous	\$ 62,044	\$ 62,044	\$
Total Revenue	62,044	62,044	
Expenditures			
General Government	139,638	77,594	\$ 62,044
Total Expenditures	139,638	77,594	62,044
Excess of Revenue and Other Financing Sources over (under) Expenditures and Other Uses	(77,594)	(15,550)	62,044
Fund Balance, January 1	77,594	77,594	
Fund Balance, December 31	\$	\$ 62,044	\$ 62,044

(Continued)

CITY OF NORWOOD, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2001

	Budget 2001	Actual 2001	Variance Favorable (Unfavorable)
BJA CRIME PREVENTION			
Revenue			
State Grants or Aid	\$ 25,535	\$ 48,871	\$ 23,336
Total Revenue	25,535	48,871	23,336
Expenditures			
Public Safety	42,799	21,088	21,711
Total Expenditures	42,799	21,088	21,711
Other Financing Sources			
Operating Transfers In	2,837	2,837	
Total Other Financing Sources	2,837	2,837	
Excess of Revenue and Other Financing Sources over Expenditures and Other Uses	(14,427)	30,620	45,047
Cancellation of Prior Years Encumbrances			
Fund Balance, January 1	14,427	14,427	
Fund Balance, December 31	\$	\$ 45,047	\$ 45,047

(Continued)

CITY OF NORWOOD, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2001

	Budget 2001	Actual 2001	Variance Favorable (Unfavorable)
RECREATION COMMISSION FUND			
Revenue			
Charges for Services	\$ 116,900	\$ 118,935	\$ 2,035
Total Revenue	116,900	118,935	2,035
Expenditures			
Community Environment	249,642	243,709	5,933
Total Expenditures	249,642	243,709	5,933
Other Financing Sources			
Operating Transfers In	125,308	125,308	
Total Other Financing Sources	125,308	125,308	
Excess of Revenue and Other Financing Sources over Expenditures and Other Uses	(7,434)	534	7,968
Cancellation of Prior Year Encumbrances	2,636	2,636	
Fund Balance, January 1	4,798	4,798	
Fund Balance, December 31	<u>\$</u>	<u>\$ 7,968</u>	<u>\$ 7,968</u>

(Continued)

CITY OF NORWOOD, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2001

	Budget 2001	Actual 2001	Variance Favorable (Unfavorable)
DRUG ABUSE RESISTANCE EDUCATION			
Revenue			
Federal Grants or Aid	\$ 13,536	\$ 13,536	\$
Total Revenue	13,536	13,536	
Expenditures			
Public Safety	63,536	61,464	2,072
Total Expenditures	63,536	61,464	2,072
Other Financing Sources			
Operating Transfers In	50,000	50,000	
Total Other Financing Sources	50,000	50,000	
Excess of Revenue and Other Financing Sources over Expenditures and Other Uses		2,072	2,072
Fund Balance, January 1			
Fund Balance, December 31	\$	\$ 2,072	\$ 2,072

(Continued)

CITY OF NORWOOD, OHIO
 Schedule of Revenue, Expenditures and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended December 31, 2001

	Budget 2001	Actual 2001	Variance Favorable (Unfavorable)
LINDNER PARK FLOWER FUND			
Revenue			
Donations	\$ 30,000	\$ 30,000	\$
Total Revenue	30,000	30,000	
Expenditures			
Community Environment	40,218	20,137	20,081
Total Expenditures	40,218	20,137	20,081
Excess of Revenue and Other Financing Sources over Expenditures and Other Uses	(10,218)	9,863	20,081
Fund Balance, January 1	10,218	10,218	
Fund Balance, December 31	\$	\$ 20,081	\$ 20,081

(Continued)

CITY OF NORWOOD, OHIO
 Schedule of Revenue, Expenditures and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended December 31, 2001

	Budget 2001	Actual 2001	Variance Favorable (Unfavorable)
POLICE AND FIRE PENSION REPAYMENT			
Expenditures			
Debt Service			
Principal Retirement	\$ 210,000	\$ 210,000	\$
Total Expenditures	210,000	210,000	
Other Financing Sources			
Operating Transfers In	210,000	210,000	
Total Other Financing Sources	210,000	210,000	
Excess of Revenue and Other Financing Sources over Expenditures and Other Uses			
Fund Balance, January 1			
Fund Balance, December 31	\$	\$	\$

(Continued)

CITY OF NORWOOD, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2001

	Budget 2001	Actual 2001	Variance Favorable (Unfavorable)
BUREAU OF CRIPPLED CHILDRENS' SAFETY			
Revenue			
State Grants or Aid	\$ 22,278	\$ 22,368	\$ 90
Total Revenue	22,278	22,368	90
Expenditures			
Public Health	36,112	19,561	16,551
Total Expenditures	36,112	19,561	16,551
Excess of Revenue and Other Financing Sources over (under) Expenditures and Other Uses	(13,834)	2,807	16,641
Cancellation of Prior Years Encumbrances	6	6	
Fund Balance, January 1	13,828	13,828	
Fund Balance, December 31	\$	\$ 16,641	\$ 16,641

(Continued)

CITY OF NORWOOD, OHIO
 Schedule of Revenue, Expenditures and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended December 31, 2001

	Budget 2001	Actual 2001	Variance Favorable (Unfavorable)
SEPARATION PAY			
Expenditures			
General Government	\$ 153,574	\$ 140,876	\$ 12,698
Total Expenditures	153,574	140,876	12,698
Other Financing Sources			
Operating Transfers In	153,574	153,574	
Total Other Financing Sources	153,574	153,574	
Excess of Revenue and Other Financing Sources (under) Expenditures and Other Uses		12,698	12,698
Fund Balance, January 1			
Fund Balance, December 31	\$	\$ 12,698	\$ 12,698

(Continued)

CITY OF NORWOOD, OHIO
 Schedule of Revenue, Expenditures and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended December 31, 2001

	Budget 2001	Actual 2001	Variance Favorable (Unfavorable)
ROBERT S. MCCULLOUGH GARDEN			
Revenue			
Miscellaneous	\$ 586	\$ 586	\$
Total Revenue	586	586	
Expenditures			
Community Environment	4,296		4,296
Total Expenditures	4,296		4,296
Excess of Revenue and Other Financing Sources over (under) Expenditures and Other Uses	(3,710)	586	4,296
Fund Balance, January 1	3,710	3,710	
Fund Balance, December 31	\$	\$ 4,296	\$ 4,296

(Continued)

CITY OF NORWOOD, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2001

	<u>Budget 2001</u>	<u>Actual 2001</u>	<u>Variance Favorable (Unfavorable)</u>
ALCOHOL EDUCATION AND ENFORCEMENT			
Revenue			
State Grants or Aid	\$ 1,500	\$ 1,563	\$ 63
Total Revenue	1,500	1,563	63
Expenditures			
Public Safety	7,737	706	7,031
Total Expenditures	7,737	706	7,031
Excess of Revenue and Other Financing Sources over (under) Expenditures and Other Uses	(6,237)	857	7,094
Fund Balance, January 1	6,237	6,237	
Fund Balance, December 31	<u>\$</u>	<u>\$ 7,094</u>	<u>\$ 7,094</u>

(Continued)

CITY OF NORWOOD, OHIO
 Schedule of Revenue, Expenditures and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended December 31, 2001

	Budget 2001	Actual 2001	Variance Favorable (Unfavorable)
BUILDING CODE ASSESSMENT			
Revenue			
Licenses and Permits	\$ 3,375	\$ 3,426	\$ 51
Total Revenue	3,375	3,426	51
Expenditures			
Community Environment	5,467	4,490	977
Total Expenditures	5,467	4,490	977
Excess of Revenue and Other Financing Sources (under) Expenditures and Other Uses	(2,092)	(1,064)	1,028
Cancellation of Prior Years Encumbrances			
Fund Balance, January 1	2,092	2,092	
Fund Balance, December 31	<u>\$</u>	<u>\$</u> 1,028	<u>\$</u> 1,028

(Continued)

CITY OF NORWOOD, OHIO
 Schedule of Revenue, Expenditures and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended December 31, 2001

	Budget 2001	Actual 2001	Variance Favorable (Unfavorable)
POLICE VEHICLE REPLACEMENT			
Expenditures			
Public Safety	\$ 23,612	\$ 21,244	\$ 2,368
Total Expenditures	23,612	21,244	2,368
Other Financing Sources			
Operating Transfers In	5,000	5,000	
Total Other Financing Sources	5,000	5,000	
Excess of Revenue and Other Financing Sources over (under) Expenditures and Other Uses	(18,612)	(16,244)	2,368
Fund Balance, January 1	18,612	18,612	
Fund Balance, December 31	<u>\$</u>	<u>\$ 2,368</u>	<u>\$ 2,368</u>

(Continued)

CITY OF NORWOOD, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2001

	Budget 2001	Actual 2001	Variance Favorable (Unfavorable)
COUNCIL ON AGING			
Revenue			
Intergovernmental Revenue	\$ 29,000	\$ 29,421	\$ 421
Total Revenue	29,000	29,421	421
Expenditures			
Community Environment	51,344	43,168	8,176
Total Expenditures	51,344	43,168	8,176
Excess of Revenue and Other Financing Sources over (under) Expenditures and Other Uses	(22,344)	(13,747)	8,597
Fund Balance, January 1	22,344	22,344	
Fund Balance, December 31	\$	\$ 8,597	\$ 8,597

(Continued)

CITY OF NORWOOD, OHIO
 Schedule of Revenue, Expenditures and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended December 31, 2001

	Budget 2001	Actual 2001	Variance Favorable (Unfavorable)
C.O.P.S. F.A.S.T. GRANT			
Revenue			
Federal Grants or Aid	\$ _____	\$ _____	\$ _____
Total Revenue			
Expenditures			
Public Safety	\$ 148	\$ 148	\$ _____
Total Expenditures	148	148	
Excess of Revenue and Other Financing Sources over (under) Expenditures and Other Uses	(148)	(148)	
Fund Balance, January 1	_____ 148	_____ 148	_____
Fund Balance, December 31	\$ _____	\$ _____	\$ _____

(Continued)

CITY OF NORWOOD, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2001

	Budget 2001	Actual 2001	Variance Favorable (Unfavorable)
STEP GRANT			
Revenue			
Federal Grants or Aid	\$ 18,269	\$ 24,175	\$ 5,906
Total Revenue	18,269	24,175	5,906
Expenditures			
Public Safety	29,938	9,253	20,685
Total Expenditures	29,938	9,253	20,685
Excess of Revenue and Other Financing Sources over (under) Expenditures and Other Uses	(11,669)	14,922	26,591
Fund Balance, January 1	11,669	11,669	
Fund Balance, December 31	\$	\$ 26,591	\$ 26,591

(Continued)

CITY OF NORWOOD, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2001

	Budget 2001	Actual 2001	Variance Favorable (Unfavorable)
RECYCLE OHIO! GRANT			
Revenue			
State Grants or Aid	\$ 4,117	\$ 4,117	\$
Total Revenue	4,117	4,117	
Expenditures			
Community Environment	5,067	1,043	4,024
Total Expenditures	5,067	1,043	4,024
Other Financing Sources			
Operating Transfers In	780	780	
Total Other Financing Sources	780	780	
Excess of Revenue and Other Financing Sources over (under) Expenditures and Other Uses	(170)	3,854	4,024
Fund Balance, January 1	170	170	
Fund Balance, December 31	<u>\$</u>	<u>\$ 4,024</u>	<u>\$ 4,024</u>

(Continued)

CITY OF NORWOOD, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2001

	Budget 2001	Actual 2001	Variance Favorable (Unfavorable)
21ST CENTURY			
Revenue			
Charges for Services	\$ 247,504	\$ 252,789	\$ 5,285
Total Revenue	247,504	252,789	5,285
Expenditures			
General Government	269,979	261,787	8,192
Total Expenditures	269,979	261,787	8,192
Excess of Revenue and Other Financing Sources over (under) Expenditures and Other Uses	(22,475)	(8,998)	13,477
Cancellation of Prior Years Encumbrances	578	578	
Fund Balance, January 1	21,897	21,897	
Fund Balance, December 31	\$	\$ 13,477	\$ 13,477

(Continued)

CITY OF NORWOOD, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2001

	Budget 2001	Actual 2001	Variance Favorable (Unfavorable)
EMERGENCY MEDICAL SERVICES			
Revenue			
State Grants or Aid	\$ 2,917	\$ 2,917	
Total Revenue	2,917	2,917	
Expenditures			
Public Safety	\$ 114,919	\$ 107,480	\$ 7,439
Total Expenditures	114,919	107,480	7,439
Other Financing Sources			
Operating Transfers In	110,000	110,000	
Total Other Financing Sources	110,000	110,000	
Excess of Revenue and Other Financing Sources over (under) Expenditures and Other Uses	(2,002)	5,437	7,439
Cancellation of Prior Years Encumbrances	442	442	
Fund Balance, January 1	1,560	1,560	
Fund Balance, December 31	\$	\$ 7,439	\$ 7,439

(Continued)

CITY OF NORWOOD, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2001

	Budget 2001	Actual 2001	Variance Favorable (Unfavorable)
TREE BOARD			
Revenue			
Donations	\$ 500	\$ 480	\$ (20)
Total Revenue	500	480	(20)
Expenditures			
Community Environment	500	450	50
Total Expenditures	500	450	50
Excess of Revenue and Other Financing Sources over (under) Expenditures and Other Uses	0	30	30
Cancellation of Prior Years Encumbrances	0	0	0
Fund Balance, January 1	0	0	0
Fund Balance, December 31	<u>\$ 0</u>	<u>\$ 30</u>	<u>\$ 30</u>

(Continued)

CITY OF NORWOOD, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2001

	<u>Budget 2001</u>	<u>Actual 2001</u>	<u>Variance Favorable (Unfavorable)</u>
C-9			
Revenue			
Charges for Services	\$ 60,000	\$ 60,000	
Miscellaneous		6,123	\$ 6,123
Total Revenue	60,000	66,123	6,123
Expenditures			
Community Environment			
Employee Benefits		123,431	(123,431)
Total Expenditures		123,431	(123,431)
Excess of Revenue and Other Financing Sources (under) Expenditures and Other Uses	60,000	(57,308)	(117,308)
Fund Balance, January 1		240,222	240,222
Fund Balance, December 31	<u>\$ 60,000</u>	<u>\$ 182,914</u>	<u>\$ 122,914</u>

(Continued)

CITY OF NORWOOD, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2001

	Budget 2001	Actual 2001	Variance Favorable (Unfavorable)
TOTAL SPECIAL REVENUE FUNDS			
Revenue			
Taxes			
License Tax	\$ 154,050	\$ 155,683	\$ 1,633
Gasoline Tax	353,275	362,342	9,067
Total Taxes	<u>507,325</u>	<u>518,025</u>	10,700
Intergovernmental Revenue			
State Shared Taxes and Permits	160,261	160,261	
State Grants or Aid	425,960	450,130	24,170
Federal Grants or Aid	31,805	37,711	5,906
Other	29,000	29,421	421
Total Intergovernmental Revenue	<u>647,026</u>	<u>677,523</u>	30,497
Charges for Services	424,404	431,724	7,320
Fines, Licenses and Permits	8,106	10,330	2,224
Donations	41,750	41,730	(20)
Miscellaneous	<u>227,195</u>	<u>234,620</u>	7,425
Total Revenue	1,855,806	1,913,952	58,146
Expenditures			
Current			
General Government	564,191	480,257	83,934
Public Safety	350,946	286,622	64,324
Community Environment	1,371,404	1,234,122	137,282
Highways and Streets	622,615	574,418	48,197
Public Health	77,094	34,357	42,737
Capital Outlay	406,642	138,307	268,335
Debt Service Principal Retirement	<u>210,000</u>	<u>210,000</u>	
Total Expenditures	3,602,892	2,958,083	644,809
Other Financing Sources			
Operating Transfers In	<u>718,799</u>	<u>718,799</u>	
Total Other Financing Sources	718,799	718,799	
Excess of Revenue and Other Financing Sources Over (Under) Expenditures and Other Uses	(1,028,287)	(325,332)	702,955
Cancellation of Prior Year Encumbrances	43,452	43,452	
Fund Balance, January 1	<u>1,285,057</u>	<u>1,285,057</u>	
Fund Balance, December 31	<u>\$ 300,222</u>	<u>\$ 1,003,177</u>	<u>\$ 702,955</u>

CAPITAL PROJECT FUNDS FINANCIAL STATEMENTS

Capital Project Funds are established to account for revenues and expenditures related to the acquisition or construction of capital facilities which are not financed by proprietary funds. Capital facilities are defined as major and permanent in nature.

General Improvement Bond Fund - To account for bond proceeds and the expenditures for the purpose of acquiring and improving municipal buildings and property in the City of Norwood.

Parks & Recreation Improvement Fund - improvements to City parks and recreational facilities.

Street Repair & Improvement Fund - To account for revenues and expenditures designated for repairs and capital improvements to City streets.

Lindner Park Improvement Fund
improvements to Lindner Park and to account for expenditures.

Fixed Assets Fund - To account for the revenue and expenditures related to the acquisition of fixed assets.

Capital Improvement Fund - To account for revenue and expenditures for capital projects that have not been assigned a specific fund name.

CITY OF NORWOOD
Combining Balance Sheet
Capital Project Funds
December 31, 2001

	<u>General Improvement Bond</u>	<u>Parks and Recreation Improvement</u>	<u>Street Repair and Improvement</u>
<u>Assets</u>			
Cash	\$ 210,539	\$ 10,055	\$ 220,878
Investments			
Interest Receivable			
Total Assets	<u>\$ 210,539</u>	<u>10,055</u>	<u>220,878</u>
<u>Liabilities and Fund Equity</u>			
<u>Liabilities</u>			
Accounts Payable	<u>4,177</u>		<u>100,091</u>
Total Liabilities	\$ 4,177		100,091
<u>Fund Equity</u>			
Fund Balances:			
Reserved for Encumbrances	71,006		33,680
Reserved for Capital Project	<u>135,356</u>	<u>10,055</u>	<u>87,107</u>
Total Fund Equity	<u>206,362</u>	<u>10,055</u>	<u>120,787</u>
Total Liabilities and F	<u>\$ 210,539</u>	<u>\$ 10,055</u>	<u>\$ 220,878</u>

Lindner Park Improvement	Fixed Assets	Capital Improvements	Total	
			2001	2000
	\$ 28,968	\$ 400	\$ 470,840	\$ 1,896,072
				305,000
				8,388
	<u>28,968</u>	<u>400</u>	<u>470,840</u>	<u>2,209,460</u>
	1,264		105,532	135,280
	1,264		105,532	135,280
	12,500		117,186	501,702
	15,204	400	248,122	1,572,478
	<u>27,704</u>	<u>400</u>	<u>365,308</u>	<u>2,074,180</u>
	<u>\$ 28,968</u>	<u>\$ 400</u>	<u>\$ 470,840</u>	<u>\$ 2,209,460</u>

CITY OF NORWOOD

Combining Statement of Revenue, Expenditures and Changes in Fund Balances
Capital Project Funds
 For the Year Ended December 31, 2001

	General Improvement Bond	Parks and Recreation Improvement	Street Repair and Improvement
	<u> </u>	<u> </u>	<u> </u>
<u>Revenue</u>			
Miscellaneous	\$ (8,318)		\$ 10,990
Total Revenue	(8,318)		10,990
<u>Expenditures</u>			
Capital Outlay	677,108		482,466
Debt Service			
Principal Retirement			
Interest			
Total Expenditures	677,108		482,466
Excess of Revenues Over (Under) Expenditures	(685,426)		(471,476)
<u>Other Financing Sources</u>			
Capital Leases			
Operating Transfers In			
Operating Transfers (Out)	(208,340)		(260,474)
Total Other Financing Sources	(208,340)		(260,474)
Excess of Revenue and Other Financing Sources Over (Under) Expenditures and Other Uses	(893,766)		(731,950)
Fund Balances, January 1	<u>1,100,128</u>	\$ <u>10,055</u>	<u>852,737</u>
Fund Balances, December 31	<u>\$ 206,362</u>	\$ <u>10,055</u>	\$ <u>120,787</u>

Lindner Park Improvement	Fixed Assets	Capital Improvements	Total	
			2001	2000
	\$ 18,480		\$ 21,152	\$ 30,810
	18,480		21,152	30,810
\$ 6,416	243,644		1,409,634	290,251
	449,544		449,544	489,758
	49,119		49,119	63,372
6,416	742,307		1,908,297	843,381
(6,416)	(723,827)		(1,887,145)	(812,571)
	217,671		217,671	
6,416	423,000		429,416	552,586
			(468,814)	
6,416	640,671		178,273	552,586
	(83,156)		(1,708,872)	(259,985)
	110,860	400	2,074,180	2,334,165
\$	\$ 27,704	\$ 400	\$ 365,308	\$ 2,074,180

CITY OF NORWOOD, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balances
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended December 31, 2001

	<u>Budget 2001</u>	<u>Actual 2001</u>	<u>Variance Favorable (Unfavorable)</u>
GENERAL IMPROVEMENT BOND			
Revenue			
Miscellaneous	\$ 70	\$ 70	\$
Total Revenue	70	70	
Expenditures			
Capital Outlay	<u>392,197</u>	<u>267,659</u>	<u>124,538</u>
Total Expenditures	392,197	267,659	124,538
Other Financing Uses			
Bond Proceeds			
Operating Transfers Out	<u>(208,340)</u>	<u>(208,340)</u>	<u></u>
Total Other Financing Uses	(208,340)	(208,340)	
Excess of Revenue and Other Financing Sources (under) Expenditures and Other Uses	(600,467)	(475,929)	124,538
Cancellation of Prior Years Encumbrances	10,952	10,952	
Fund Balance, January 1	<u>599,991</u>	<u>599,991</u>	<u></u>
Fund Balance, December 31	<u>\$ 10,476</u>	<u>\$ 135,014</u>	<u>\$ 124,538</u>

(Continued)

CITY OF NORWOOD, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balances
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended December 31, 2001

	<u>Budget 2001</u>	<u>Actual 2001</u>	<u>Variance Favorable (Unfavorable)</u>
PARKS AND RECREATION IMPROVEMENT			
Revenue			
Miscellaneous	\$ _____	\$ _____	\$ _____
Total Revenue			
Expenditures			
Capital Outlay	\$ 10,055	\$ _____	10,055
Total Expenditures	10,055		10,055
Other Financing Sources			
Bond Proceeds	_____	_____	_____
Total Other Financing Sources			
Excess of Revenue and Other Financing Sources (under) Expenditures and Other Uses	(10,055)		10,055
Cancellation of Prior Years Encumbrances			
Fund Balance, January 1	10,055	10,055	_____
Fund Balance, December 31	<u>\$ _____</u>	<u>\$ 10,055</u>	<u>\$ 10,055</u>

(Continued)

CITY OF NORWOOD, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balances
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended December 31, 2001

	Budget 2001	Actual 2001	Variance Favorable (Unfavorable)
STREET REPAIR AND IMPROVEMENT			
Revenue			
Miscellaneous	\$ 10,991	\$ 10,991	\$
Total Revenue	10,991	10,991	
Expenditures			
Capital Outlay	\$ 603,176	\$ 516,069	\$ 87,107
Total Expenditures	603,176	516,069	87,107
Other Financing Sources			
Operating Transfers (Out)	(260,474)	(260,474)	
Total Other Financing Sources	(260,474)	(260,474)	
Excess of Revenue and Other Financing Sources over (under) Expenditures and Other Uses	(852,659)	(765,552)	87,107
Cancellation of Prior Years Encumbrances	318	318	
Fund Balance, January 1	852,341	852,341	
Fund Balance, December 31	\$	\$ 87,107	\$ 87,107

(Continued)

CITY OF NORWOOD, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balances
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended December 31, 2001

	<u>Budget 2001</u>	<u>Actual 2001</u>	<u>Variance Favorable (Unfavorable)</u>
LINDNER PARK IMPROVEMENT			
Expenditures			
Capital Outlay	\$ 6,416	\$ 6,416	\$
Total Expenditures	6,416	6,416	
Other Financing Sources			
Operating Transfers In	\$ 6,416	\$ 6,416	\$
Total Other Financing Sources	6,416	6,416	
Excess of Revenue and Other Financing Sources (under) Expenditures and Other Uses			
Cancellation of Prior Years Encumbrances			
Fund Balance, January 1	<u> </u>	<u> </u>	<u> </u>
Fund Balance, December 31	<u>\$</u>	<u>\$</u>	<u>\$</u>

(Continued)

CITY OF NORWOOD, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balances
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended December 31, 2001

	<u>Budget 2001</u>	<u>Actual 2001</u>	<u>Variance Favorable (Unfavorable)</u>
FIXED ASSETS			
Revenue			
Miscellaneous	\$ 18,500	\$ 18,480	\$ (20)
Total Revenue	18,500	18,480	(20)
Expenditures			
Capital Outlay	544,210	528,961	15,249
Total Expenditures	544,210	528,961	15,249
Other Financing Sources			
Operating Transfers In	423,000	423,000	
Total Other Financing Sources	423,000	423,000	
Excess of Revenue and Other Financing Sources over (under) Expenditures and Other Uses	(102,710)	(87,481)	15,229
Cancellation of Prior Years Encumbrances	1,406	1,406	
Fund Balance, January 1	101,304	101,304	
Fund Balance, December 31	<u>\$</u>	<u>\$ 15,229</u>	<u>\$ 15,229</u>

(Continued)

CITY OF NORWOOD, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balances
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended December 31, 2001

	Budget 2001	Actual 2001	Variance Favorable (Unfavorable)
CAPITAL IMPROVEMENTS			
Expenditures			
Capital Outlay	\$ 400	\$	\$ 400
Total Expenditures	400		400
Other Financing Sources			
Operating Transfers (Out)	_____	_____	_____
Total Other Financing Sources			
Excess of Revenue and Other Financing Sources (under) Expenditures and Other Uses	(400)		400
Cancellation of Prior Years Encumbrances			
Fund Balance, January 1	400	400	_____
Fund Balance, December 31	\$	\$ 400	\$ 400

(Continued)

CITY OF NORWOOD, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balances
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended December 31, 2001

	Budget 2001	Actual 2001	Variance Favorable (Unfavorable)
TOTAL CAPITAL PROJECT FUNDS			
Revenue			
Miscellaneous	\$ 29,561	\$ 29,541	\$ (20)
Total Revenue	29,561	29,541	(20)
Expenditures			
Capital Outlay	1,556,454	1,319,105	237,349
Total Expenditures	1,556,454	1,319,105	237,349
Other Financing Sources (Uses)			
Bond Proceeds			
Operating Transfers In	429,416	429,416	
Operating Transfers (Out)	(468,814)	(468,814)	
Total Other Financing Sources (Uses)	(39,398)	(39,398)	
Excess of Revenue and Other Financing Sources (under) Expenditures and Other Uses	(1,566,291)	(1,328,962)	237,329
Cancellation of Prior Years Encumbrances	12,676	12,676	
Fund Balance, January 1	1,564,091	1,564,091	
Fund Balance, December 31	<u>\$ 10,476</u>	<u>\$ 247,805</u>	<u>\$ 237,329</u>

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FIDUCIARY FUNDS

FINANCIAL STATEMENTS

The Fiduciary Funds are established to account for funds held by the City as trustee or agent for individuals,

Expendable Trust Funds:

Community Center Trust Fund -

Community Center activities; and to account for expenditure of these funds for the Community Center.

Agency Funds:

Sewage Fund - To account for moneys collected from Norwood citizens, businesses and industries for sewer service; and to account for the payment of sewer bills.

Mayor's Court Fund - To account for moneys collected and dispersed through the operations of the City's Mayor's Court.

Mayor's Court Computerization Fund - To account for moneys collected and dispersed for the computerization of Mayor's Court operation.

THE CITY OF NORWOOD, OHIO
 Fiduciary Funds - Trust and Agency
Combining Balance Sheet
 December 31, 2001

	Expendable Trust	Agency	Total 2001	Total 2000
<u>Assets</u>				
Cash	\$ 2,584	\$ 347,304	\$ 349,888	\$ 354,559
Accounts Receivable		429,942	429,942	413,079
	<u>\$ 2,584</u>	<u>\$ 777,246</u>	<u>\$ 779,830</u>	<u>\$ 767,638</u>
<u>Liabilities and Fund Equity</u>				
Liabilities				
Due to Others		\$ 777,246	\$ 777,246	\$ 765,054
Total Liabilities		777,246	777,246	765,054
Fund Equity				
Reserved in Accordance with Trus	\$ 2,584		2,584	2,584
Total Fund Equity	<u>2,584</u>		<u>2,584</u>	<u>2,584</u>
Total Liabilities and Fund Equ	<u>\$ 2,584</u>	<u>\$ 777,246</u>	<u>\$ 779,830</u>	<u>\$ 767,638</u>

THE CITY OF NORWOOD, OHIO
 Community Center Trust Fund
Balance Sheet
 December 31, 2001

	2001	2000
<u>Assets</u>		
Cash	\$ 2,584	\$ 2,584
Total Assets	\$ 2,584	\$ 2,584
<u>Liabilities and Fund Equity</u>		
Fund Equity		
Reserved in Accordance with Trusts	\$ 2,584	\$ 2,584
Total Fund Equity	\$ 2,584	\$ 2,584

THE CITY OF NORWOOD, OHIO
 Community Center Trust Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
 For the Year Ended December 31, 2001

	2001	2000
Fund Balance, January 1	\$ 2,584	\$ 2,584
Fund Balance, December 31	\$ 2,584	\$ 2,584

THE CITY OF NORWOOD, OHIO
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Year Ended December 31, 2001

	Balance January 1 2001	Additions	Deductions	Balance December 31, 2001
Sewage				
Assets				
Cash	\$ 320,386	\$ 294,326	\$ 320,386	\$ 294,326
Accounts Receivable	413,079	429,942	413,079	429,942
Total Assets	733,465	724,268	733,465	724,268
Liabilities				
Due to Others	733,465	724,268	733,465	724,268
Total Liabilities	733,465	724,268	733,465	724,268
Mayor's Court				
Assets				
Cash	31,589	394,793	389,309	37,073
Total Assets	31,589	394,793	389,309	37,073
Liabilities				
Due to Others	31,589	394,793	389,309	37,073
Total Liabilities	31,589	394,793	389,309	37,073
Mayor's Court Computerization Fund				
Assets				
Cash	0	21,445	5,540	15,905
Total Assets	0	21,445	5,540	15,905
Liabilities				
Due to Others	0	21,445	5,540	15,905
Total Liabilities	0	21,445	5,540	15,905
Totals - All Agency Funds				
Assets				
Cash	351,975	710,564	715,235	347,304
Accounts Receivable	413,079	429,942	413,079	429,942
Total Assets	<u>765,054</u>	<u>1,140,506</u>	<u>1,128,314</u>	<u>777,246</u>
Liabilities				
Due to Others	<u>765,054</u>	<u>1,140,506</u>	<u>1,128,314</u>	<u>777,246</u>
Total Liabilities	\$ 765,054	\$ 1,140,506	\$ 1,128,314	\$ 777,246

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Account Groups

CITY OF NORWOOD, OHIO
 Comparative Schedule of General Fixed Assets
 December 31

	2001	2000
General Fixed Assets		
Land and Improvements	\$ 1,527,504	\$ 1,527,504
Buildings	4,603,237	4,603,237
Machinery and Equipment	2,779,361	2,589,088
Licensed Vehicles	2,912,377	3,022,743
Total General Fixed Assets	\$ 11,822,479	\$ 11,742,572

CITY OF NORWOOD, OHIO
 Comparative Schedule of General Fixed Assets by Source
 December 31

	2001	2,000
Investment in General Fixed Assets from:		
General Fund Revenues	\$ 11,755,623	\$ 11,737,225
Donation	66,856	5,347
Total from All Sources	\$ 11,822,479	\$ 11,742,572

CITY OF NORWOOD, OHIO

Comparative Schedule of General Fixed Assets by Function and Activity
December 31, 2001

	<u>Total</u>	<u>Land Improvements</u>	<u>Buildings</u>	<u>Machinery and Equipment</u>	<u>Licensed Vehicles</u>
Cypress Way Nature Preserve	\$ 24,726			\$ 24,726	
City Council	1,596			1,596	
Street Maintenance and Repair	343,006			108,109	\$ 234,897
Clerk of City Council	6,587			6,587	
Mayor	35,205			35,205	
Law Director	18,017			18,017	
Auditor	44,370			44,370	
Treasurer	20,283			20,283	
Earnings Tax Section	25,820			25,820	
Civil Service Commission	811			811	
Safety/Service Director	70,333			21,189	49,144
Division of Buildings	78,450			24,041	54,409
Police Department	1,006,188		\$ 108,912	356,194	541,082
Pace Telecommunications	152,019			85,595	66,424
Fire Department	2,712,537		488,346	563,335	1,660,856
Office of the Superintendent	143,619			64,401	79,218
Division of Waste Collection	281,315		244,000	37,315	
City Garage	521,821		314,800	191,372	15,649
Division of Community Center	468,304		364,688	58,634	44,982
Division of Engineering	1,360			1,360	
Public Land and Buildings	2,938,221		2,689,200	237,725	11,296
Parks and Playgrounds	2,109,342	\$ 1,527,504	183,748	306,302	91,788
Dispatchers E-911	386,522			386,522	
Health Administration	371,260		209,543	99,085	62,632
Recreation	<u>60,767</u>			<u>60,767</u>	
Total General Fixed Assets					
Allocated by Function	<u>\$ 11,822,479</u>	<u>\$ 1,527,504</u>	<u>\$ 4,603,237</u>	<u>\$ 2,779,361</u>	<u>\$ 2,912,377</u>

CITY OF NORWOOD, OHIO
 Comparative Schedule of Changes in General Fixed Assets
 For The Fiscal Year Ended December 31, 2001

	General Fixed Assets 1/1/01	Additions	Deductions	General Fixed Assets 12/31/01
Cypress Way Nature Preserve \$	24,726	\$	\$	\$ 24,726
City Council	1,309	287		1,596
Street Maintenance and Repair	347,878	54,455	59,327	343,006
Clerk of City Council	5,917	2,490	1,820	6,587
Mayor	32,296	15,232	12,323	35,205
Law Director	17,275	1,392	650	18,017
Auditor	44,228	792	650	44,370
Treasurer	20,135	175	27	20,283
Earnings Tax Section	20,245	5,629	54	25,820
Civil Service Commission	811			811
Safety/Service Director	63,360	9,675	2,702	70,333
Division of Buildings	86,280	143	7,973	78,450
Police Department	904,429	114,977	13,218	1,006,188
Pace Telecommunications	152,019			152,019
Fire Department	2,658,749	54,638	850	2,712,537
Office of the Superintendent	245,480	2,051	103,912	143,619
Division of Waste Collection	281,315		0	281,315
City Garage	522,866		1,045	521,821
Division of Community Center	539,919	250	71,864	468,305
Division of Engineering	1,360			1,360
Public Land and Buildings	2,925,241	13,135	155	2,938,221
Parks and Playgrounds	2,066,343	43,190	190	2,109,343
Dispatchers E-911	366,991	20,059	528	386,522
Health Administration	358,328	17,998	5,068	371,258
Recreation	55,072	9,895	4,200	60,767
Total General Fixed Assets				
Allocated by Function \$	<u>11,742,572</u>	<u>\$ 366,463</u>	<u>\$ 286,556</u>	<u>\$ 11,822,479</u>

CITY OF NORWOOD, OHIO
Comparative Schedule of General Long-Term Obligations
December 31

	2001	2000
Amounts Available and to be Provided for the Retirement of General Long-Term Obligations		
Amount Available to Retire Long-Term Debt	\$ 9,438	\$ 14,825
Amount to be Provided to Retire Other Obligations	17,751,309	18,814,663
Total Available and to be Provided	\$ 17,760,747	\$ 18,829,488
General Long-Term Obligations Payable		
Estimated Liability for Compensated Absences	\$ 3,276,351	\$ 3,253,344
Estimated Liability for Unpaid Claims	20,000	20,000
Non-Current Obligations Under Capital Leases	762,558	994,431
General Obligation Bonds Payable	6,423,544	6,929,957
Special Assessment Debt	2,962,523	3,071,310
Police and Fire Pension Liability	4,315,771	4,560,446
Total General Long-Term Obligations	\$ 17,760,747	\$ 18,829,488

Schedules

City Of Norwood, Ohio
Schedule of Annual Debt Service
December 31, 2001

General Obligation Bonds

<u>Year</u>	<u>Principal</u>	<u>Interest Costs</u>	<u>Annual Debt Service Requirement</u>	<u>Outstanding Debt End Of Year</u>
2001	506,413	383,918	890,331	6,423,544
2002	533,439	354,392	887,831	5,890,105
2003	562,078	323,252	885,330	5,328,027
2004	542,384	290,447	832,831	4,785,643
2005	489,567	258,287	747,854	4,296,076
2006	430,204	232,674	662,878	3,865,872
2007	454,374	208,504	662,878	3,411,498
2008	479,904	182,973	662,877	2,931,594
2009	506,873	156,005	662,878	2,424,721
2010	535,360	127,518	662,878	1,889,361
2011	565,452	97,426	662,878	1,323,909
2012	597,239	65,639	662,878	726,670
2013	630,817	32,061	662,878	95,853
2014	95,853	2,852	98,705	0

Special Assessment Bonds

<u>Year</u>	<u>Principal</u>	<u>Interest Costs</u>	<u>Debt Service Requirement</u>	<u>Outstanding Debt End Of Year</u>
2001	108,787	261,061	369,848	2,962,523
2002	118,034	251,814	369,848	2,844,489
2003	128,067	241,781	369,848	2,716,422
2004	138,953	230,896	369,849	2,577,469
2005	150,764	219,085	369,849	2,426,705
2006	163,579	206,270	369,849	2,263,126
2007	177,483	192,366	369,849	2,085,643
2008	192,569	177,280	369,849	1,893,074
2009	208,937	160,911	369,848	1,684,137
2010	226,697	143,152	369,849	1,457,440
2011	245,966	123,882	369,848	1,211,474
2012	266,873	102,975	369,848	944,601
2013	289,557	80,291	369,848	655,044
2014	314,170	55,679	369,849	340,874
2015	340,874	28,976	369,850	0

Total Obligations (Continued)

<u>Year</u>	<u>Principal</u>	<u>Interest Costs</u>	<u>Debt Service Requirement</u>	<u>Outstanding Debt End Of Year</u>
2001	615,200	644,979	1,260,179	9,386,067
2002	651,473	606,206	1,257,679	8,734,594
2003	690,145	565,033	1,255,178	8,044,449
2004	681,337	521,343	1,202,680	7,363,112
2005	640,331	477,372	1,117,703	6,722,781
2006	593,783	438,944	1,032,727	6,128,998
2007	631,857	400,870	1,032,727	5,497,141
2008	672,473	360,253	1,032,726	4,824,668
2009	715,810	316,916	1,032,726	4,108,858
2010	762,057	270,670	1,032,727	3,346,801
2011	811,418	221,308	1,032,726	2,535,383
2012	864,112	168,614	1,032,726	1,671,271
2013	920,374	112,352	1,032,726	750,897
2014	410,023	58,531	468,554	340,874
2015	340,874	28,976	369,850	0

City Of Norwood, Ohio
 Outstanding Bonds and Notes
 December 31, 2001

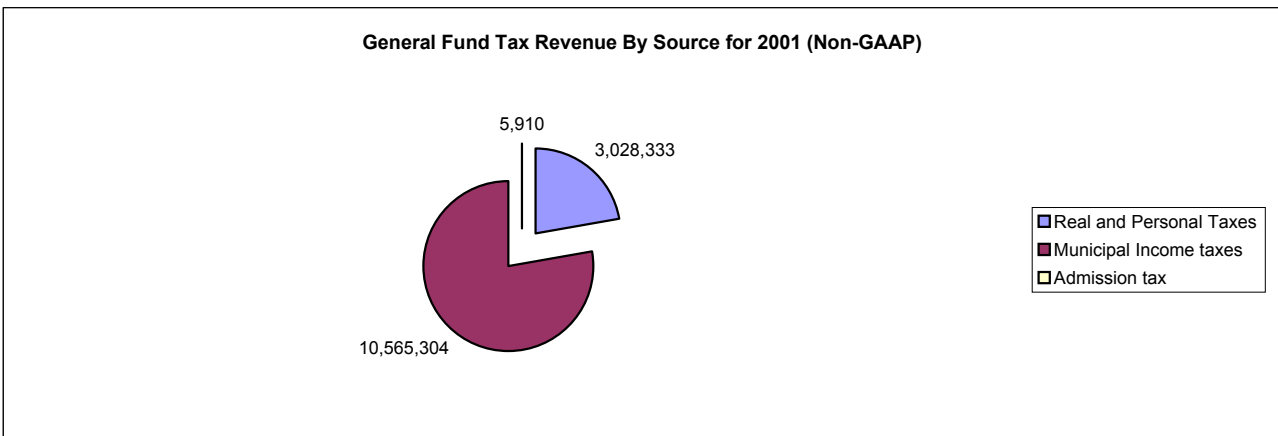
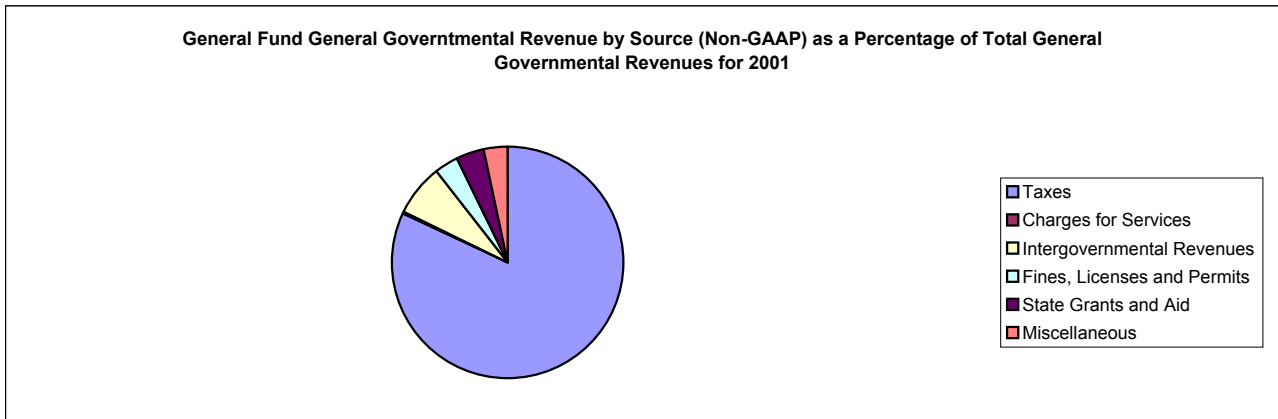
<u>Year</u>	<u>General Obligation Bonds and Notes</u>	<u>Special Assessment Bonds</u>	<u>Gross Total Debt</u>
1991	750,000		750,000
1992	850,000		850,000
1993	420,000		420,000
1994	650,000	\$3,500,000	4,150,000
1995	1,735,788	3,500,000	5,235,788
1996	1,542,667	3,427,654	4,970,321
1997	1,343,087	3,349,156	4,692,243
1998	5,886,836	3,263,985	9,150,821
1999	7,410,730	3,171,575	10,582,305
2000	6,929,957	3,071,310	10,001,267
2001	6,423,544	2,962,523	9,386,067

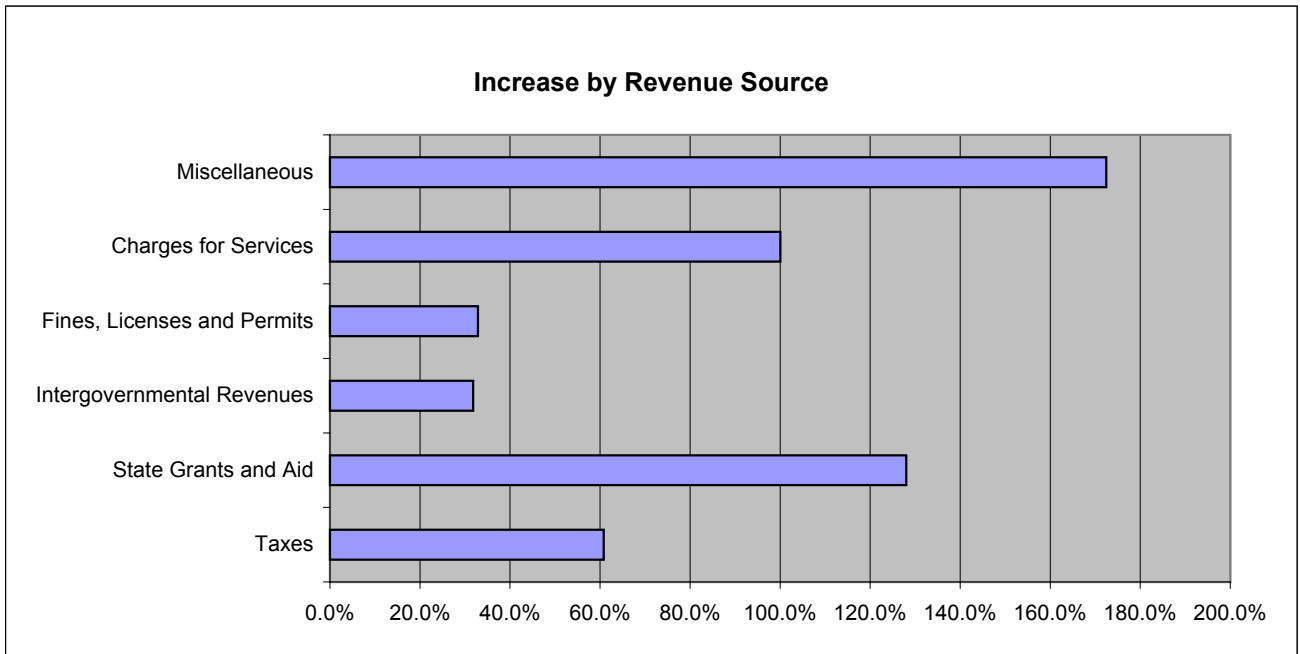
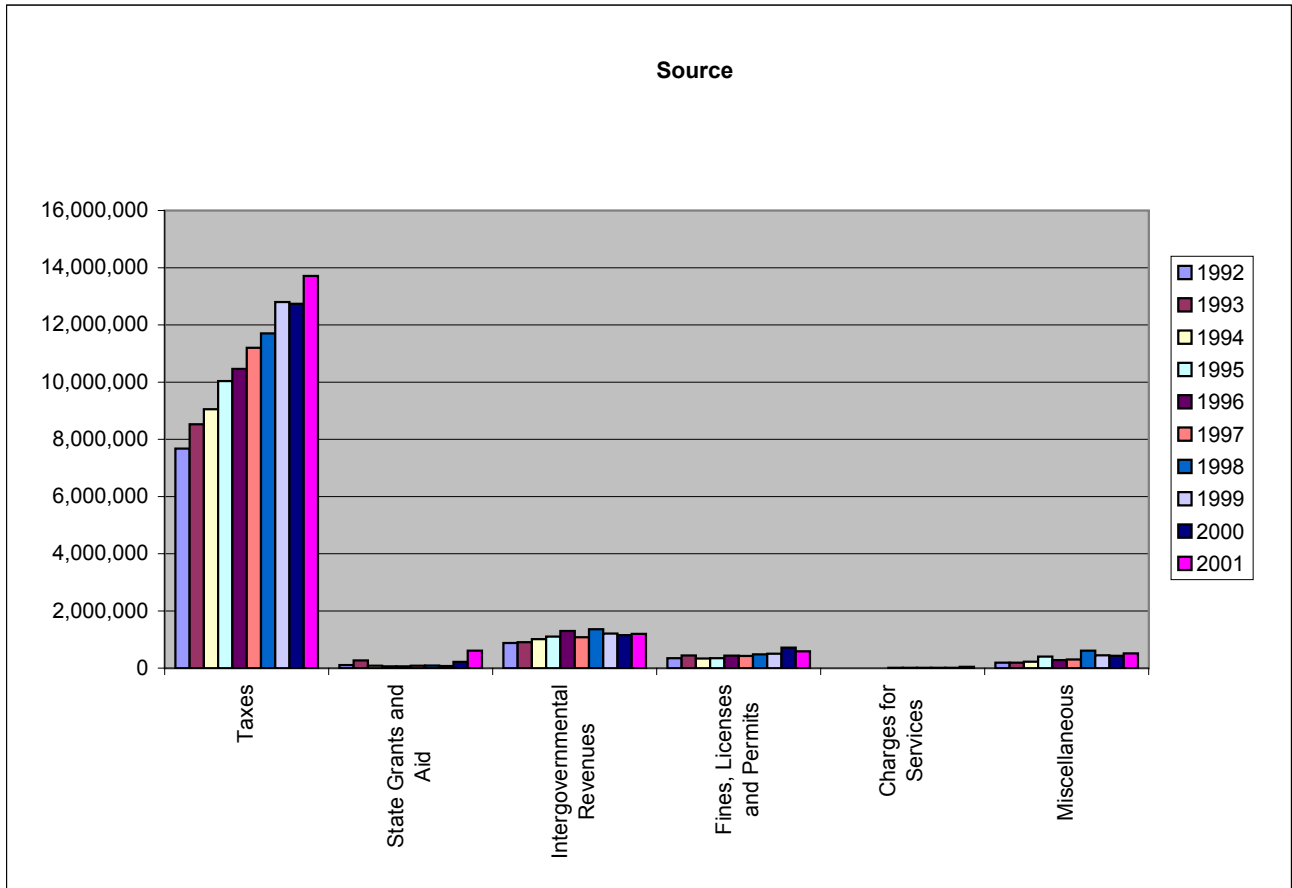
Statistical Section

CITY OF NORWOOD, OHIO
 General Fund
General Governmental Revenues by Source (Non GAAP)
 Last Ten Years

Year	Taxes	Charges for Services	Inter-governmental Revenues	Fines Licenses & Permits	State Grants & Aid	Miscellaneous	Total
1992	7,677,233	104,843	880,211	348,875		188,557	9,199,719
1993	8,527,360	268,057	906,540	444,093		189,154	10,335,204
1994	9,052,126	85,112	1,010,301	337,506		225,048	10,710,093
1995	10,034,583	62,325	1,101,762	346,590		402,274	11,947,534
1996	10,462,982	62,437	1,297,578	438,410 \$	12,084	277,999	12,551,490
1997	11,197,605	84,106	1,079,305	427,535	10,850	303,510	13,102,911
1998	11,703,144	87,058	1,358,316	481,036	8,393	607,420	14,245,367
1999	12,800,587	74,845	1,209,239	502,762	9,236	447,365	15,044,034
2000	12,736,447	217,308	1,152,634	716,369	9,012	432,369	15,264,139
2001	13,709,100	611,108	1,194,589	589,906	44,240	575,799	16,724,742

Note 1 - The revenues presented for years 1991 through 1992 are on a cash basis; the years 1993 through 2000 are presented on a budgetary basis.



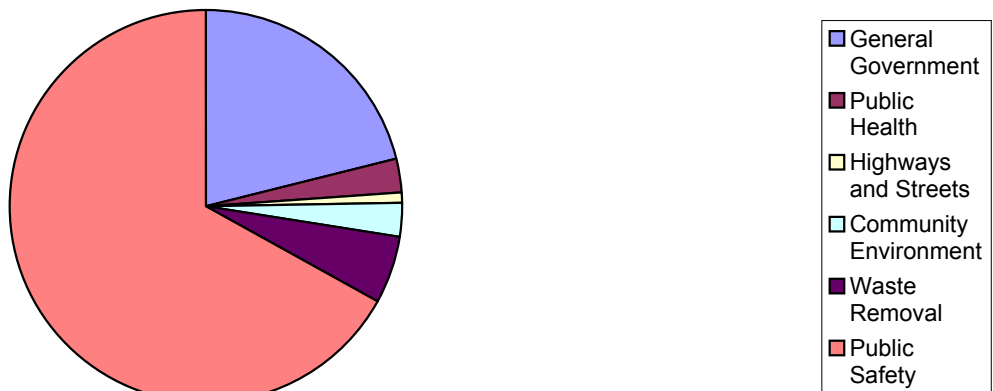


CITY OF NORWOOD, OHIO
 General Fund
General Governmental Expenditures by Function
 Last Ten Years

Year	General Government	Public Safety	Community Environment	Highways and Streets	Public Health	Waste Removal	Total
1992	\$ 3,212,884	\$ 4,378,535	\$ 311,509	\$ 177,116	\$ 276,129	\$ 531,758	\$ 8,887,931
1993	2,480,189	6,254,438	378,647	257,414	341,022	497,198	10,208,908
1994	2,394,852	6,306,565	414,171	132,881	288,540	577,502	10,114,511
1995	2,646,283	5,787,092	475,861	385	279,278	559,220	9,748,119
1996	3,408,101	6,108,143	345,191		332,060	626,064	10,819,559
1997	3,209,460	7,008,466	526,059	158,085	414,238	859,196	12,175,504
1998	3,266,318	7,292,280	499,641	178,475	365,784	874,208	12,476,706
1999	3,573,900	8,509,699	563,433	169,231	424,451	864,521	14,105,235
2000	3,585,462	8,550,692	351,188	121,265	366,282	876,260	13,851,149
2001	3,204,313	10,089,149	403,958	125,717	408,276	865,445	15,096,858

Note 2 - The expenditures presented for year 1992 are on a cash basis; the years 1993 through 2001 are presented on a budgetary basis.

General Governmental Expenditures by Function (Non-GAAP) as a Percentage of Total General Governmental Expenditures for 2001



General Government expenditures include the following departments: City Council, Clerk of Council, Mayor, Clerk of Court, Law Director, Auditor, Treasurer, Earnings Tax, Civil Service, Service Director, Transportation Cost, Project Coordinator, Building Department, City Garage, City Bus, Public Lands and Buildings, Crossing Guards, Fixed Employee Benefits Costs, Government Services and Fees, Professional Services and Legal Fees, and other Miscellaneous Expenditures.

Public Health expenditures includes total Department of Health

Public Safety expenditures includes the Safety Director, the Police and Fire Departments, and Emergency

Community Environment expenditures include Community Development, Community Center, and Parks and Playgro

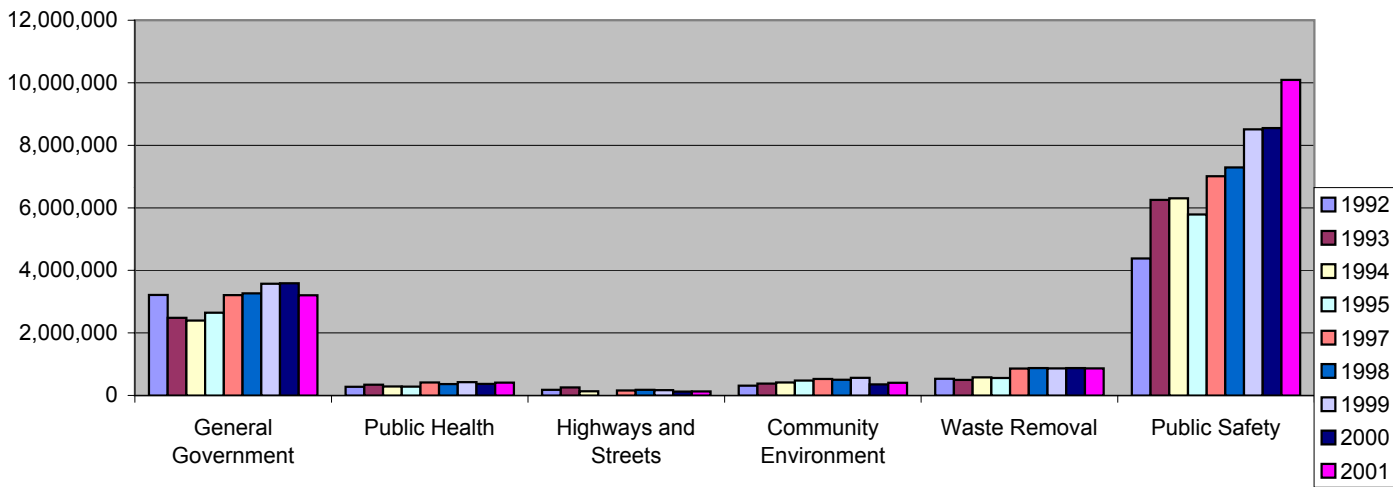
Waste Removal includes the Division of Waste Collection.

Highways and Streets includes the Superintendent of Public Works

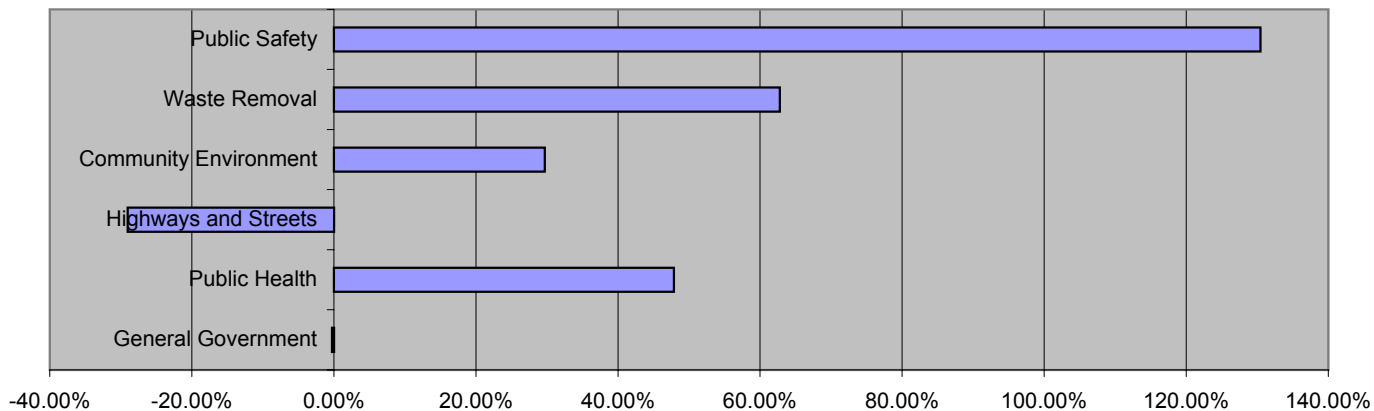
Public Safety General Fund Expenditures (Non_GAAP) by Office or Division for 2001



Nine Year Comparison of General Governmental Expenditures (Non-GAAP) by Function



2001 General Fund Expenditures (Non-GAAP) as Compared to 1992 as a Percentage Increase/(decrease) by Function



CITY OF NORWOOD, OHIO
Real and Personal Property Tax Levy and Collections
 Last Ten Years

Year	Net Tax Levy	Current Collections	Percentage of Current Collections to Net Levy	Prior Year Collections	Total Collections	Percentage of Total Collections to Net Levy
1992	2,275,027	2,151,597	94.57%	55,243	2,206,840	97.00%
1993	2,337,323	2,205,799	94.37%	94,540	2,300,339	98.42%
1994	2,374,359	2,296,889	96.74%	82,299	2,379,188	100.20%
1995	2,473,793	2,395,680	96.84%	137,992	2,533,672	102.42%
1996	2,560,676	2,458,743	96.02%	80,567	2,539,310	99.17%
1997	2,645,114	2,552,153	96.49%	107,752	2,659,905	100.56%
1998	2,666,465	2,590,327	97.14%	172,746	2,763,073	103.62%
1999	2,717,192	2,639,790	97.15%	943,306	3,583,097	131.87%
2000	2,805,140	2,620,879	93.43%	93,784	2,714,664	96.77%
2001	2,933,234	2,841,702	96.88%	186,631	3,028,333	103.24%

CITY OF NORWOOD, OHIO
Assessed Valuations and Estimated True Values
 Last Ten Years

Assessed Valuations

Year	Real Property	Public Utility Property	Tangible Personal Property	Total
1992	144,468,830	19,705,770	48,663,870	212,838,470
1993	149,657,080	20,735,510	49,402,996	219,795,586
1994	184,494,040	21,359,990	46,224,100	252,078,130
1995	188,453,650	21,766,980	51,992,200	262,212,830
1996	190,144,320	19,853,800	57,403,090	267,401,210
1997	209,384,340	20,021,880	59,656,010	289,062,230
1998	212,354,850	20,504,760	60,957,590	293,817,200
1999	240,422,480	21,215,380	63,403,570	325,041,430
2000	248,145,410	20,169,760	62,648,130	330,963,300
2001	263,722,830	19,243,900	66,970,490	349,937,220

The current assessed valuation for 1999 is computed at approximately the following percentages of estimated true value:

Real property - 35%; Public utilities - 100%; and Tangible personal property machinery and equipment - 25%; Inventory - 25%.

For real property, the estimated true values for the last ten years are computed as follows:

Year	Estimated True Values	Year	Estimated True Values
1992	\$412,768,086	1997	\$598,240,971
1993	\$427,591,657	1998	\$606,728,143
1994	\$527,125,829	1999	\$686,921,371
1995	\$538,439,000	2000	\$708,986,886
1996	\$543,269,486	2001	\$753,493,800

For public utility property, the estimated true values for the last ten years are the same as the above assessed valuations. For tangible personal property, the City is not able to calculate estimated true values for the last ten years because the tangible personal property components (machinery and equipment, and business inventory) have been assessed over the years at different percentages per Hamilton County auditor.

CITY OF NORWOOD, OHIO
Property Tax Rates - Direct and Overlapping Governments
 Last Ten Years

Tax Year	Collec Year	City Levy	School Levy	County Levy	Joint Vocational School District Levy	Total Levy
1991	"	11.40	40.90	17.50	2.70	72.50
1992	"	11.40	49.18	18.56	2.70	81.84
1993	"	11.40	47.98	18.33	2.70	80.41
1994	"	11.40	46.63	18.30	2.70	79.03
1995	"	11.40	49.92	18.30	2.70	82.32
1996	"	11.40	49.51	19.44	2.70	83.05
1997	"	11.40	48.90	19.01	2.70	82.01
1998	"	11.40	48.82	19.54	2.70	82.46
1999	"	11.40	48.57	20.83	2.70	83.50
2000	2001	11.40	52.80	19.92	2.70	86.82

Note 1 Rates are expressed as dollars of tax per thousand dollars of taxable valuation.
 Note 2 For the years 1985 through 1996, no portion of the levy was dedicated to debt service.
 Source: Hamilton County Auditor's Office

CITY OF NORWOOD, OHIO
Computation of Direct and Overlapping Debt
 December 31, 2000

	Assessed Valuation (a)	Net General Tax Supported Debt	Percent Overlapping	Net Tax Supported Overall Debt
<u>Direct:</u>				
City of Norwood	\$349,937,200	\$6,423,544	100%	\$6,423,544
<u>Overlapping</u>				
Hamilton County	17,328,276,870	<u>188,100,000 (a)</u>	3%	<u>6,211,426</u>
Total		<u>\$194,523,544</u>		<u>\$12,634,970</u>

Note 1: The Norwood City School District is not included as it has no debt applicable to the City c
 (a) Source: Hamilton County Auditor's Office

CITY OF NORWOOD, OHIO
Special Assessment Billings and Collections
 Last Ten Years

Tax Year	Collec Year	Current Billed	Delinquent Billed	Current Collected	Delinquent Collected
1991	1992		2,796		
1992	1993		2,964		
1993	1994		2,919		\$ 2,919
1994	1995				
1995	1996	\$ 448,193		\$ 448,193	
1996	1997	384,703		384,703	
1997	1998	383,522		382,290	
1998	1999	383,308		383,010	
1999	2000	388,550		386,998	
2000	2001	382,924		382,924	

Source: Hamilton County Auditor's Office

CITY OF NORWOOD, OHIO
Computation of Legal Debt Margin
December 31, 2001

		2001
Overall Debt Limitation - 10-1/2% of Assessed Valuation		\$ 36,743,408
Gross Indebtedness	\$ 9,386,067	
Less Debt Outside Limitations: Special Assessment Debt	2,962,523	
Net Debt Within 10-1/2% Limitation		6,423,544
Legal Debt Margin Within 10-1/2% Limitation		\$ 30,319,864
Unvoted Debt Limitation - 5-1/2% of Assessed Valuation		\$ 19,246,547
Gross Indebtedness Authorized by Council	\$ 9,386,067	
Less Debt Outside Limitation: Special Assessment Bonds	2,962,523	
Net Debt Within 5-1/2% Limitation		6,423,544
Legal Debt Margin Within 5-1/2% Limitation		\$ 12,823,003

CITY OF NORWOOD, OHIO
Last Ten Years - Comparison Report
Earnings Tax Collections

Year	Individual	Business	Withholding	Total	% Increase/ Decrease
1992	604,917	521,153	4,389,834	5,515,904	4.48%
1993	605,789	665,162	4,954,797	6,225,748	12.90%
1994	642,179	672,923	5,360,201	6,675,303	7.20%
1995	696,560	1,002,059	5,819,636	7,518,255	12.63%
1996	791,878	907,901	6,247,309	7,947,088	5.70%
1997	858,216	873,003	6,813,044	8,544,263	7.50%
1998	898,522	966,368	7,075,813	8,940,703	4.64%
1999	914,365	903,652	7,515,965	9,333,982	4.4%
2000	905,770	809,445	8,193,394	9,908,609	6.16%
2001	955,092	1,116,867	8,602,998	10,674,957	7.73%

CITY OF NORWOOD, OHIO
Ratio of Net General Bonded Debt
To Assessed Value and Net Bonded Debt Per Capita
 Last Ten Years

<u>Year</u>	<u>Net Bonded Debt (Note 1)</u>	<u>Assessed Value</u>	<u>Population (Note 2)</u>	<u>Ratio of Net Bonded Debt To Assessed Value</u>	<u>Net Bonded Debt Per Capita</u>
1992	\$ 850,000	\$ 212,838,470	23,674	0.40%	36
1993	750,000	219,795,586	23,674	0.34%	32
1994	650,000	252,078,130	23,674	0.26%	27
1995	1,735,788	262,212,830	23,674	0.66%	73
1996	1,542,667	267,401,210	23,674	0.58%	65
1997	1,343,087	289,062,230	23,674	0.46%	57
1998	5,886,836	293,817,200	23,674	2.00%	249
1999	7,410,730	325,041,430	23,674	2.28%	313
2000	6,929,957	330,963,300	21,675	2.09%	320
2001	6,423,544	349,937,200	21,675	1.84%	296

Note 1 - Includes only the net general obligation debt that is tax supported.

Note 2 - The 1992 through 1999 figures are based upon the 1990 Bureau of the Census.

Note 3 - The 2000 and 2001 population figures are based upon the 2000 Bureau of the Census.

CITY OF NORWOOD, OHIO
Ratio of Annual Debt Service for General
Bonded Debt to Total General Fund Expenditures
 Last Ten Years

<u>Year</u>	<u>Debt Service on General Obligation Debt</u>	<u>General Expenditures</u>	<u>Ratio</u>
1992	\$ 147,500	\$ 8,887,931	1.66%
1993	142,500	10,208,908	1.40%
1994	137,500	10,114,511	1.36%
1995	217,477	9,748,119	2.23%
1996	297,453	10,819,559	2.75%
1997	292,453	12,175,504	2.40%
1998	287,453	12,476,706	2.30%
1999	783,100	14,105,235	5.55%
2000	913,871	13,851,149	6.60%
2001	890,331	15,096,858	5.90%

Note 1: General fund Expenditures are presented on a cash basis for the year 1992 they are presented on a budgetary basis for 1993 through 2001.

**TEN LARGEST EMPLOYERS
IN THE CITY OF NORWOOD
December 31, 2001**

<u>Name of Employer</u>	<u>Nature of Business</u>	<u>Ranking by Number of Employees</u>	<u>Ranking by Revenue Generated</u>
Convergys	Service	1	1
U.S. Playing Card	Consumer Goods Manufacturing	2	3
Siemens Automation	Capital Goods	3	2
Zumbiel Box Company	Packaging Manufacturing	4	4
United Dairy Farmers	Consumer Goods Manufacturing	5	6
Norwood Board of Education	Education	6	7
City of Norwood	Municipal Government	7	8
EM Industries	Chemical Manufacturing	8	9
Aramark Services	Uniform Supplies and Cleaning	9	10
Broadwing	Communications	10	5

Source: City of Norwood Tax Department and Community Development Department

**UNEMPLOYMENT STATISTICS
Last Eight Years**

The following table lists the unemployment rates for the Cincinnati Metropolitan area. The figures are expressed in percentages and represent the ratio of the total unemployed to the total labor force.

<u>Year</u>	<u>Rate</u>
1994	4.8%
1995	4.2%
1996	4.3%
1997	3.8%
1998	3.4%
1999	3.3%
2000	2.9%
2001	3.9%

Source: Bureau of Employment Services, State of Ohio

CITY OF NORWOOD, OHIO
Surety Bond Coverage
December 31, 2001

Specific surety bond coverage is maintained by the City for the following employees at the amounts listed:

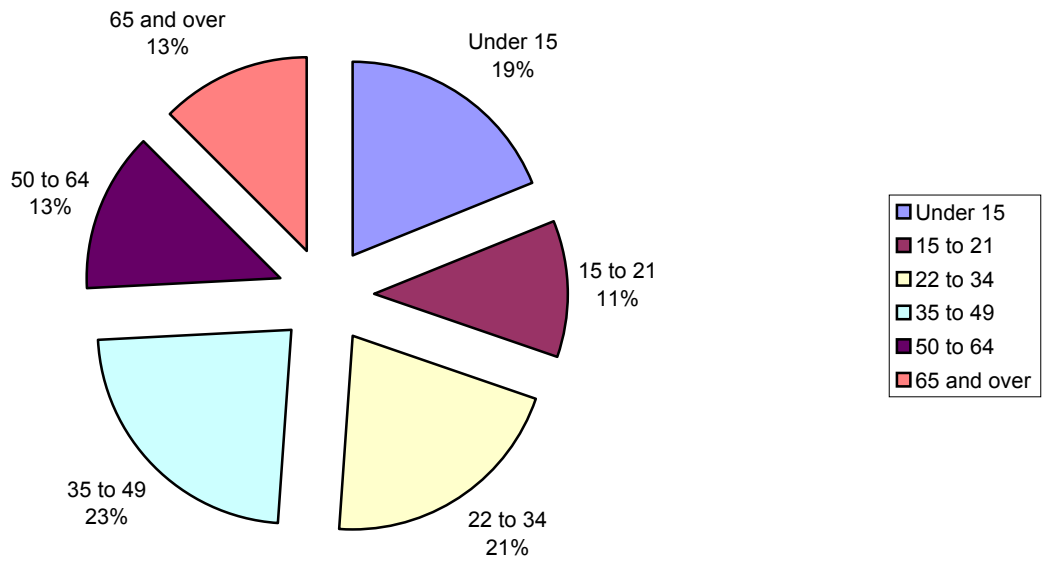
Mayor	\$25,000
Law Director	25,000
Auditor	25,000
City Treasurer	50,000
Income Tax Commissioner	25,000
Deputy Auditor	25,000

A faithful performance blanket bond coverage of \$5,000 is maintained for all employees.

CITY OF NORWOOD, OHIO
Miscellaneous Statistics
December 31, 2001

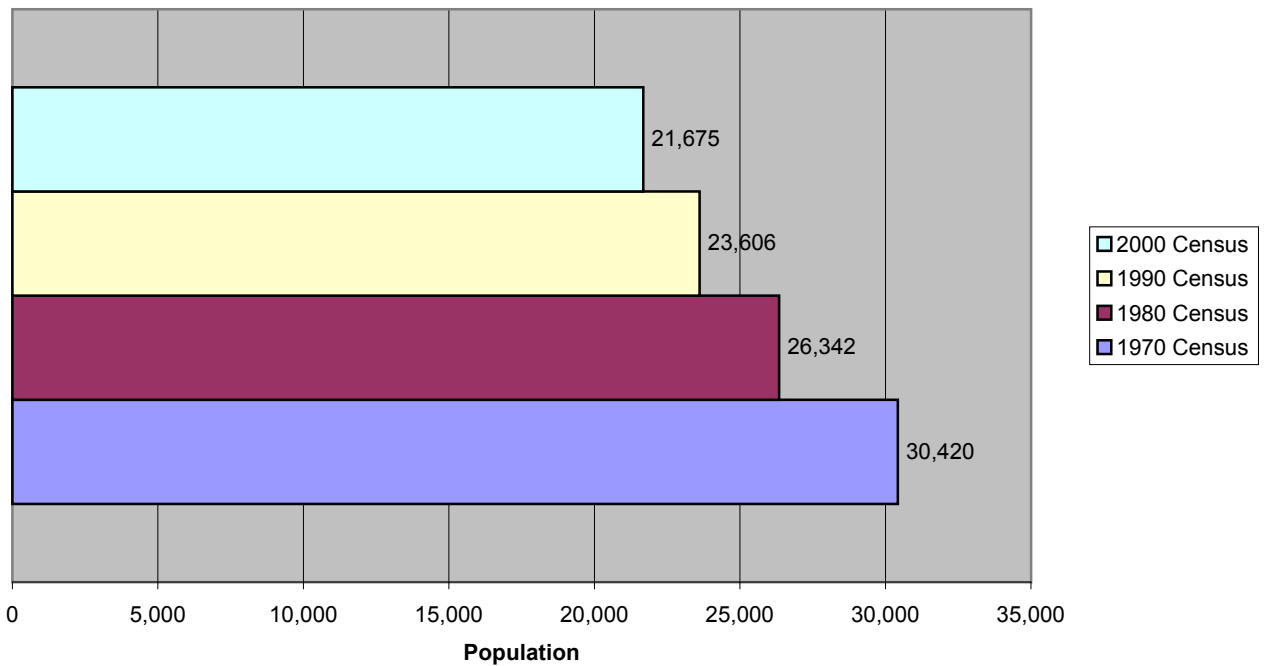
Date of Incorporation	1888
Form of Government	Council/Mayor
Area	3.1 Square Miles
Lane Miles of Streets	60 Miles (Approximately)
Water Lines	302,000 Linear Feet
Storm Sewers	100,000 Linear Feet
Number of Traffic Lights	30
Fire Stations (Active)	1
Police Stations	1
Parks	9
Libraries	1
Total W-2's issued for 2001	332

Population by Age for the City of Norwood



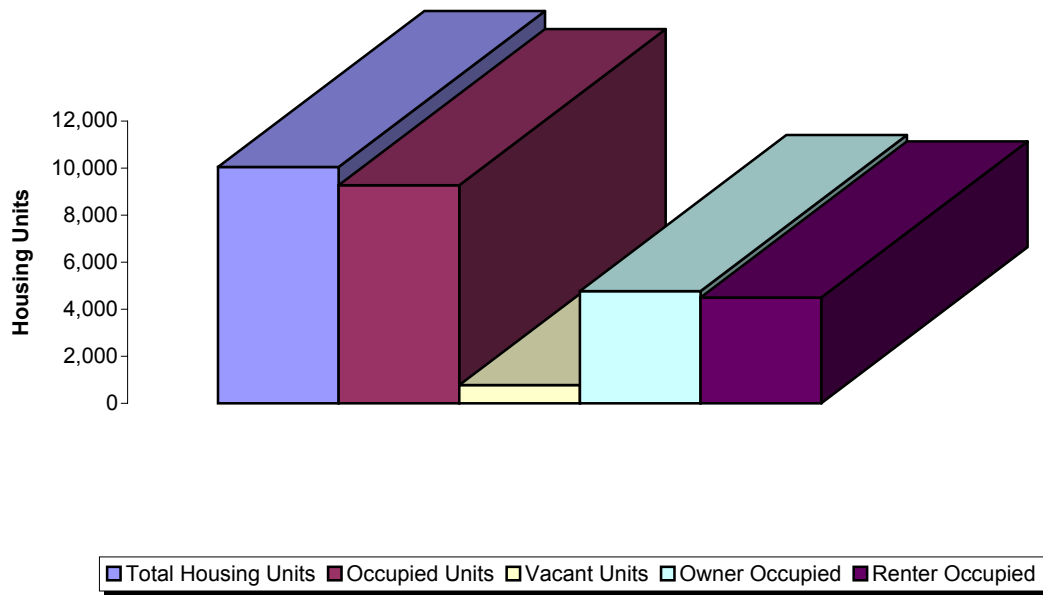
Source: United States Census

Changes in Population During the Last Four Decades



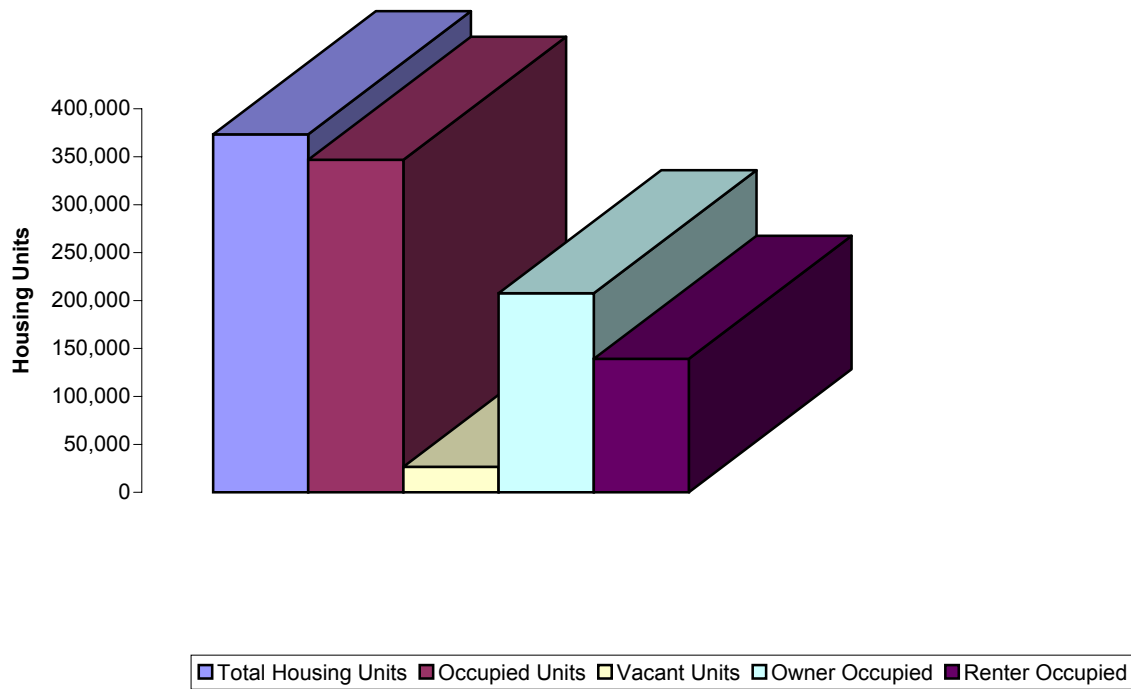
Source: United States Census

Housing Summary for the City of Norwood



Source: United States Census

Housing Summary for Hamilton County



Source: United States Census

**Number of Full-Time Norwood City Employees as Compared to Average Number of Full-Time Employees
in Ohio Cities**

December 31, 2001

	Average Number of Full Time Employees for Other Ohio Cities (1)	Number of Full Time Employees for the City of Norwood (2)	Variance
<u>Total of full time employees in Norwood as compared to total of full time employees in non-charter cities throughout Ohio</u>			
Number of Full-Time employees	175	179	4
Number of Full-Time Fire Fighters	32	56	24
Number of Full-Time Police Officers	32	49	17
Number of Other Full-Time Employees	111	74	(37)
Persons per Police Officer	592	442	150
Persons per Fire Fighter	594	387	207
Person Per Other Full-Time Employees	171	293	(122)
Police Officers per 1000 Persons	1.8	2.26	0.46
Fire Fighter per 1000 Persons	1.68	2.58	0.90
Other Full-Time Employees per 1000 Persons	5.86	3.41	(2.45)

Total Full Time Employees by Population

OML's numbers are based on the population range of 20,000 to 39,999. Norwood's population is approximately 21,675

Number of Full-Time employees	237	179	(58)
Number of Full-Time Fire Fighters	41	56	15
Number of Full-Time Police Officers	46	49	3
Number of Other Full-Time Employees	150	74	(76)
Persons per Police Officer	616	442	174
Persons per Fire Fighter	691	387	304
Person Per Other Full-Time Employees	189	293	(104)
Police Officers per 1000 Persons	1.7	2.26	0.56
Fire Fighter per 1000 Persons	1.45	2.58	1.14
Other Full-Time Employees per 1000 Persons	5.29	3.41	(1.88)

Total full Time Employees based on General Fund Appropriations

OML's numbers are based on a General Fund appropriations range of \$10,000,000 to \$19,000,000. Norwood's General Fund Appropriations for Fiscal Year Ended December 31, 2000 is \$15,285,129

Number of Full-Time employees	205	179	(26)
Number of Full-Time Fire Fighters	35	56	21
Number of Full T+A26ime Police Officers	42	49	7
Number of Other Full-Time Employees	128	74	(54)
Persons per Police Officer	508	422	86
Persons per Fire Fighter	610	377	233
Person Per Other Full-Time Employees	167	303	(136)
Police Officers per 1000 Persons	2.20	2.37	0.17
Fire Fighter per 1000 Persons	1.64	2.65	1.01
Other Full-Time Employees per 1000 Persons	6.00	3.3	(2.70)

Note 1. Source Ohio Municipal League (OML)

Note 2. Source Payroll Records Auditors Office





STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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

CITY OF NORWOOD

HAMILTON COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
JULY 16, 2002**