



**JIM PETRO**  
**AUDITOR OF STATE**  

---

**STATE OF OHIO**



CITY OF NAPOLEON  
HENRY COUNTY

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**CITY OF NAPOLEON  
HENRY COUNTY**

**SCHEDULE OF FEDERAL AWARDS EXPENDITURES  
FOR THE YEAR ENDED DECEMBER 31, 2000**

<b>Federal Grantor</b> <i>Pass Through Grantor</i> Program Title	Federal CFDA Number	Pass-through Entity Number	Program or Award Amount	Cash Disburse- ments
<b>Office of Housing and Community Partnerships</b> <i>Passed through the Ohio Department of Development</i>				
Ohio Small Cities Community Development Block Grant (CDBG) Program	14.228	A-C-98-150-1, C-98-150-1, A-C-98-150-2	\$700,000	\$450,030

*The accompanying notes are an integral part of this schedule.*

**CITY OF NAPOLEON  
HENRY COUNTY**

**NOTES TO THE SCHEDULE OF FEDERAL AWARDS EXPENDITURES  
DECEMBER 31, 2000**

**NOTE A – SIGNIFICANT ACCOUNTING POLICES**

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



STATE OF OHIO  
OFFICE OF THE AUDITOR  

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

City of Napoleon  
Henry County  
255 West Riverview Avenue  
Napoleon, Ohio 43545-1766

To the Honorable Mayor and Members of Council:

We have audited the financial statements of the City of Napoleon, Henry County, (the City) as of and for the year ended December 31, 2000, and have issued our report thereon dated June 6, 2001. 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*.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the City's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of the City in a separate letter dated June 6, 2001.

City of Napoleon  
Henry County  
Report of Independent Accountants on Compliance and on  
Internal Control Required by *Government Auditing Standards*  
Page 2

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

**Jim Petro**  
Auditor of State

June 6, 2001





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

City of Napoleon  
Henry County  
255 West Riverview Avenue  
Napoleon, Ohio 43545-1766

To the Honorable Mayor and Members of Council:

**Compliance**

We have audited the compliance of the City of Napoleon, Henry County, (the City) with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133, Compliance Supplement* that is applicable to its major federal program for the year ended December 31, 2000. The City's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal program is the responsibility of the City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

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

In our opinion, the City complied, in all material respects, with the requirements referred to above that is applicable to its major federal program for the year ended December 31, 2000. We noted an instance of noncompliance that does not require inclusion in this report that we have reported to the management of the City in a separate letter dated June 6, 2001.

**Internal Control Over Compliance**

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

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

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

We have audited the general-purpose financial statements of the City as of and for the year ended December 31, 2000, and have issued our report thereon dated June 6, 2001. Our audit was performed for the purpose of forming an opinion on the general-purpose financial statements taken as a whole. The accompanying schedule of federal awards expenditures is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the general-purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general-purpose financial statements taken as a whole.

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

**Jim Petro**  
Auditor of State

June 6, 2001

**CITY OF NAPOLEON  
HENRY COUNTY**

**SCHEDULE OF FINDINGS  
OMB CIRCULAR A -133 § .505  
DECEMBER 31, 2000**

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

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

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

None.

**3. FINDINGS FOR FEDERAL AWARDS**

None.



# ***THE CITY OF NAPOLEON***

HENRY COUNTY, OHIO



COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2000

**THE CITY OF NAPOLEON, OHIO**

HENRY COUNTY

COMPREHENSIVE ANNUAL  
FINANCIAL REPORT

FOR THE YEAR ENDED  
DECEMBER 31, 2000

Prepared by:  
Gregory J. Heath  
Director of Finance

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## CITY OF NAPOLEON, OHIO HENRY COUNTY

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## *INTRODUCTORY SECTION*

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# City of Napoleon, Ohio

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Napoleon, Ohio 43545-0151

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June 18, 2001

To The Honorable Mayor, The Council and The Citizens of the City of Napoleon, Ohio:

I am pleased to present the fifth Comprehensive Annual Financial Report (CAFR) of the City of Napoleon, (the City) for the year ended December 31, 2000. The report has been prepared in accordance with generally accepted accounting principles established by statements of the Governmental Accounting Standards Board (GASB), other authoritative pronouncements and guidelines recommended by the Government Finance Officers Association of the United States and Canada (GFOA).

## INTRODUCTION

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

### The Report

This report is comprised of three major sections:

1. *The Introductory Section* includes this Letter of Transmittal which addresses the organization, accomplishments and operational structure of the City, a list of the Principal City Officials, and an Organizational Chart;
2. *The Financial Section* contains the Report of Independent Accountants, the General Purpose Financial Statements, which include explanatory notes and provide an overview of the City's financial position and operating results, and the Combining Financial Statements of the Individual Funds and Account Groups that provide detailed information to the General Purpose Financial Statements;
3. *The Statistical Section* presents social, economic, and historical data which can be used to identify financial trends and data relative to the fiscal capacity of the City.

## **The Reporting Entity**

The accompanying general purpose financial statements comply with the provisions of Governmental Accounting Standards Board (GASB) Statement No. 14, "*The Financial Reporting Entity*", in that the financial statements include all of the organizations, activities, functions and component units for which the City (the reporting entity) is financially accountable. Financial accountability is defined as the appointment of a voting majority of the component unit's board, and either (1) the City's ability to impose its will over the component unit, or (2) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the City.

Based on the foregoing, the reporting entity of the City has no component units, but includes the following services as authorized by its charter: police and fire protection, parks and recreation, planning and zoning, street maintenance and other governmental services. In addition, the City owns and operates a water treatment plant and distribution system, a wastewater treatment plant and collection system, and an electric distribution system and provides refuse collection and recycling services.

## **Early History**

The City of Napoleon is located in Henry County in northwest Ohio and occupies land that was once part of a vast area in this region originally known as "The Great Black Swamp." This expanse of forest, water, and black soil was a tract of land 120 miles in length covering an average breadth of 40 miles. Through it passed a winding river called the "Maumee" so named by the local Native American tribes. The Maumee River provided a natural navigable waterway as well as an abundance of aquatic life. The surrounding forests were filled with many varieties of hardwood trees and wild game. These resources were used by the many tribes that occupied the region and later by the early settlers. The English moved into this area in the later 1700's and fought with the French for control. After the Revolutionary War, the Americans gained title to the area, but the Native Americans possessed it. The Native Americans did not leave the area willingly and were defeated in 1796 by General Anthony Wayne in a very decisive battle at a place called Fallen Timbers. During his campaign against the Native Americans, General Anthony Wayne would often encamp his men along the Maumee where Napoleon is currently located.

After the war of 1812, more trappers, traders, and pioneering farm families began moving into the area, and Henry County was officially formed in 1820. The Miami and Erie Canal, completed in 1843, passed directly through Napoleon. The canal helped to foster development throughout the county, and the town began to grow in both population and industry. Agriculture and agriculture based products were at the heart of the area's early growth. After the Civil War, railroads and better roadways opened the area to further development. By the turn of the 20<sup>th</sup> century Napoleon had grown into a strong, diversified economy. Today, and looking forward into the 21<sup>st</sup> century, Napoleon has a thriving community with an economy based on manufacturing, retail sales, various service industries, engineering, and warehousing; all of which add to the continued strength of the traditional agriculture based economy.

## **The City of Napoleon**

The first documented dwelling in Napoleon was a log cabin built in 1832. The town of Napoleon was founded in 1835 and was made the county seat of Henry County. The name of "Napoleon" was first given to the township by a group of Frenchmen who inhabited the area. Local citizens adopted the name and the town was officially incorporated as the Village of Napoleon in 1863. In 1950 the Village of Napoleon officially became the "City of Napoleon."

Located on the Maumee River, the City is about 40 miles southwest of Toledo, Ohio, 50 miles north of Lima, Ohio, 65 miles east of Fort Wayne, Indiana, 110 miles southwest of Detroit, Michigan, and 130 miles west of Cleveland, Ohio. Two national highways, US 6 and US 24 running east and west, bypass on the northern edge of the City. State Routes 108 and 109 run through the City north and south. An entrance to the Ohio Turnpike, Interstate I-80/90 off SR 108, is located 12 miles north of the City, and Interstate I-75 is 25 miles east of the City off US 6. The City has limited rail service through the Miami and Western Railroad with a spur that runs through the City connecting to CSX and Norfolk and Southern to the west in Defiance, Ohio. Main lines of CSX and Norfolk and Southern run east and west through southern Henry County, and north and south lines of Canadian National Railroad are to the east in Wood County. Amtrak service is available in Bryan, Ohio, Toledo, Ohio, and Fort Wayne, Indiana. Toledo Express Airport, a full service passenger and freight airport, is located 21 miles to the northeast.

## **Municipal Services**

The City offers a wide variety of services to its Citizens as authorized by its Charter, the Ohio Revised Code, and Administrative Codes. The broad categories of service include: police and fire protection, emergency medical rescue services, street maintenance and sweeping, traffic control, planning and engineering, building and zoning code enforcement, cemetery, community development, municipal court and civil judicial service, recreation programs and parks (including ball fields, playgrounds, picnic areas, a golf course and a boat ramp), and general administrative services. The City does not operate hospitals or schools, nor is it responsible for public assistance programs.

The City also operates four enterprise activities: water treatment and distribution; wastewater collection and treatment; electric distribution for residential, commercial and industrial customers; and residential solid waste collection and disposal, including a curbside recycling program and a yard waste site.

The City's enterprise activities are not subject to rate review by the Public Utilities Commission of Ohio (PUCO) or any similar regulatory body. The City Council has the necessary authority to establish and amend appropriate user rates as required. The rates are monitored on an on-going basis to ensure their adequacy to meet operational, maintenance, debt service and capital replacement needs. Responsibility for frequency and amount of any rate changes lies solely with the City Council. The Board of Public Affairs, a citizens board appointed by City Council, reviews and makes recommendations to City Council on all enterprise activity including all policies, procedures and rates.

The City is one of 83 member municipalities in American Municipal Power-Ohio (AMP-Ohio). AMP-Ohio is a non-profit corporation organized in Ohio in 1971 for the purpose of owning and operating electric facilities and providing for the generation, transmission and distribution of electric power and energy to its members. AMP-Ohio purchases wholesale electric power and energy and sells it to members at rates based on purchase price plus a small service fee. The organization also develops alternative power sources to best meet members short and long-term needs and operates a power dispatch center 24 hours a day, 365 days a year, to serve its member communities. The City is positioning itself to continue to be an electric provider for the retail choice on electric services.

The City has a joint contract between the City and Henry County for operation of the Community Improvement Corporation. Mutual aid contracts for fire and emergency medical services are between the City, the townships, and Henry County. Henry County operates the health district, in which the City participates contractually, but with no current fiduciary responsibility by agreement.

## **Form of Government**

The Village of Napoleon officially became the "City of Napoleon," in 1950. The citizens of Napoleon, determined to exercise home rule authority, voted to become a Chartered City effective January 1, 1952. The Charter was amended in its entirety on November 3, 1992, effective January 1, 1993. Recently, the Charter Review Committee proposed charter changes to City Council. These proposed changes were approved by Napoleon voters in the fall of 2000, and they will become effective on July 1, 2001.

The City operates under and is governed by a Council-Manager form of government. The City is subject to some general laws applicable to all cities and, under the Ohio Constitution, may exercise all powers of local self-government and police powers to the extent that they do not conflict with the Ohio Constitution. The Mayor is separately elected and serves as ceremonial head of the City as provided for by the City Charter. The Mayor exercises all judicial powers conferred upon mayors under Ohio law. Legislative authority is vested in a seven-member Council all of whom are elected at-large for staggered four-year terms. The Council fixes compensation of City officials and employees, and enacts ordinances and resolutions relating to City services, including; tax levies, appropriating and borrowing money, licensing and regulating businesses and trades and other municipal services.

General elections are held every two years, alternating with four council seats and then three council seats plus the Mayor. All terms of office are four-year terms. The Municipal Court Judge is separately elected every four years. The presiding officer of the City Council is the Council President, who is elected from among the Council members. The Charter establishes certain administrative departments. The City Council may establish divisions of those departments and other additional departments as needed. The City Manager, Finance Director, Assistant Finance Director, Law Director and Assistant Law Director are all appointed by City Council and serve at the pleasure of Council with no specified terms. All other departments/divisions and their respective positions are established by City Council. City Manager, who has authority over all operational departments except Finance, Law and Municipal Court, appoints all department/division heads. Subject to approval of City Council, the Mayor appoints all citizen members of boards and commission.

## **ECONOMIC CONDITIONS AND OUTLOOK**

### **Local Economy**

Economic activity declined slightly in 2000 and is expected to remain at a slower pace in 2001 compared to the growing economy in the late 1990's. The local economy is healthy with manufacturers maintaining market share in spite of a downturn in the regional and national economy. Recent positive changes include Universal Cooperatives, Buckeye Launderers, and Tenneco. Commercial development, which tends to follow industrial development, has been steady including positive changes in ownership and new starts in the downtown area.

The Campbell Soup Supply Company, LLC (Campbell's), a manufacturer of soups and various soup drinks (V-8 & Splash), among other canned items, is located adjacent to the City and continues to be the largest employer in Henry County. Campbell's employment is projected at one thousand three hundred (1,300) persons. Campbell's named a new CEO in early 2001 and the impact, if any, on the Napoleon operation is unknown at this time. It is recognized that Campbell's has excess capacity and possible changes, either positive or negative, could occur at Napoleon as a result of Campbell's future strategic plan. Campbell's is constantly looking at making their operations more efficient, which could result in lower employment while increasing production. Silgan Can Company, located in the Campbell complex, employs 200 people and is expanding their market to include customers other than Campbell. This is a positive event and a new warehouse is being constructed to handle this increased production.

Foster Canning ceased operation in 2000 and the site was purchased by a developer to build a super Wal-Mart store on North Scott Street. This is a very positive event and should enhance the commercial aspects of Napoleon. The addition of the new Wal-Mart should facilitate the reuse of a vacant strip mall. The current Wal-Mart facility will probably require a different use of the space other than retail.

Other positive aspects, relative to manufacturing, include the introduction of the new Jeep Liberty in Toledo, which has resulted in additional suppliers locating in the area. Napoleon is ideally located for a distribution center to these suppliers. GM Powertrain in Defiance, Ohio has added aluminum parts production to its operations and will see suppliers move to the area. Alex Products, located in Ridgeville Corners ( Henry County), is a prime supplier for the auto industry.

The diversity of job opportunities in Henry County has helped the unemployment rate remain consistently lower in the County versus many other parts of the state. As of December 31, 2000, the state recorded an unemployment rate of 4.03%, and the national seasonally adjusted unemployment rate was 4.02%. The unemployment rate in Henry County for the same period was 4.8%. While specific data is unavailable from the Ohio Bureau of Employment Services, it is estimated that the City unemployment rate is approximately the same as the state at 4.03%.

**Business**

In addition to the agricultural based industries, there are many businesses located directly in Napoleon and in the surrounding area that are associated with the automotive industry producing various automotive parts or tool and die machines used in the manufacture of automobiles. Automotive parts manufactured in Napoleon are shipped for use in various assembly plants throughout Ohio, Michigan, other areas of the Midwest, and foreign countries.

The following are the private and public employers that have the largest work forces and are located in or adjacent to the City:

<u>Employer</u>	<u>Nature of Activity or Business</u>
Campbell Soup Supply Company, LLC	Canned Soups, Beverages, Other Food Products
Tenneco Automotive (Pullman)	Rubber and Metal Shock Attenuation Parts
Henry County	Governmental Services to the County
Napoleon Area City School District	Education - Elementary thru High School
LDM Technologies (Arrow Molded)	Plastic Injection Molding, Auto Trim
City of Napoleon	Governmental Services to the City
Automatic Feed Company	Design/Mfg. of Coil Equipment Processing
Wal-Mart Store	Retail Sales
The Lutheran Home	Long-Term Care Facility
Nursing Home Operators (Northcrest)	Nursing Care and Rehabilitation
Carson Industries (Formerly Vision)	Structural Foam Plastic Molding
Leader Engineering	Custom Fabrication and Machine Design

Excluding Campbell's, which is located outside the City limits, these industries and service providers' employ over 2,000 persons in both full and part-time positions. Campbell's is the largest single employer in the County, and they are estimated to employ 1,300 persons, with another 200 persons employed in the Silgan Can Company.



## **Future**

Several industries and small businesses have recently expanded or are preparing to expand. The PG&E generation project will provide the area with 48 mega-watts of peaking power and over \$13 million dollars of improvements and will open additional ground in the industrial park for development. The most recent commercial development has been the addition of a new motel off North Scott Street, a Sports Bar eatery in the downtown, a drug store on the south side of town, the construction of a headquarters office for an insurance company, additional professional office space and a new funeral home. The downtown area continues to have a low vacancy rate. The Perry Street river bridge is scheduled for renovation in 2001-2002. Currently, a study is under way by Ohio Department of Transportation (ODOT) for a second river bridge to be constructed within the next ten years. The recently completed US 6/24-interchange project is expected to open additional development sites to the North of the City. The potential improvements on US 24 from Toledo, Ohio, to Fort Wayne, Indiana, known as the "Port to Fort" project, when completed, will position the City as an ideal location for new industry.

## **MAJOR INITIATIVES**

### **For the Year**

The City accomplished numerous undertakings that provide for and promote the welfare of its residents:

- Completed major street improvements and other infrastructure projects.
- Completed major electric distribution line replacements and upgrades.
- Constructed 69 kV electric circuit for peaking generators.
- Installation of a new second inter-connect sub-station and upgrade to the 69 kV electric line.
- Installation of fiber optic backbone cable.
- Completed equipment upgrades in the Street, Electric and Police Departments.
- Upgraded various Department computers and software.
- Completed major sewer separations on the sanitary sewer system.
- Completed waterline upgrades on the water distribution system.
- Renovated yard waste site / construction waste site.
- Enhanced security systems for administration and municipal court building.
- Construction of a new playground in Glenwood Park.

### **For the Future**

Napoleon plans to continue to update and expand City services to meet the needs of a growing population. A priority for the City is to keep abreast of infrastructure needs and provide for required improvements as growth and development occurs. The following are some of the major goals and projects for the future:

- Development of a new City Master Plan to assist in City growth and direction.
- Development of industrial and commercial sites for expanded and new industries.
- Continued installation of City wide fiber optic system for all City Departments.
- Major equipment purchases in Electric, Fire, Street and Police Departments.
- On-going road improvements and other infrastructure street repair.
- Expansion of water and sewer lines to new development areas in the City.
- Elimination of sanitary sewer and combined sewer overflows.
- Initial planning for river bridge replacement.
- Raw Water Line construction to Wauseon reservoir.

## **Department Accomplishments**

Comprehensive management reviews were conducted on the various departmental operations of the City that have resulted in operational changes, enhancing the efficiency and effectiveness of operations. Continuing education and skill training programs remained a priority item for all departments. Work is currently underway to renovate the Municipal Service Building to better utilize shared services. The City is continuing the process of updating department policies and procedures, and implementing the recently completed revisions to the engineering Rules and Regulations.

## **FINANCIAL INFORMATION**

### **Accounting Controls**

The City's budgetary accounting system was designed to provide reasonable assurance that:

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

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

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

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

### **Budgetary Controls**

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

- Personal services
- Contractual Services
- Other Expenditures
- Transfers
- Materials and Supplies
- Capital Outlay
- Debt Service  
Principal  
Interest

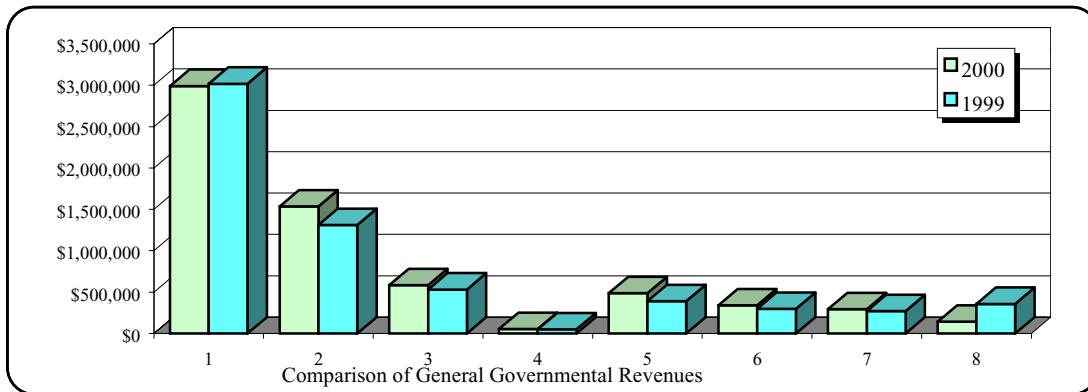
Lower levels within each object are accounted for and reported internally. Such lower levels are referred to as line items of expenditure. Estimated amounts must be encumbered prior to final approval of purchase orders or other contracts to vendors. Encumbrances in excess of the available object level appropriations are not approved unless additional appropriations are authorized. The City Manager has authority to move appropriations within a specific object, but must have legislative approval to move appropriations or supplement appropriations from one object to another. Unencumbered appropriations return (lapse) to the unappropriated balances in the individual funds at the end of each fiscal year. Fiscal Year currently coincides with the calendar year.

## FINANCIAL HIGHLIGHTS

### Governmental Operations

Revenues for general governmental functions (including all governmental fund types except capital projects funds) totaled \$6,425,371, representing an increase of \$196,590 or 3.2% over 1999. The following schedule presents a summary of general governmental revenues for the year ended December 31, 2000, the percentage of total revenues for the year and the amount of increase/(decrease) in relation to 1999 revenue.

Revenue Source	Total 2000 Revenues	Percent of Total	Increase (Decrease) over 1999
1. Taxes	\$2,991,556	46.56%	(\$27,320)
2. Intergovernmental Revenue	1,536,355	23.91%	224,725
3. Charges for Services	582,955	9.07%	51,298
4. Licenses and Permits	52,682	0.82%	1,716
5. Investment Earnings	487,111	7.58%	98,151
6. Special Assessments	339,700	5.29%	42,441
7. Fines and Forfeitures	293,545	4.57%	21,883
8. All Other Revenues	141,467	2.20%	(216,304)
Total	<u>\$6,425,371</u>	<u>100.00%</u>	<u>\$196,590</u>

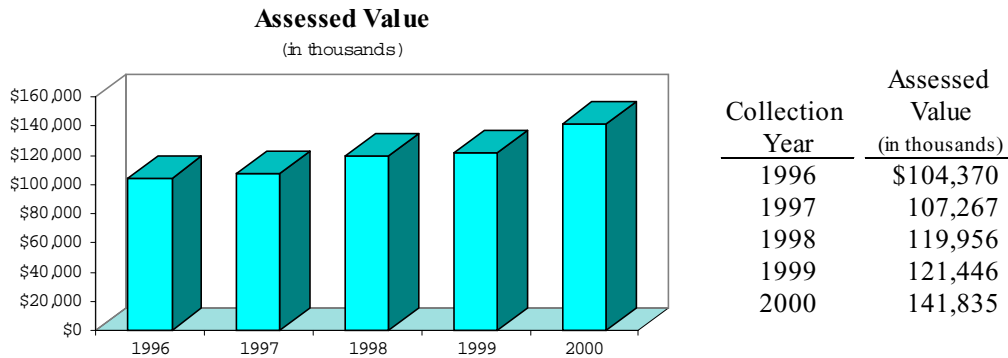


### Revenue Narrative

The City's income tax continues to be its primary source of revenue for general government activities with 2000 collections totaling \$2,653,784. The 1.2% tax applies to all wages, salaries, commissions and other compensation paid by employers and/or the net proceeds from the operation of a business, profession or other enterprise activity. Income tax rates of cities within the State of Ohio are limited to a maximum of 1% unless specifically approved by a majority of the resident voters of the city. The initial tax rate of 1.0% started in the 1950's and was increased to 1.2% by voter approval in 1986. The addition of 0.2% was recently re-approved by City residents in 2000, effective in 2001.

Property taxes are levied by the City and are billed and collected at the county level. After collection, the county distributes portions of the taxes collected to the various political subdivisions within its geographic boundaries. The property tax rate for the City is 2.90 mills, which represents \$2.90 per \$1,000 of taxable valuation. The tax rate is applied to the assessed value of the property located within the City. Assessed value is approximately 35% of appraised value. Increases in the property tax rate can only occur with the approval of the City's voters. Revenues from property taxes are used for general fund operations, including Police and Fire Pension Funds. In 2000, property tax cash receipts collected and forwarded to the City increased 7.8%.

Total assessed values in the City over the past five years are shown below:



City investment earnings received in 2000 increased approximately 25.2% over 1999. The increase was due to timing of principal maturity dates and the additional balances from the bond and note sales. Interest rates remained stable the first half of 2000, and decreased toward the end of the year. The City's investment policies are discussed later in more detail under the topic of "Cash Management."

Intergovernmental revenues consist primarily of state income, sales, corporate franchise and public utility taxes collected by the State of Ohio and redistributed to other political subdivisions from the local government fund and local government revenue assistance fund. The State also provides a reimbursement for real and personal property tax reductions, gasoline tax, state-levied motor vehicle license tax, inheritance tax and permissive motor vehicle license tax. These revenues are collected by the State or County and partially redistributed to the City and other political subdivisions. The major increase experienced in the intergovernmental revenues for 2000 was in State Grant Receipts in the CDBG, CHIS, and CHIP Housing Grant Funds used for low income housing rehabilitation and renovations.

The increase in charges for services from 1999 to 2000 can be attributed to higher collections on EMS Transport charges.

The special assessment revenue will vary with the nature and timing of special assessment projects completed by the City of Napoleon. The increase is indicative of these timing differences.

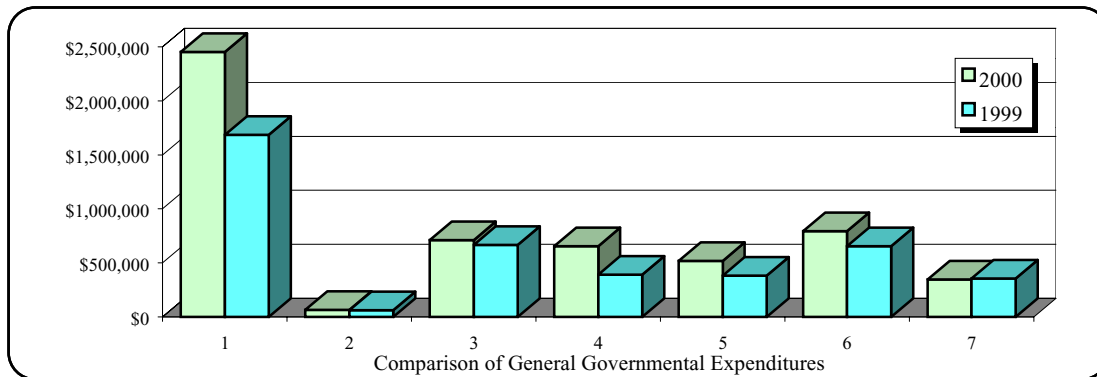
Fines and forfeitures will vary by year dependent on caseload and type of cases filed. There was a slight increase in 2000.

All other revenue is in a miscellaneous category. This includes a variety of less significant revenue sources, including miscellaneous rental income, donations and certain refunds. The category of all other revenues decreased in 2000 by \$216,304. This decrease was due to receipts on the sale of an asset in 1999, with the receipts placed in the Economic Development Fund. However, normally "other revenues" represents a very minor percentage of the City's total receipts.

### General Governmental Expenditures

Expenditures for general governmental purposes, including the general, special revenue and debt service funds, totaled \$5,541,340, representing an increase of \$1,344,717 or 32% over 1999. The majority of this increase was due to the purchase of an Aerial Truck. Expenditures for the major functions of the City, the percentage of total expenditures for 2000 and the amount of increase/(decrease) over 1999 are shown in the following table:

Expenditures	Total 2000 Expenditures	Percent of Total	Increase (Decrease) over 1999
1. Security of Persons and Property	\$2,451,923	44.25%	\$765,450
2. Public Health and Welfare Services	66,118	1.19%	3,764
3. Leisure Time Activities	710,193	12.82%	44,664
4. Community Environment	653,905	11.80%	263,624
5. Transportation	519,657	9.38%	137,126
6. General Government	793,592	14.32%	138,466
7. Debt Service	345,952	6.24%	(8,377)
<b>Total</b>	<b>\$5,541,340</b>	<b>100.00%</b>	<b>\$1,344,717</b>



### Expenditure Narrative

Expenditures for security of persons and property increased in 2000 as a result of the purchase of an Aerial Ladder Truck.

Public health and welfare increased slightly due to increased expenditures in Cemetery operation cost.

Leisure time activities increased due to normal wages and benefits, including seasonal wages, for the various programs sponsored by the City. Supply costs to run most programs also increased.

The community environment increase of \$263,624 was due to accelerated expenditures in the CDBG, CHIS and CHIP Housing Grant Funds. These funds are used by low to moderate-income persons for housing rehabilitation and renovations.

Transportation expenditures increased due to a snowier winter resulting in a need for more overtime and purchase of salt supplies.

General government expenditures increased \$138,466 in 2000 due to increased engineering fees as well as increases in wages and benefits.

## **Proprietary Operations**

### Enterprise Funds:

The City operates four enterprise funds: water treatment and distribution, wastewater collection and treatment, electric distribution and residential solid waste collection and disposal, which includes curbside recycling and a yardwaste site. Revenues derived from user charges support the enterprise funds.

Certain pertinent data relating to the enterprise operations of the City is presented below.

	<u>Total Assets</u>	<u>Net Income</u>	<u>Return on Assets</u>
Electric	\$19,805,858	\$1,562,532	7.89%
Water	3,560,986	219,016	6.15%
Sewer	11,788,445	143,193	1.21%
Sanitation	752,635	141,547	18.81%

### Internal Service Fund:

The City's internal service fund is used to account for the financing of goods and services provided by one department to other departments of the City on a cost-reimbursement basis. The City maintains one internal service fund, which is the Garage Rotary Fund. The purpose of the Garage Rotary Fund is to provide centralized service and repairs on all City-owned vehicles and other specialty equipment. This also included limited service work on automated computer equipment.

## **Fiduciary Operations**

Trust and agency funds are established to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds. The City maintains two expendable trust funds with assets totaling \$76,937 and a nonexpendable trust fund with assets totaling \$10,566. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Total assets and liabilities of the agency funds of the City amounted to \$33,250.

## Debt Administration

The debt service funds accumulate resources for the payment of principal, interest and associated administrative costs on the City's general and special assessment (with governmental commitment) long-term debt. Resources come from enterprise revenues, special assessments and investment earnings.

The City's general obligation bonds have an excellent rating. Moody's Investors Service last rated the City's bond credit rating at "A2." The total bonded general obligation debt of the City at December 31, 2000, was \$1,655,000 in Waterworks System Improvements and \$1,725,000 in special assessment bonds.

In 1998, the City issued \$3,245,000 in 20 year Electric System Revenue Bonds for its 2<sup>nd</sup> Interconnect Project, and issued \$3,480,000 in 20 year Sewer System Revenue Bonds for its Wastewater Plant Improvements Project. These bond issues will be repaid from the revenues of each respective fund. The principal amount outstanding of revenue backed debt at December 31, 2000, was \$6,280,000. In addition, the City has several loans obtained from the Ohio Water Development Authority (OWDA), which were used to finance the construction of the wastewater treatment plant improvements and waterline improvements. The loans are being repaid from the revenues of the Sewer and Water Funds. The principal amount outstanding of the OWDA loans at December 31, 2000 was \$3,455,930.

In addition to General Obligation and Revenue Backed Debt, the City has a balance of \$279,964 in zero percent (0%) interest loans from Ohio Public Works Commission for an Unimproved Street project, and \$88,341 in deferred loans from Ohio Sewer and Water Rotary Commission for the Palmer Ditch Sewer project.

The ratio of property tax supported general bonded debt to assessed value and the amount of bonded debt per capita are considered to be good indicators to municipal managers, citizens and investors in general governmental debt of the City's debt position. The City's debt position as of December 31, 2000 was as follows:

Overall Legal Debt Margin	\$14,576,985
Unvoted Legal Debt Margin	7,635,563

A more thorough presentation of the calculation of these figures is located in the statistical section of this report.

## Cash Management

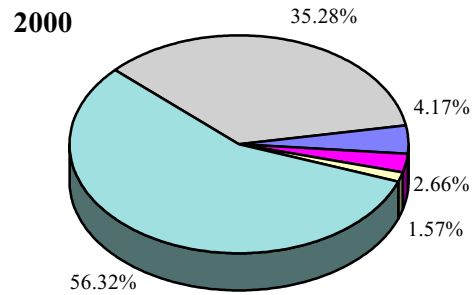
Cash management is an integral component of the City's overall financial plan. The City's goal is to earn a market rate of return consistent with providing the liquidity needed to pay obligations on a timely basis.

Cash flow forecasting and the use of short-term investments, such as repurchase agreements and the State Treasurer's Asset Reserve account (STAR Ohio), allows the City to earn interest on all funds.

The City's investment policy was updated in 2000 and generally complies with Section 135.14 of the Ohio Revised Code with a maximum maturity limited to two years. Most investments mature within the current fiscal year. Interest earnings are allocated to funds according to City ordinance. As required by law, all deposits and repurchase agreements are covered by eligible collateral, while the Ohio Revised Code and the City's investment policy specifically permit investment in securities (treasuries and agency/instrumentality issues).

The City's cash resources were invested as follows at December 31, 2000:

Cash Resources	2000	%
Cash and Cash Equivalents	\$709,103	4.17
STAR Ohio	453,465	2.66
Repurchase Agreement	266,243	1.57
Federal Securities	9,577,501	56.32
Certificates of Deposit	6,000,000	35.28
Total	\$17,006,312	100.00



At December 31, 2000, the City had bank balances of \$7,894,168. Federal depository insurance covered \$500,000 of the bank balance. Of the bank balance \$3,400,000 was classified as Category 1, \$2,024,778 was classified as Category 2 and all remaining deposits were classified as Category 3. Ohio Law requires that deposits be placed in eligible banks or savings and loan associations located in Ohio. Any public depository in which the City places deposits must pledge as collateral eligible securities of aggregate market value equal to the excess of deposits not insured by the Federal Deposit Insurance Corporation (FDIC). The securities pledged as collateral are pledged to a pool for each individual financial institution in amounts equal to at least 105% of the carrying value of all public deposits held by each institution. Obligations that may be pledged as collateral are limited to obligations of the United States and its agencies and obligations of any state, county, municipal corporation or other legally constituted authority of any other state, or any instrumentality of such county, municipal corporation or other authority.

The primary objectives of the City's investment program, in order of priority, are as follows:

1. Safety – The safety of principal balances is the City's foremost objective and all investments are undertaken in a manner to insure the preservation of capital.
2. Liquidity – All investments should be sufficiently liquid to meet all operating requirements that can be reasonably anticipated. Since all possible cash demands cannot be anticipated, the investment portfolio should consist of securities with active resale markets, and with no measure of possible erosion in response to interest rate shifts.
3. Yield – Return on investment is of least importance compared to the safety and liquidity objectives described above. Investments are limited to low risk securities with the expectation of earning a fair return relative to the risk assumed.

All eligible financial institutions must meet the requirements of the Uniform Depository Act, which requires the financial institution to maintain a full service facility located in the City of Napoleon and to have a current Agreement for Deposit of Interim Funds with the City.

Authorized investments are described in detail in Note 4 of the footnotes to the general purpose financial statements included within the financial section of this Comprehensive Annual Financial Report. The City seeks to utilize those funds not needed for daily obligations most effectively by purchasing marketable, short-term instruments at higher yields. Currently, the City uses short-term treasury notes, agency/instrumentality discount notes, and bank certificates of deposit in its investment program. The



yield curve and the yield spreads direct the City toward those instruments providing the highest, short-term yield at the time of the investment. The City uses eligible financial institutions as specified in the Ohio Revised Code for deposit and securities transactions. All depository relationships are based on requirements within the Ohio Revised Code. All securities are currently placed in safekeeping with National City Bank, Cleveland, Ohio.

## **Risk Management**

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters. The City participates with other cities in the Buckeye Ohio Risk Management Agency, Inc., (BORMA, Inc.) in jointly funded risk financing programs administered by Arthur J. Gallagher & Co. The BORMA, Inc. programs include two separate pools, which provide separate and distinct coverages.

The first pool provides comprehensive automobile liability, automobile physical damage, comprehensive general liability, crime and property liability and public officials liability coverage up to specified limits. The pool includes the following municipalities: Bowling Green, Defiance, Huron, Napoleon, Sandusky and Willard. Member contributions are calculated annually to produce a sufficient sum of money within the pool to fund administrative expenses and to create reserves for claims. On December 31, 2000, the pool cash reserves were \$737,805, which, in the opinion of management, is adequate for any claims against the pool. The amount of risk retained within the pool in 2000 was \$25,000 per claim, with a annual stop loss of \$325,000. Claims in excess of \$25,000 up to \$10,000,000 are covered by various insurance carriers. Current individual deductible is \$1,000 for property and \$0 for liability.

The second pool is for employee benefits and includes life insurance, accidental death and dismemberment insurance, health insurance and prescription drug insurance. Each member has an option on the coverage it has elected to provide for its employees. Napoleon provides to its employees all available options offered by the pool. The employee benefits pool for 2000 includes the following municipalities: Archbold, Bowling Green, Carey, Clyde, Defiance, Fayette, Harrison, Hicksville, Huron, Napoleon, Oberlin, Sandusky, Upper Sandusky and Willard. The cities of Harrison and Huron dropped out of the pool in 2000. On December 31, 2000, the pool had cash reserves of \$960,522 and, in the opinion of management, is adequate for any claims against the pool.

Premiums are paid to the employee benefits pool at a cost of \$422.63 for family coverage and \$173.44 for single coverage. Life insurance monthly premium is \$6.20. During 2000 the City paid \$477,983 of premiums into the pool for coverage. The cost of coverage is paid by the fund that pays the salary of the individual employees. The amount of risk retained within the employee benefits pool is \$75,000 per individual with excess claims coverage provided by the Lloyds of London Insurance Company.

The individual BORMA, Inc. members are not considered "participants having equity interest" as defined by GASB Statement No. 14 since members have no rights to any assets of BORMA, Inc. other than possible residual claims upon dissolution. Therefore, BORMA, Inc. is a multi-jurisdictional arrangement that has the characteristics of a joint venture but has additional features that distinguish it, for financial reporting purposes, from the traditional joint venture defined in GASB Statement No. 14.

BORMA, Inc. has the ability to require the member cities to make supplemental payments in the event reserves are not adequate to cover claims. The probability of this occurring is considered remote due to the adequacy of the pool reserves and premium levels, therefore, no amounts have been reserved in the financial statements. Audited financial statements are maintained separately by BORMA, Inc.

The City pays the State Workers' Compensation System a premium based upon a rate per \$100 of payroll plus administrative costs. The rate is determined based upon the accident history of the Ohio Rural Water Association (ORWA) joint rating pool, of which the City became a member in 1999. The City reviews closely all Workers' Compensation claims to control costs.

Current safety policies and training have been, and are provided on an ongoing basis. This includes various types of safety training for the specific departments, drivers training, a drug free workplace policy with training, and a sexual harassment policy with training. Recently, the City has provided safety training on safe lifting and back training and other various safety programs.

## **OTHER INFORMATION**

### **Independent Audit**

Included in this report is an unqualified audit opinion rendered on the City's financial statements for the year ended December 31, 2000, by the Auditor of State in Ohio. City management plans to continue to subject the financial statements to an annual independent audit as part of the preparation of a Comprehensive Annual Financial Report. An annual audit serves to maintain and strengthen the City's accounting and budgetary controls.

### **Awards**

The Government Finance Officers Association of the United States and Canada (GFOA) awards a Certificate of Achievement for Excellence in Financial Reporting to those governmental entities that qualify. To be awarded a Certificate of Achievement, a governmental unit must prepare an easily readable and efficiently organized Comprehensive Annual Financial Report whose contents satisfy all program standards. The report must satisfy both generally accepted accounting principles (GAAP) and applicable legal requirements respective to the reporting entity. A Certificate of Achievement is valid for a period of one year only. The City received a Certificate of Achievement for the fiscal year ended December 31, 1999. I believe this, our fifth Comprehensive Annual Financial Report, meets the high standards set by the GFOA for a Certificate of Achievement for Excellence in Financial Reporting, so therefore, I am submitting it to GFOA for certification.

### **Public Disclosure**

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

### **Acknowledgments**

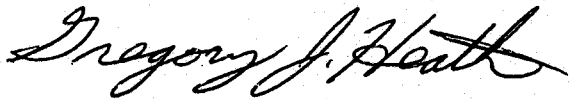
The City is grateful to the many agencies and organizations that continue to contribute to make this report possible, including the Henry County Auditor's Office, the Henry County Chamber of Commerce and the Audit Division of the State Auditor's Office. Special credits go to Ms. Andrea Borstelman for her artistic contribution to the front cover.

Sincere appreciation is also extended to the many individuals who have worked diligently and contributed significant time and effort in gathering data for this report, particularly the staff of Donald J. Schonhardt & Associates, Inc., who through their continued knowledge and professionalism help make this annual project become a reality.

A thank you is extended to the Members of City Council, the Mayor and the City Administration for the support and trust shown to the Finance Department. Also for allocating the resources and time for the development of this report, which demonstrates the City's commitment to conform to reporting requirements established for municipal governments, and to maintain the sound financial position the City has enjoyed for many years. A final thank you to the Citizens of Napoleon, Ohio, who continue to support the many decisions made by the City in its financial operations.

Finally, I would especially like to recognize my staff, all of whom exhibited dedication and proficiency throughout the many hours required in preparing this report. A special thank you is extended to Mr. Ted Rohrs, Assistant Finance Director, who assisted in overseeing this project.

Respectfully submitted,

A handwritten signature in cursive script that reads "Gregory J. Heath". The signature is written in dark ink and is positioned above the typed name.

Gregory J. Heath  
Director of Finance

**THE CITY OF NAPOLEON, OHIO  
HENRY COUNTY  
PRINCIPAL OFFICIALS  
AS OF DECEMBER 31, 2000**

<u><b>Elected Officials</b></u>				
<u><b>Name</b></u>	<u><b>Title</b></u>	<u><b>Term Expires</b></u>	<u><b>Years of Service</b></u>	<u><b>Surety</b></u>
J. Andrew Small	Mayor	12/31/03	1	A
Mike DeWit	President of Council	12/31/03	8	A
Jim Hershberger	Council	12/31/01	14	A
Glen Miller	Council	12/31/01	2	A
David Miller	Council	12/31/01	2	A
Travis Sheaffer	Council	12/31/01	6	A
Terri Williams	Council	12/31/03	14	A
John Helberg	Council	12/31/03	1	A
John Collier	Municipal Judge	12/31/03	5	A

<u><b>Appointed Officials</b></u>				
<u><b>Name</b></u>	<u><b>Title</b></u>	<u><b>Term Expires</b></u>	<u><b>Years of Service</b></u>	<u><b>Surety</b></u>
Jon Bisher	City Manager	Indefinite	2	A
Gregory Heath	Director of Finance	Indefinite	5	A
Ted Rohrs	Asst. Director of Finance	Indefinite	15	A
Betty Marihugh	Clerk of Courts	Indefinite	17	A & B
David Grahn	Law Director	Indefinite	7	A

(A) BORMA Insurance Company, \$50,000

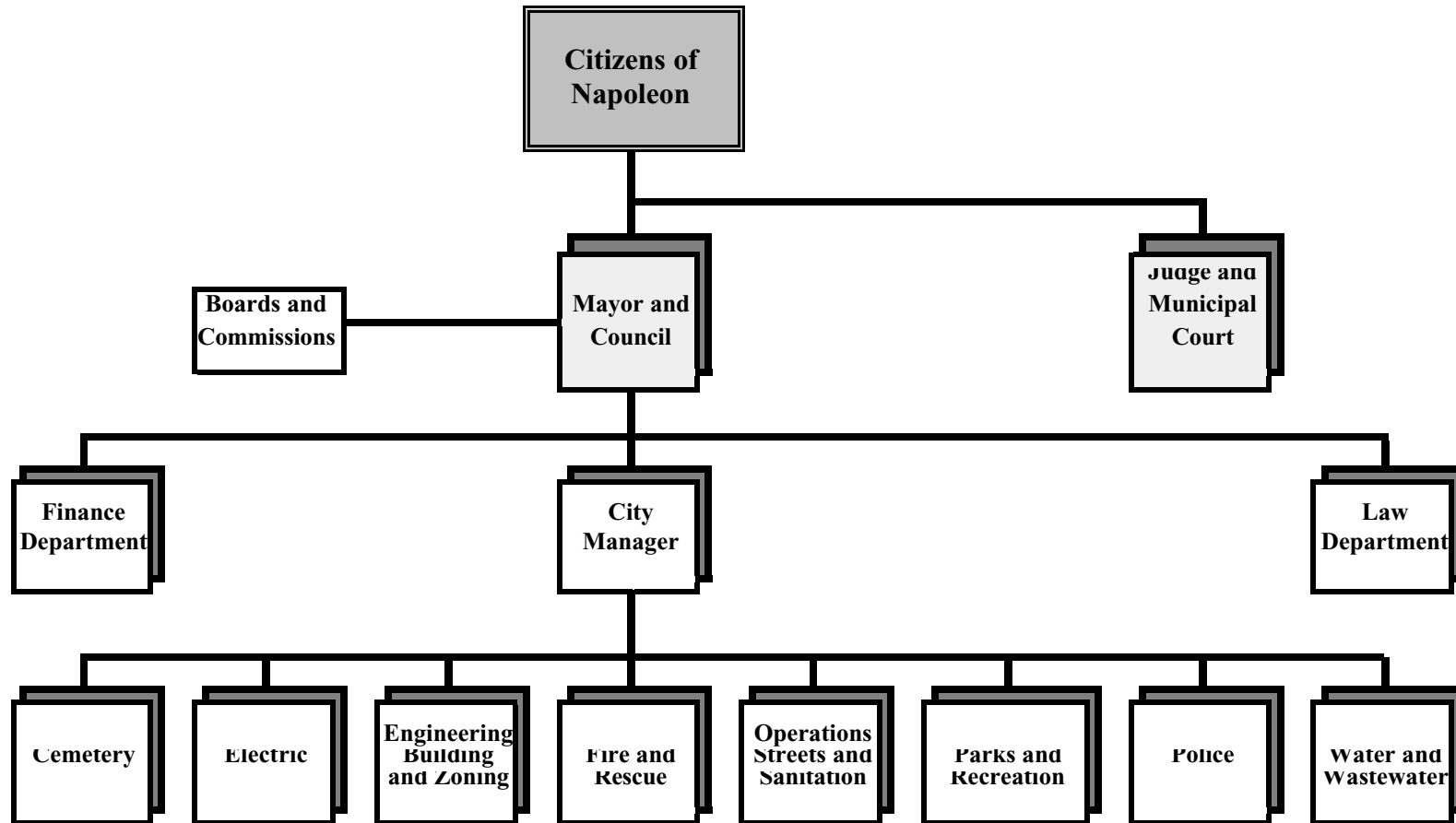
(B) Western Surety Insurance Company, \$12,000

City Address:

City of Napoleon  
255 West Riverview Avenue  
Napoleon, Ohio 43545

# The City of Napoleon, Ohio

## Organizational Chart



### **Boards and Commissions**

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Board of Public Affairs	Lodge Tax and Advisory Control Board	Board of Zoning Appeals
Civil Service Commission	Planning Commission	Tree Commission
Charter Review Commission	Americans with Disabilities Act	Parks and Recreation Board
Board of Building Appeals	Compliance Board	Records Retention Commission
Volunteer Firefighters Pension Board		

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Napoleon,  
Ohio

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 1999

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.



*Anne Spray Kinsey*  
President

*Jeffrey L. Esdell*  
Executive Director



## *FINANCIAL SECTION*

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STATE OF OHIO  
OFFICE OF THE AUDITOR  

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JIM PETRO, AUDITOR OF STATE

One Government Center  
Room 1420  
Toledo, Ohio 43604-2246  
Telephone 419-245-2811  
800-443-9276  
Facsimile 419-245-2484  
[www.auditor.state.oh.us](http://www.auditor.state.oh.us)

## REPORT OF INDEPENDENT ACCOUNTANTS

City of Napoleon  
Henry County  
255 West Riverview Avenue  
Napoleon, Ohio 43545-1766

To the Honorable Mayor and Members of Council:

We have audited the accompanying general-purpose financial statements of the City of Napoleon, Henry County, (the City) as of and for the year ended December 31, 2000, 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 generally accepted auditing standards 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 Napoleon, Henry County, as of December 31, 2000, and the results of its operations and the cash flows of its proprietary fund types and nonexpendable trust fund for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 6, 2001 on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

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

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

A handwritten signature in black ink, appearing to read "Jim Petro", with a large, stylized loop at the end.

**Jim Petro**  
Auditor of State

June 6, 2001

## *GENERAL PURPOSE FINANCIAL STATEMENTS*

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*THE FOLLOWING GENERAL PURPOSE FINANCIAL STATEMENTS, ALONG WITH THE NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS, PRESENT AN OVERVIEW OF THE CITY'S FINANCIAL POSITION AT DECEMBER 31, 2000 AND THE RESULTS OF OPERATIONS AND CASH FLOWS OF ITS PROPRIETARY AND NONEXPENDABLE TRUST FUNDS FOR THE YEAR THEN ENDED.*

**THE CITY OF NAPOLEON, OHIO**  
**COMBINED BALANCE SHEET**  
**ALL FUND TYPES AND ACCOUNT GROUPS**  
**DECEMBER 31, 2000**

	<i>Governmental</i>			
	<i>Fund Types</i>			
	General Fund	Special Revenue Funds	Debt Service Fund	Capital Projects Funds
<u>Assets and Other Debits:</u>				
Assets:				
Cash and Cash Equivalents	\$31,987	\$249,336	\$3,996	\$9,879
Investments	2,438,594	1,320,217	304,614	746,357
Receivables (net of allowance for doubtful accounts):				
Taxes	868,416	126,632	0	0
Accounts	16,439	135,991	0	0
Special Assessments	0	0	2,417,161	0
Interest	139,751	34,984	13,437	132
Intergovernmental Receivables	34,238	25,004	0	0
Inventory of Supplies at Cost	4,722	41,661	0	0
Investment in Joint Ventures	0	0	0	0
Restricted Assets:				
Cash and Cash Equivalents	0	0	0	0
Investments	0	0	0	0
Fixed Assets (net of accumulated depreciation)	0	0	0	0
Other Debits:				
Amount Available in Debt Service Fund	0	0	0	0
Amount to be Provided for General Long-Term Obligations	0	0	0	0
Total Assets and Other Debits	<u>\$3,534,147</u>	<u>\$1,933,825</u>	<u>\$2,739,208</u>	<u>\$756,368</u>

**THE CITY OF NAPOLEON, OHIO**  
**COMBINED BALANCE SHEET**  
**ALL FUND TYPES AND ACCOUNT GROUPS**  
**DECEMBER 31, 2000**

<i>Proprietary Fund Types</i>		<i>Fiduciary Fund Types</i>	<i>Account Groups</i>		Totals (Memorandum Only)
Enterprise Funds	Internal Service Fund	Trust and Agency Funds	General Fixed Assets	General Long-Term Obligations	
\$291,018	\$59,776	\$120,753	\$0	\$0	\$766,745
10,358,313	0	0	0	0	15,168,095
0	0	0	0	0	995,048
1,831,726	0	0	0	0	1,984,156
1,781,144	0	0	0	0	4,198,305
252,272	0	0	0	0	440,576
0	0	0	0	0	59,242
1,368,072	6,458	0	0	0	1,420,913
437,436	0	0	0	0	437,436
662,066	0	0	0	0	662,066
409,406	0	0	0	0	409,406
18,516,471	6,838	0	7,258,925	0	25,782,234
0	0	0	0	310,986	310,986
0	0	0	0	1,794,936	1,794,936
<u>\$35,907,924</u>	<u>\$73,072</u>	<u>\$120,753</u>	<u>\$7,258,925</u>	<u>\$2,105,922</u>	<u>\$54,430,144</u>

(Continued)

**THE CITY OF NAPOLEON, OHIO**  
**COMBINED BALANCE SHEET**  
**ALL FUND TYPES AND ACCOUNT GROUPS**  
**DECEMBER 31, 2000**

	<i>Governmental</i>			
	<i>Fund Types</i>			
	General Fund	Special Revenue Funds	Debt Service Fund	Capital Projects Funds
<b>Liabilities, Equity and Other Credits:</b>				
<b>Liabilities:</b>				
Accounts Payable	\$14,373	\$14,177	\$0	\$10,127
Accrued Wages and Benefits	109,317	85,082	0	0
Due to Others	0	0	0	0
Customer Deposits	0	0	0	0
Deferred Revenue	453,294	155,429	2,428,222	109
Compensated Absences Payable	0	0	0	0
General Obligation Bonds Payable	0	0	0	0
Special Assessment Bonds Payable with Governmental Commitment	0	0	0	0
Mortgage Revenue Bonds Payable	0	0	0	0
Ohio Sewer and Water Rotary Commission Deferred Loan Payable	0	0	0	0
Ohio Public Works Commission Loan Payable	0	0	0	0
Ohio Water Development Authority Loans Payable	0	0	0	0
Total Liabilities	576,984	254,688	2,428,222	10,236
<b>Equity and Other Credits:</b>				
Investment in General Fixed Assets	0	0	0	0
Contributed Capital	0	0	0	0
<b>Retained Earnings:</b>				
Reserved	0	0	0	0
Unreserved	0	0	0	0
<b>Fund Balances:</b>				
Reserved for Encumbrances	57,809	87,209	0	180,261
Reserved for Supplies Inventory	4,722	41,661	0	0
Reserved for Endowments	0	0	0	0
Reserved for Debt Service	0	0	310,986	0
<b>Unreserved:</b>				
Undesignated	2,894,632	1,550,267	0	565,871
Total Equity and Other Credits	2,957,163	1,679,137	310,986	746,132
<b>Total Liabilities, Equity and Other Credits</b>	<b>\$3,534,147</b>	<b>\$1,933,825</b>	<b>\$2,739,208</b>	<b>\$756,368</b>

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

**THE CITY OF NAPOLEON, OHIO**  
**COMBINED BALANCE SHEET**  
**ALL FUND TYPES AND ACCOUNT GROUPS**  
**DECEMBER 31, 2000**

<i>Proprietary Fund Types</i>		<i>Fiduciary Fund Types</i>	<i>Account Groups</i>		Totals (Memorandum Only)
Enterprise Funds	Internal Service Fund	Trust and Agency Funds	General Fixed Assets	General Long-Term Obligations	
\$100,979	\$129	\$0	\$0	\$0	\$139,785
69,690	3,990	0	0	0	268,079
0	0	33,923	0	0	33,923
11,038	0	0	0	0	11,038
0	0	0	0	0	3,037,054
146,173	2,806	0	0	285,960	434,939
1,655,000	0	0	0	0	1,655,000
115,000	0	0	0	1,610,000	1,725,000
6,280,000	0	0	0	0	6,280,000
88,341	0	0	0	0	88,341
70,002	0	0	0	209,962	279,964
<u>3,455,930</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3,455,930</u>
<u>11,992,153</u>	<u>6,925</u>	<u>33,923</u>	<u>0</u>	<u>2,105,922</u>	<u>17,409,053</u>
0	0	0	7,258,925	0	7,258,925
3,672,162	1,495	0	0	0	3,673,657
1,071,472	0	0	0	0	1,071,472
19,172,137	64,652	0	0	0	19,236,789
0	0	0	0	0	325,279
0	0	0	0	0	46,383
0	0	10,566	0	0	10,566
0	0	0	0	0	310,986
<u>0</u>	<u>0</u>	<u>76,264</u>	<u>0</u>	<u>0</u>	<u>5,087,034</u>
<u>23,915,771</u>	<u>66,147</u>	<u>86,830</u>	<u>7,258,925</u>	<u>0</u>	<u>37,021,091</u>
<u>\$35,907,924</u>	<u>\$73,072</u>	<u>\$120,753</u>	<u>\$7,258,925</u>	<u>\$2,105,922</u>	<u>\$54,430,144</u>

**THE CITY OF NAPOLEON, OHIO**  
**COMBINED STATEMENT OF REVENUES**  
**EXPENDITURES AND CHANGES IN FUND BALANCES**  
**ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2000**

	<b>Governmental Fund Types</b>			<b>Fiduciary Fund Type</b>	Totals (Memorandum Only)	
	General Fund	Special Revenue Funds	Debt Service Fund	Capital Projects Funds		Expensible Trust Funds
<b>Revenues:</b>						
Taxes	\$2,789,298	\$202,258	\$0	\$0	\$0	\$2,991,556
Intergovernmental Revenues	686,366	849,989	0	48,372	0	1,584,727
Charges for Services	88,406	494,549	0	0	5,990	588,945
Licenses and Permits	52,682	0	0	0	0	52,682
Investment Earnings	353,966	103,545	29,600	1,140	0	488,251
Special Assessments	0	0	339,700	23,506	0	363,206
Fines and Forfeitures	218,414	75,131	0	0	0	293,545
All Other Revenues	100,368	41,099	0	6,328	0	147,795
Total Revenues	<u>4,289,500</u>	<u>1,766,571</u>	<u>369,300</u>	<u>79,346</u>	<u>5,990</u>	<u>6,510,707</u>
<b>Expenditures:</b>						
<b>Current:</b>						
Security of Persons and Property	1,581,121	870,802	0	0	0	2,451,923
Public Health and Welfare Services	66,118	0	0	0	0	66,118
Leisure Time Activities	0	710,193	0	0	0	710,193
Community Environment	68,977	584,928	0	0	0	653,905
Transportation	0	519,657	0	0	0	519,657
General Government	724,633	62,541	6,418	0	0	793,592
Capital Outlay	0	0	0	1,154,609	0	1,154,609
<b>Debt Service:</b>						
Principal Retirement	0	0	230,350	0	0	230,350
Interest and Fiscal Charges	0	0	115,602	10,340	0	125,942
Total Expenditures	<u>2,440,849</u>	<u>2,748,121</u>	<u>352,370</u>	<u>1,164,949</u>	<u>0</u>	<u>6,706,289</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,848,651	(981,550)	16,930	(1,085,603)	5,990	(195,582)
<b>Other Financing Sources (Uses):</b>						
Proceeds from Special Assessment Bonds	0	0	0	29,000	0	29,000
Operating Transfers In	50,570	1,029,578	12,360	1,492,420	0	2,584,928
Operating Transfers Out	<u>(2,268,998)</u>	<u>(130,930)</u>	<u>0</u>	<u>(66,078)</u>	<u>0</u>	<u>(2,466,006)</u>
Total Other Financing Sources (Uses)	<u>(2,218,428)</u>	<u>898,648</u>	<u>12,360</u>	<u>1,455,342</u>	<u>0</u>	<u>147,922</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(369,777)	(82,902)	29,290	369,739	5,990	(47,660)
Fund Balance Beginning of Year	3,328,484	1,756,080	281,696	376,393	70,274	5,812,927
Increase (Decrease) in Inventory Reserve	(1,544)	5,959	0	0	0	4,415
Fund Balance End of Year	<u>\$2,957,163</u>	<u>\$1,679,137</u>	<u>\$310,986</u>	<u>\$746,132</u>	<u>\$76,264</u>	<u>\$5,769,682</u>

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



**THE CITY OF NAPOLEON, OHIO**  
**COMBINED STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2000**

	<u>General Fund</u>			<u>Special Revenue Funds</u>		
	Revised Budget	Actual	Variance: Favorable (Unfavorable)	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<b>Revenues:</b>						
Taxes	\$2,831,040	\$2,831,313	\$273	\$202,440	\$202,258	(\$182)
Intergovernmental Revenues	677,710	677,754	44	847,600	850,191	2,591
Charges for Services	96,030	95,805	(225)	448,299	448,974	675
Licenses and Permits	51,800	52,682	882	0	0	0
Investment Earnings	337,500	337,491	(9)	88,100	87,644	(456)
Special Assessments	0	0	0	0	0	0
Fines and Forfeitures	227,800	227,831	31	76,300	76,059	(241)
All Other Revenues	99,000	99,229	229	40,300	40,369	69
Total Revenues	4,320,880	4,322,105	1,225	1,703,039	1,705,495	2,456
<b>Expenditures:</b>						
Current:						
Security of Persons and Property	1,609,242	1,596,750	12,492	938,431	884,702	53,729
Public Health and Welfare Services	67,360	66,641	719	0	0	0
Leisure Time Activities	0	0	0	739,787	732,611	7,176
Community Environment	71,220	69,877	1,343	634,005	633,638	367
Transportation	0	0	0	626,777	537,787	88,990
General Government	804,426	775,570	28,856	62,742	62,541	201
Capital Outlay	0	0	0	0	0	0
Debt Service:						
Principal Retirement	0	0	0	0	0	0
Interest and Fiscal Charges	0	0	0	0	0	0
Total Expenditures	2,552,248	2,508,838	43,410	3,001,742	2,851,279	150,463
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,768,632	1,813,267	44,635	(1,298,703)	(1,145,784)	152,919
<b>Other Financing Sources (Uses):</b>						
Proceeds from Special Assessment Bonds	0	0	0	0	0	0
Operating Transfers In	50,838	50,805	(33)	1,029,640	1,029,578	(62)
Operating Transfers Out	(2,269,840)	(2,268,998)	842	(130,930)	(130,930)	0
Total Other Financing Sources (Uses)	(2,219,002)	(2,218,193)	809	898,710	898,648	(62)
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(450,370)	(404,926)	45,444	(399,993)	(247,136)	152,857
Fund Balance at Beginning of Year	2,756,027	2,756,027	0	1,683,520	1,683,520	0
Prior Year Encumbrances	32,446	32,446	0	25,039	25,039	0
Fund Balance at End of Year	\$2,338,103	\$2,383,547	\$45,444	\$1,308,566	\$1,461,423	\$152,857

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

(Continued)

**THE CITY OF NAPOLEON, OHIO**  
**COMBINED STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2000**

	<u>Debt Service Fund</u>			<u>Capital Projects Funds</u>		
	Revised Budget	Actual	Variance: Favorable (Unfavorable)	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<b>Revenues:</b>						
Taxes	\$0	\$0	\$0	\$0	\$0	\$0
Intergovernmental Revenues	0	0	0	48,300	48,372	72
Charges for Services	0	0	0	0	0	0
Licenses and Permits	0	0	0	0	0	0
Investment Earnings	26,800	26,835	35	3,870	2,763	(1,107)
Special Assessments	339,670	339,700	30	23,500	23,506	6
Fines and Forfeitures	0	0	0	0	0	0
All Other Revenues	0	0	0	6,400	6,328	(72)
Total Revenues	<u>366,470</u>	<u>366,535</u>	<u>65</u>	<u>82,070</u>	<u>80,969</u>	<u>(1,101)</u>
<b>Expenditures:</b>						
Current:						
Security of Persons and Property	0	0	0	0	0	0
Public Health and Welfare Services	0	0	0	0	0	0
Leisure Time Activities	0	0	0	0	0	0
Community Environment	0	0	0	0	0	0
Transportation	0	0	0	0	0	0
General Government	6,479	6,418	61	0	0	0
Capital Outlay	0	0	0	1,461,067	1,454,736	6,331
Debt Service:						
Principal Retirement	230,351	230,350	1	540,000	540,000	0
Interest and Fiscal Charges	115,610	115,602	8	20,681	20,681	0
Total Expenditures	<u>352,440</u>	<u>352,370</u>	<u>70</u>	<u>2,021,748</u>	<u>2,015,417</u>	<u>6,331</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	14,030	14,165	135	(1,939,678)	(1,934,448)	5,230
<b>Other Financing Sources (Uses):</b>						
Proceeds from Special Assessment Bonds	0	0	0	29,000	29,000	0
Operating Transfers In	12,360	12,360	0	1,492,360	1,492,420	60
Operating Transfers Out	0	0	0	(66,078)	(66,078)	0
Total Other Financing Sources (Uses)	<u>12,360</u>	<u>12,360</u>	<u>0</u>	<u>1,455,282</u>	<u>1,455,342</u>	<u>60</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	26,390	26,525	135	(484,396)	(479,106)	5,290
Fund Balance at Beginning of Year	279,348	279,348	0	867,533	867,533	0
Prior Year Encumbrances	0	0	0	179,639	179,639	0
Fund Balance at End of Year	<u>\$305,738</u>	<u>\$305,873</u>	<u>\$135</u>	<u>\$562,776</u>	<u>\$568,066</u>	<u>\$5,290</u>

(Continued)

**THE CITY OF NAPOLEON, OHIO**  
**COMBINED STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2000**

	<i>Expendable Trust Funds</i>			<i>Totals (Memorandum Only)</i>		
	Revised Budget	Actual	Variance: Favorable (Unfavorable)	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<b>Revenues:</b>						
Taxes	\$0	\$0	\$0	\$3,033,480	\$3,033,571	\$91
Intergovernmental Revenues	0	0	0	1,573,610	1,576,317	2,707
Charges for Services	5,900	5,990	90	550,229	550,769	540
Licenses and Permits	0	0	0	51,800	52,682	882
Investment Earnings	0	0	0	456,270	454,733	(1,537)
Special Assessments	0	0	0	363,170	363,206	36
Fines and Forfeitures	0	0	0	304,100	303,890	(210)
All Other Revenues	280	288	8	145,980	146,214	234
Total Revenues	6,180	6,278	98	6,478,639	6,481,382	2,743
<b>Expenditures:</b>						
Current:						
Security of Persons and Property	0	0	0	2,547,673	2,481,452	66,221
Public Health and Welfare Services	0	0	0	67,360	66,641	719
Leisure Time Activities	0	0	0	739,787	732,611	7,176
Community Environment	0	0	0	705,225	703,515	1,710
Transportation	0	0	0	626,777	537,787	88,990
General Government	400	0	400	874,047	844,529	29,518
Capital Outlay	0	0	0	1,461,067	1,454,736	6,331
Debt Service:						
Principal Retirement	0	0	0	770,351	770,350	1
Interest and Fiscal Charges	0	0	0	136,291	136,283	8
Total Expenditures	400	0	400	7,928,578	7,727,904	200,674
Excess (Deficiency) of Revenues Over (Under) Expenditures	5,780	6,278	498	(1,449,939)	(1,246,522)	203,417
<b>Other Financing Sources (Uses):</b>						
Proceeds from Special Assessment Bonds	0	0	0	29,000	29,000	0
Operating Transfers In	0	0	0	2,585,198	2,585,163	(35)
Operating Transfers Out	(600)	(235)	365	(2,467,448)	(2,466,241)	1,207
Total Other Financing Sources (Uses)	(600)	(235)	365	146,750	147,922	1,172
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	5,180	6,043	863	(1,303,189)	(1,098,600)	204,589
Fund Balance at Beginning of Year	70,894	70,894	0	5,657,322	5,657,322	0
Prior Year Encumbrances	0	0	0	237,124	237,124	0
Fund Balance at End of Year	\$76,074	\$76,937	\$863	\$4,591,257	\$4,795,846	\$204,589



**THE CITY OF NAPOLEON, OHIO**  
**COMBINED STATEMENT OF REVENUES, EXPENSES**  
**AND CHANGES IN RETAINED EARNINGS/FUND BALANCE**  
**ALL PROPRIETARY FUND TYPES AND SIMILAR TRUST FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2000**

	<u>Proprietary</u> <u>Fund Types</u>		<u>Fiduciary</u> <u>Fund Type</u>	Totals (Memorandum Only)
	Enterprise Funds	Internal Service Fund	Nonexpendable Trust Fund	
<u>Operating Revenues:</u>				
Charges for Services	\$14,225,680	\$84,117	\$0	\$14,309,797
Other Charges for Services	23,590	1,854	0	25,444
Other Operating Revenues	1,372	0	0	1,372
Total Operating Revenues	14,250,642	85,971	0	14,336,613
<u>Operating Expenses:</u>				
Personal Services	1,531,309	111,147	0	1,642,456
Materials and Supplies	691,423	68,469	0	759,892
Contractual Services	526,982	1,997	0	528,979
Utilities	7,760,519	1,353	0	7,761,872
Depreciation	610,734	2,061	0	612,795
Other Operating Expenses	1,042,555	0	0	1,042,555
Total Operating Expenses	12,163,522	185,027	0	12,348,549
Operating Income (Loss)	2,087,120	(99,056)	0	1,988,064
<u>Nonoperating Revenues (Expenses):</u>				
Gain on Investment in Joint Ventures	144,434	0	0	144,434
Investment Earnings	756,798	0	0	756,798
Interest and Fiscal Charges	(703,142)	0	0	(703,142)
Total Nonoperating Revenues (Expenses)	198,090	0	0	198,090
Income (Loss) Before Operating Transfers	2,285,210	(99,056)	0	2,186,154
<u>Operating Transfers:</u>				
Operating Transfers In	6,078	100,000	0	106,078
Operating Transfers Out	(225,000)	0	0	(225,000)
Total Operating Transfers	(218,922)	100,000	0	(118,922)
Net Income	2,066,288	944	0	2,067,232
Restated Retained Earnings/ Fund Balance at Beginning of Year				
	18,177,321	63,708	10,566	18,251,595
Retained Earnings/Fund Balance at End of Year	<u>\$20,243,609</u>	<u>\$64,652</u>	<u>\$10,566</u>	<u>\$20,318,827</u>

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

**THE CITY OF NAPOLEON, OHIO**  
**COMBINED STATEMENT OF CASH FLOWS**  
**ALL PROPRIETARY FUND TYPES AND NONEXPENDABLE TRUST FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2000**

	<i>Proprietary Fund Types</i>		<i>Fiduciary Fund Type</i>	Totals (Memorandum Only)
	Enterprise Funds	Internal Service Fund	Nonexpendable Trust Fund	
<u>Cash Flows from Operating Activities:</u>				
Cash Received from Customers	\$14,334,934	\$85,971	\$0	\$14,420,905
Cash Payments for Goods and Services	(10,820,759)	(78,543)	0	(10,899,302)
Cash Payments to Employees	(1,549,486)	(115,839)	0	(1,665,325)
Net Cash Provided (Used) by Operating Activities	1,964,689	(108,411)	0	1,856,278
<u>Cash Flows from Noncapital Financing Activities:</u>				
Transfers In from Other Funds	6,078	100,000	0	106,078
Transfers Out to Other Funds	(225,000)	0	0	(225,000)
Receipts of Special Assessments	164,253	0	0	164,253
Net Cash Provided (Used) by Noncapital Financing Activities	(54,669)	100,000	0	45,331
<u>Cash Flows from Capital and Related Financing Activities:</u>				
Acquisition and Construction of Assets	(1,977,004)	0	0	(1,977,004)
Proceeds From Special Assessment Bond	115,000	0	0	115,000
Principal Paid on General Obligation Bonds	(60,000)	0	0	(60,000)
Principal Paid on Mortgage Revenue Bonds	(225,000)	0	0	(225,000)
Principal Paid on Ohio Public Works Commission Loan	(3,684)	0	0	(3,684)
Principal Paid on Ohio Water Development Authority Loans	(234,058)	0	0	(234,058)
Interest Paid on All Debt	(703,761)	0	0	(703,761)
Net Cash Used for Capital and Related Financing Activities	(3,088,507)	0	0	(3,088,507)
<u>Cash Flows from Investing Activities:</u>				
Purchase of Investments	(234,364)	0	0	(234,364)
Sale of Investments	994,007	0	0	994,007
Receipts of Interest	597,358	0	0	597,358
Net Cash Provided by Investing Activities	1,357,001	0	0	1,357,001
Net Increase (Decrease) in Cash and Cash Equivalents	178,514	(8,411)	0	170,103
Cash and Cash Equivalents at Beginning of Year	774,570	68,187	10,566	853,323
Cash and Cash Equivalents at End of Year	\$953,084	\$59,776	\$10,566	\$1,023,426
<u>Reconciliation of Cash and Cash Equivalents per the Balance Sheet:</u>				
Cash and Cash Equivalents	\$291,018	\$59,776	\$120,753	\$471,547
Add: Restricted Cash and Cash Equivalents	662,066	0	0	662,066
Less: Cash and Cash Equivalents in Agency Funds	0	0	(33,250)	(33,250)
Less: Cash and Cash Equivalents in Expendable Trust Funds	0	0	(76,937)	(76,937)
Cash and Cash Equivalents at End of Year	\$953,084	\$59,776	\$10,566	\$1,023,426

(Continued)

**THE CITY OF NAPOLEON, OHIO**  
**COMBINED STATEMENT OF CASH FLOWS**  
**ALL PROPRIETARY FUND TYPES AND NONEXPENDABLE TRUST FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2000**

	<i>Proprietary Fund Types</i>		<i>Fiduciary Fund Type</i>	Totals (Memorandum Only)
	Enterprise Funds	Internal Service Fund	Nonexpendable Trust Fund	
<u>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</u>				
Operating Income (Loss)	\$2,087,120	(\$99,056)	\$0	\$1,988,064
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Depreciation Expense	610,734	2,061	0	612,795
Changes in Assets and Liabilities:				
Decrease in Accounts Receivable	84,292	0	0	84,292
Increase in Inventory	(229,896)	(6,458)	0	(236,354)
Decrease in Accounts Payable	(559,807)	(266)	0	(560,073)
Decrease in Accrued Wages and Benefits	(13,402)	(947)	0	(14,349)
Decrease in Customer Deposits	(9,554)	0	0	(9,554)
Decrease In Compensated Absences	(4,798)	(3,745)	0	(8,543)
Total Adjustments	<u>(122,431)</u>	<u>(9,355)</u>	<u>0</u>	<u>(131,786)</u>
Net Cash Provided (Used) by Operating Activities	<u>\$1,964,689</u>	<u>(\$108,411)</u>	<u>\$0</u>	<u>\$1,856,278</u>

Schedule of Noncash Investing, Capital and Financing Activities:

As of December 31, 2000, the Electric Fund and the Sewer Fund had outstanding liabilities of \$4,382 and \$5,034 respectively for the purchase of certain capital assets.

During 2000 the fair value of investments increased by \$64,599, \$7,977, \$19,459 and \$4,697 in the Electric, Water, Sewer and Sanitation Funds respectively.

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

**THE CITY OF NAPOLEON, OHIO**  
**NOTES TO THE GENERAL PURPOSE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2000**

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

The City of Napoleon, Ohio (the City) is a home rule municipal corporation created under the laws of the State of Ohio. The City operates under its own Charter, which provides for a Council/Manager form of government. The Charter was adopted November 7, 1950 and became effective January 1, 1952. The current Charter, as amended, was adopted November 3, 1992 and became effective January 1, 1993.

The accompanying general purpose financial statements of the City present the financial position of the various fund types and account groups, the results of operations of the various fund types and the cash flows of the proprietary and similar trust funds. The financial statements are presented as of December 31, 2000 and for the year then ended and have been prepared in conformity with generally accepted accounting principles (GAAP) applicable to local governments. The Governmental Accounting Standards Board (the "GASB") is the standard-setting body for establishing governmental accounting and financial reporting principles, which are primarily set forth in the GASB's Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification).

**A. Reporting Entity**

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

Based on the foregoing, the City's financial reporting entity has no component units but includes all funds, account groups, agencies, boards and commissions that are part of the primary government, which include the following services: police and fire protection, parks and recreation, planning, zoning, street maintenance and other governmental services. In addition, the City owns and operates a water treatment and distribution system, a wastewater treatment and collection system, an electric distribution system and provides refuse collection services all of which are reported as enterprise funds.

**1. Joint Ventures with Equity Interest**

*Ohio Municipal Electric Generation Agency Joint Venture 3 (Omega JV-3)* - The City is a participant with thirteen subdivisions within the State of Ohio in a joint venture to provide supplemental reserve electric power to the participants on a cooperative basis. The Omega JV-3 was created for that purpose. The Omega JV-3 is managed by AMP-Ohio which acts as the joint venture's agent. See Note 15 "Joint Ventures."



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

**A. Reporting Entity (Continued)**

1. Joint Ventures with Equity Interest (Continued)

*Ohio Municipal Electric Generation Agency Joint Venture 5 (Omega JV-5)* - The City is a participant with forty-two subdivisions within the State of Ohio in a joint venture to construct a hydroelectric plant and associated transmission facilities in West Virginia on the Ohio River at the Belleville Locks and Dam and receive electricity from its operation. The Omega JV-5 was created for that purpose. See Note 15 "Joint Ventures."

2. Joint Ventures without Equity Interest

*Community Improvement Corporation* - The City, along with Henry County is a participant in the joint venture to operate the Community Improvement Corporation (CIC). The corporation's duties are to advance, encourage and promote the industrial, economic, commercial and civic development of the City of Napoleon and Henry County. See Note 15 "Joint Ventures."

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

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

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

***Governmental Funds***

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

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

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

Debt Service Fund - This fund is used for the accumulation of resources for, and the payment of, general obligation and special assessment long-term debt principal and interest other than those accounted for in the proprietary funds.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

***Proprietary Funds***

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

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

Internal Service Fund - This fund is used to account for the financing of services provided by one department to other departments or agencies of the governmental unit or to other governmental units on a cost-reimbursement basis. The City created the Central Garage Rotary Internal Service Fund to account for revenues and expenses associated with maintaining the City's motor transport equipment.

***Fiduciary Funds***

Trust and Agency Funds - These funds are used to account for assets held by a government unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds. The City maintains expendable trust funds, a nonexpendable trust fund and agency funds. Expendable trust funds are accounted for and reported similarly to governmental funds. The nonexpendable trust fund is accounted for in essentially the same manner as the proprietary funds since capital maintenance is critical. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

***Account Groups***

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

General Fixed Assets Account Group - This account group is established to account for fixed assets of the City other than those accounted for in the proprietary funds.

General Long-Term Obligations Account Group - This account group is established to account for all long-term debt of the City except those accounted for in the proprietary funds.

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

**C. Basis of Accounting**

Basis of accounting represents the methodology utilized in the recognition of revenues and expenditures or expenses in the accounts and reported in the financial statements, and relates to the timing of the measurements made. The accounting and reporting treatment applied to a fund is determined by its measurement focus.

The modified accrual basis of accounting is followed by the governmental funds, expendable trust and agency funds. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. The term "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, which for the City is 60 days after year end. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt which is recognized when due.

Revenue considered susceptible to accrual at year end includes income taxes withheld by employers, interest on investments, state levied locally shared taxes (including motor vehicle license fees and local government assistance). Income taxes other than those withheld by employers, licenses, permits, charges for service and other miscellaneous revenues are recorded as revenue when received in cash because generally this revenue is not measurable until received.

Special assessment installments including related accrued interest, which are measurable but not available at December 31, are recorded as deferred revenue. Property taxes, which are measurable at December 31, 2000 but are not intended to finance 2000 operations, and delinquent property taxes whose availability is indeterminate, are recorded as deferred revenue as further described in See Note 5.

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

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

**D. Budgetary Process**

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

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

**D. Budgetary Process** (Continued)

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

1. Tax Budget

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

2. Estimated Resources

The County Budget Commission reviews estimated revenue and determines if the budget substantiates a need to levy all or part of previously authorized taxes. The Budget Commission then certifies its actions to the City by September 1 of each year. As part of the certification process, the City receives an official certificate of estimated resources stating the projected receipts by fund. Prior to December 31, the City must revise its budget so that the total contemplated expenditures from any fund during the ensuing fiscal year do not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriations measure. On or about January 1, the certificate of estimated resources is amended to include any unencumbered fund balances from the preceding year. The certificate may be further amended during the year if a new source of revenue is identified or if actual receipts exceed current estimates. The amounts reported on the budgetary statement reflect the amounts in the final amended official certificate of estimated resources issued during 2000.

3. Appropriations

A temporary appropriation ordinance to control expenditures may be passed on or about January 1 of each year for the period January 1 through March 31. An annual appropriation ordinance must be passed by April 1 of each year for the period January 1 through December 31. The appropriation ordinance establishes spending controls at the fund, department and object level, the legal level of control. The appropriation ordinance may be amended during the year as additional information becomes available, provided that total fund appropriations do not exceed the current estimated resources as certified by the County Budget Commission. The allocation of appropriations among departments and objects within a fund may be modified during the year by an ordinance of City Council. During 2000, several supplemental appropriations were necessary to budget the use of contingency funds, intergovernmental grant proceeds and capital improvement projects. Administrative control is maintained through the establishment of more detailed line-item budgets. The budgetary figures which appear in the "Combined Statement of Revenues, Expenditures, and Changes in Fund Balances--Budget and Actual--All Governmental Fund Types and Expendable Trust Funds" are provided on the budgetary basis to provide a comparison of actual results with the final budget, including all amendments and modifications.

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

**D. Budgetary Process (Continued)**

4. Encumbrances

As part of formal budgetary control, purchase orders, contracts and other commitments for expenditures are encumbered and recorded as the equivalent of expenditures (budget basis) in order to reserve that portion of the applicable appropriation and to determine and maintain legal compliance. However, on the GAAP basis of accounting, encumbrances do not constitute expenditures or liabilities and are reported as reservations of fund balances for governmental funds in the accompanying general purpose financial statements.

5. Lapsing of Appropriations

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

6. Budgetary Basis of Accounting

The City's budgetary process accounts for certain transactions on a basis other than generally accepted accounting principles (GAAP). The major differences between the budgetary basis and the GAAP basis lie in the manner in which revenues and expenditures are recorded. Under the budgetary basis, revenues and expenditures are recognized on a cash basis. Utilizing the cash basis, revenues are recorded when received in cash and expenditures when paid. Under the GAAP basis, revenues and expenditures are recorded on the modified accrual basis of accounting. On the budgetary basis investment earnings are recognized when realized, whereas on a GAAP basis unrealized gains and losses are recognized when investments are adjusted to fair value.

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

**D. Budgetary Process** (Continued)6. **Budgetary Basis of Accounting** (Continued)

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary cash basis statements for the governmental funds and the expendable trust funds:

	Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses				
	General Fund	Special Revenue Funds	Debt Service Fund	Capital Projects Funds	Expendable Trust Funds
GAAP Basis (as reported)	(\$369,777)	(\$82,902)	\$29,290	\$369,739	\$5,990
Increase (Decrease):					
Accrued Revenues at December 31, 2000 received during 2001	(605,550)	(167,182)	(2,376)	(23)	0
Accrued Revenues at December 31, 1999 received during 2000	671,534	124,066	3,497	1,646	0
Accrued Expenditures at December 31, 2000 paid during 2001	123,690	99,259	0	10,127	673
Accrued Expenditures at December 31, 1999 paid during 2000	(126,317)	(106,148)	0	(132,425)	(620)
Note Retirement	0	0	0	(540,000)	0
1999 Adjustment to Fair Value	(11,472)	(6,099)	(1,149)	0	0
2000 Adjustment to Fair Value	(21,907)	(11,861)	(2,737)	0	0
Outstanding Encumbrances	(65,127)	(96,269)	0	(188,170)	0
Budget Basis	<u>(\$404,926)</u>	<u>(\$247,136)</u>	<u>\$26,525</u>	<u>(\$479,106)</u>	<u>\$6,043</u>

**E. Cash and Cash Equivalents**

Cash and cash equivalents include amounts in demand deposits, repurchase agreements, the State Treasury Asset Reserve (STAR Ohio) and certificates of deposit with original maturity dates of three months or less. The STAR Ohio is considered an investment for purposes of GASB Statement No. 3, but it is reported as a cash equivalent in the general purpose financial statements because it is a highly liquid instrument which is readily convertible to cash. The City pools its cash for investment and resource management purposes. Each fund's equity in pooled cash and investments represents the balance on hand as if each fund maintained its own cash and investment account. Restricted assets are comprised of the Electric and Sewer Bond Reserve fund balances and the meter deposit funds held by the City. For purposes of the statement of cash flows, the proprietary funds' shares of equity in pooled certificates of deposit are considered to be cash equivalents. See Note 4, "Cash, Cash Equivalents and Investments."

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

**F. Investments**

Investment procedures and interest allocations are restricted by provisions of the Ohio Constitution and the Ohio Revised Code. The City allocates interest among certain funds based upon percentages mandated by City ordinance. In accordance with GASB Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools", the City records all its investments at fair value except for nonparticipating investment contracts (repurchase agreements and certificates of deposit) which are reported at cost, which approximates fair value. All investments are considered, including those with a maturity of one year or less, and included in the calculation of the change in fair value. Fair value is determined by quoted market prices. See Note 4, "Cash, Cash Equivalents and Investments."

The City has invested funds in the STAR Ohio during 2000. STAR Ohio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price which is the price the investment could be sold for on December 31, 2000.

**G. Inventory**

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

**H. Fixed Assets and Depreciation**

The accounting and reporting treatment applied to fixed assets is determined by the ultimate use:

**1. Property, Plant and Equipment - General Governmental Purposes**

Fixed assets acquired or constructed for general governmental purposes are recorded as expenditures in the governmental funds and are capitalized at cost (or estimated historical cost for assets not purchased in recent years) in the General Fixed Assets Account Group. Contributed fixed assets are recorded at fair market value at the date received.

Fixed assets consisting of certain improvements other than buildings, including roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems, have not been capitalized. Such assets normally are immovable and of value only to the City; therefore, the purpose of stewardship for capital expenditures can be satisfied without recording these assets.

The City has elected not to record depreciation in the General Fixed Assets Account Group.

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

**H. Fixed Assets and Depreciation (Continued)**

**2. Property, Plant and Equipment - Proprietary Funds**

Property, plant and equipment (water and sewer lines) acquired by the proprietary funds are stated at estimated historical cost. Contributed fixed assets are recorded at fair market value at the date received.

Depreciation has been provided using the straight-line method over the following estimated useful lives:

Description	Estimated Lives (Years)
Buildings	25
Improvements other than Buildings/Infrastructure	10 - 50
Vehicles	5 - 20
Machinery, Equipment, Furniture and Fixtures	3 - 25

**I. Long-Term Obligations**

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

Obligation	Fund
General Obligation Bonds	Water Fund
Mortgage Revenue Bonds	Sewer Fund
	Electric Fund
Special Assessment Bonds with Governmental Commitment	Special Assessment Bond Retirement Fund
	Sewer Fund
Ohio Public Works Commission Loans	Special Assessment Bond Retirement Fund
	Sewer Fund
OWDA Loans	Water Fund
	Sewer Fund
Compensated Absences	General Fund
	Street Construction, Maintenance, and Repair Fund
	Recreation Fund
	Electric Fund
	Water Fund
	Sewer Fund
	Sanitation Fund
	Central Garage Rotary Fund



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

**J. Compensated Absences**

Employees of the City earn vacation leave at various rates within limits specified under collective bargaining agreements or under statute.

The rate of cash compensation for sick leave payout varies within specified limits under collective bargaining agreements or under law. Employees are paid 25% of the accumulated sick time upon retirement. Employees are eligible for retirement at age 60 with 5 years of service, age 55 with 25 years of service, and any age with at least 30 years of service. Compensation for sick leave is paid at the employee's full rate of pay at the time of termination or retirement.

In accordance with GASB Statement No. 16, "*Accounting for Compensated Absences*," the City records a liability for vacation time and sick leave when the obligation is attributable to services previously rendered or to rights that vest or accumulate, and when payment of the obligation is probable and can be reasonably determined. For governmental funds, the portion of unpaid compensated absences expected to be paid using expendable, available resources is reported as an expenditure in the fund from which the individual earning the leave is paid, and a corresponding liability is reflected in the account "Compensated Absences Payable." The remaining portion of the liability is reported in the General Long-Term Obligations Account Group.

**K. Pensions**

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

**L. Interfund Transactions**

During the course of normal operations, the City has numerous transactions between funds. Interfund transactions are generally classified as follows:

- Operating transfers are reported as "Other Financing Sources and Uses" in the governmental funds, as "Operating Transfers In" by the recipient fund and "Operating Transfers Out" by the disbursing fund.
- Residual Equity Transfers are nonroutine or nonrecurring transfers between funds and are reported as additions to or deductions from the fund equity balance. The City did not perform any residual equity transfers in 2000.

Transactions that would be treated as revenues and expenditures if the transactions involved organizations external to the City are similarly treated when involving other funds of the City. The City also advances cash from one fund to another as necessary to meet current obligations.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)****M. Reservations of Fund Balance/Retained Earnings**

Reserves indicate that a portion of fund balance is not available for expenditure or is legally segregated for a specific future use. Fund balances are reserved for inventories, debt service, endowments and encumbered amounts not accrued at year end. Retained earnings are reserved for debt service requirements and revenue bond indenture.

**N. Contributed Capital**

Proprietary fund type contributed capital is recorded at the fair market value of the related assets at the date received. Depreciation on contributed fixed assets resulting from grants, entitlements and shared revenues is recorded as an operating expense and closed along with other operating expenses directly to retained earnings.

**O. Total Columns on the Combined Financial Statements**

Total columns on the combined financial statements are captioned "Memorandum Only" to indicate they are presented only to facilitate financial analysis. Data in these columns does not present financial position, results of operations or cash flows in conformity with generally accepted accounting principles, nor is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

**NOTE 2 - PRIOR PERIOD ADJUSTMENTS**

During 2000, the City increased the capitalization level of its fixed assets which resulted in a restatement. As a result of the increase in the capitalization level during 2000, the General Fixed Assets Account Group was overstated by \$192,505 at December 31, 1999. The General Fixed Assets Account Group balance at January 1, 2000 has been restated. The balance decreased from \$6,713,707 to \$6,521,202.

The beginning balance of the retained earnings in the enterprise funds has been restated to correct an error in accounting for fixed assets and in accounting for the Ohio Public Works Commissions (OPWC) loan payable in the enterprise funds. The City also increased the capitalization level of its proprietary fixed assets. This resulted in the following changes to the beginning retained earnings balance in the enterprise funds and the internal service fund:

Fund Name	Retained Earnings as Reported 12/31/99	Restate Fixed Assets Increase/ (Decrease)	Adjustment To OPWC Loan Payable Increase/ (Decrease)	Retained Earnings as Restated 12/31/99
Enterprise Funds	\$18,013,195	\$237,812	(\$73,686)	\$18,177,321
Internal Service Fund	65,420	(1,712)	0	63,708

**NOTE 2 - PRIOR PERIOD ADJUSTMENTS (Continued)**

In addition to the above noted changes to retained earnings, the prior period adjustments had the following effect on prior year net income:

Fund Name	Net Income as Reported 12/31/99	Restate Fixed Assets Increase/ (Decrease)	Adjustment To OPWC Loan Payable Increase/ (Decrease)	Net Income as Restated 12/31/99
Enterprise Funds	\$1,283,603	\$237,812	(\$73,686)	\$1,447,729
Internal Service Fund	14,943	(1,712)	0	13,231

**NOTE 3 - COMPLIANCE AND ACCOUNTABILITY**

**Fund Deficits** - The fund deficits at December 31, 2000 of \$13,115 in the Police Pension Fund, \$10,237 in the Fire Pension Fund (special revenue funds) arose from the recognition of expenditures on the modified accrual basis of accounting which are greater than expenditures recognized on the budgetary basis. The deficits do not exist under the cash basis of accounting. The General Fund provides operating transfers when cash is required, not when accruals occur.

**NOTE 4 - CASH, CASH EQUIVALENTS AND INVESTMENTS**

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

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

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

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

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

- United States treasury notes, bills, bonds, or any other obligation or security issued by the United States treasury or any other obligation guaranteed as to principal or interest by the United States;

**NOTE 4 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)**

- Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the federal national mortgage association, federal home loan bank, federal farm credit bank, federal home loan mortgage corporation, government national mortgage association, and student loan marketing association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
- Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
- Interim deposits in eligible institutions applying for interim funds;
- Bonds and other obligations of the State of Ohio;
- No-load money market mutual funds consisting exclusively of obligations described in the first two bullets of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions, and
- The State Treasury Asset Reserve of Ohio (STAR Ohio).

Certain bankers' acceptances and commercial paper notes for a period not to exceed one hundred and eighty days from the date of purchase in an amount not to exceed twenty-five percent of the interim moneys available for investment at any one time.

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

**NOTE 4 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)**

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

*Deposits:*

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

*Investments:*

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

**A. Deposits**

At year end the carrying amount of the City's deposits was \$6,706,603 and the bank balance was \$7,894,168. Federal depository insurance covered \$500,000 of the bank balance. Of the bank balance, \$3,400,000 was classified as Category 1, \$2,024,778 was classified as Category 2 and all remaining deposits were classified as Category 3. In addition, the City had \$2,500 cash on hand.

**B. Investments**

The City's investments at December 31, 2000 are summarized below:

<u>Categorized Investments</u>	<u>Category 2</u>	<u>Category 3</u>	<u>Fair Value</u>
U.S. Government Securities	\$9,577,501	N/A	\$9,577,501
Repurchase Agreement	N/A	266,243	266,243
Total Categorized Investments	<u>9,577,501</u>	<u>266,243</u>	<u>9,843,744</u>
<u>Non-Categorized Investments</u>			
STAR Ohio	N/A	N/A	453,465
Total Non-Categorized Investments	<u>N/A</u>	<u>N/A</u>	<u>453,465</u>
Total Investments	<u>\$9,577,501</u>	<u>\$266,243</u>	<u>\$10,297,209</u>

## NOTE 4 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

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

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

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

	<u>Cash and Cash Equivalents *</u>	<u>Investments</u>
Per Combined Balance Sheet	\$1,428,811	\$15,577,501
Certificates of Deposit (with maturities of more than 3 months)	6,000,000	(6,000,000)
Investments:		
Repurchase Agreement	(266,243)	266,243
STAR Ohio	(453,465)	453,465
Per GASB Statement No. 3	<u>\$6,709,103</u>	<u>\$10,297,209</u>

\* Includes cash on hand.

## NOTE 5 - TAXES

**A. Property Taxes**

Property taxes include amounts levied against all real estate and public utility property, and tangible personal property used in business and located in the City. Real property taxes (other than public utility) collected during 2000 were levied after October 1, 1999 on assessed values as of January 1, 1999, the lien date. Assessed values were established by the County Auditor at 35% of appraised market value. All property is required to be revalued every six years. The last revaluation was completed for tax year 2000. Real property taxes are payable annually or semi-annually. If paid annually, payment is due January 31; if paid semi-annually, the first payment is due by February and the remainder payable in July. Under certain circumstances, state statute permits later payment dates to be established.

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

**NOTE 5 - TAXES (Continued)**

**A. Property Taxes (Continued)**

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

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

The full tax rate for the City's operations for the year ended December 31, 2000 was \$2.90 per \$1,000 of assessed value. The assessed value upon which the 2000 receipts were based was \$141,833,256. This amount constitutes \$102,814,376 in real property assessed value, \$3,331,130 in public utility assessed value and \$35,687,750 in tangible personal property assessed value.

Ohio law prohibits taxation of property from all taxing authorities in excess of 1% of assessed value without a vote of the people. Under current procedures, the City's share is .29% (2.90 mills) of assessed value.

**B. Income Tax**

The City levies a tax of 1.2% on all salaries, wages, commissions and other compensation and on net profits earned within the City as well as on incomes of residents earned outside the City. In the latter case, the City allows a credit of 100% of the tax paid to another municipality to a maximum of 1.2% of taxable salaries, wages, commissions and other compensation.

Employers within the City are required to withhold income tax on employees compensation and remit the tax to the City either monthly or quarterly, as required. Corporations and other individual taxpayers are required to pay their estimated tax quarterly and file a declaration annually.

**NOTE 6 - RECEIVABLES**

Receivables at December 31, 2000 consisted of taxes, interest, accounts receivable, special assessments and intergovernmental receivables arising from shared revenues.

**NOTE 7 - OPERATING TRANSFERS**

Following is a summary of operating transfers in and out for all funds for 2000:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$50,570	\$2,268,998
Special Revenue Funds:		
Street Construction, Maintenance and Repair Fund	145,000	0
Motor Vehicle License Tax Fund	0	35,360
EMS Transport Service Fund	0	45,000
Recreation Fund	444,578	0
Special Events Fund	10,000	0
Economic Development Fund	275,000	0
Hotel/Motel Tax Fund	0	49,242
Fire Equipment Fund	155,000	0
Law Enforcement Block Grant Fund	<u>0</u>	<u>1,328</u>
Total Special Revenue Funds	1,029,578	130,930
Debt Service Fund:		
Special Assessment Bond Retirement Fund	12,360	0
Capital Projects Funds:		
Capital Improvement Fund	1,022,420	60,000
Main, Welsted and Vine Improvement Fund	<u>470,000</u>	<u>6,078</u>
Total Capital Projects Funds	1,492,420	66,078
Enterprise Fund:		
Sewer Fund	6,078	225,000
Internal Service Fund:		
Central Garage Rotary Fund	<u>100,000</u>	<u>0</u>
Totals	<u>\$2,691,006</u>	<u>\$2,691,006</u>

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## NOTE 8 - FIXED ASSETS

**A. General Fixed Assets**

Summary by Category of Changes in General Fixed Assets:

Category	Restated	Additions	Deletions	December 31,
	December 31, 1999			
Land	\$1,647,180	\$0	\$0	\$1,647,180
Buildings	1,999,163	0	0	1,999,163
Improvements	127,317	0	0	127,317
Machinery and Equipment	2,747,542	914,909	(177,186)	3,485,265
Totals	<u>\$6,521,202</u>	<u>\$914,909</u>	<u>(\$177,186)</u>	<u>\$7,258,925</u>

Summary by Category and Investment at December 31, 2000:

General Fixed Assets		Investment in General Fixed Assets	
Land	\$1,647,180	General Fund	\$396,565
Buildings	1,999,163	Special Revenue Funds	197,693
Improvements	127,317	Capital Projects Funds	6,085,812
Machinery and Equipment	3,485,265	Enterprise Funds	575,955
		Internal Service Fund	400
		Donated	2,500
Total	<u>\$7,258,925</u>	Total	<u>\$7,258,925</u>

**B. Proprietary Fixed Assets**

Summary by Category at December 31, 2000:

Category	Historic Cost	Accumulated Depreciation	Book Value
Enterprise			
Land	\$349,695	\$0	\$349,695
Buildings	5,397,062	(1,992,786)	3,404,276
Improvements	20,249,176	(6,181,184)	14,067,992
Machinery and Equipment	4,872,864	(4,178,356)	694,508
Property, Plant and Equipment	<u>\$30,868,797</u>	<u>(\$12,352,326)</u>	<u>\$18,516,471</u>
Internal Service			
Machinery and Equipment	\$34,757	(\$27,919)	\$6,838
Property, Plant and Equipment	<u>\$34,757</u>	<u>(\$27,919)</u>	<u>\$6,838</u>

**NOTE 9 – DEFINED BENEFIT PENSION PLANS**

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

**A. Public Employees Retirement System (the "PERS of Ohio")**

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

All employees of the City, except full-time uniformed police officers and full-time firefighters, participate in the PERS of Ohio, a cost-sharing multiple employer defined benefit pension plan. The PERS of Ohio provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. Chapter 145 of the Ohio Revised Code provides statutory authority to establish and amend benefits. The Public Employees Retirement System of Ohio issues a stand-alone financial report that includes financial statements and required supplementary information for the PERS of Ohio. Interested parties may obtain a copy by making a written request to 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 466-2085 or 1-800-222-7377.

The Ohio Revised Code provides statutory authority for employee and employer contributions. The employee contribution rate is 8.5%. The Retirement Board instituted a temporary employer contribution rate rollback for calendar year 2000. The rate rollback was 20% for state and local government divisions. The 2000 employer contribution rate for local government employer units was 10.84%, of covered payroll, 6.54% to fund the pension and 4.3% to fund health care. The 1999 and 1998 employer contribution rates were 13.55%. The contribution requirements of plan members and the City are established and may be amended by the Public Employees Retirement Board. The City's contributions to the PERS of Ohio for the years ending December 31, 2000, 1999 and 1998 were \$351,599, \$412,637 and \$396,547, respectively, which were equal to the required contributions for each year.

The PERS of Ohio provides postemployment health care benefits to age and service retirants with ten or more years of qualifying Ohio service credit and to primary survivor recipients of such retirants. Health care coverage for disability recipients is also available. The health care coverage provided by the PERS of Ohio is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 12. A portion of each employer's contribution to the PERS of Ohio is set aside for the funding of post retirement health care. The Ohio Revised Code provides statutory authority requiring public employers to fund postemployment health care through their contributions to the PERS of Ohio. The portion of the 2000 employer contribution rate (identified above) that was used to fund health care for the year 2000 was 4.3% of covered payroll which amounted to \$139,472.

**NOTE 9 – DEFINED BENEFIT PENSION PLANS (Continued)**

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

The significant actuarial assumptions and calculations relating to postemployment health care benefits were based on the PERS of Ohio’s latest actuarial review performed as of December 31, 1999. An entry age normal actuarial cost method of valuation is used in determining the present value of OPEB. The difference between assumed and actual experience (actuarial gains and losses) becomes part of unfunded actuarial accrued liability. All investments are carried at market value. For actuarial valuation purposes, a smoothed market approach is used. Under this approach assets are adjusted annually to reflect 25% of unrealized market appreciation or depreciation on investment assets. The investment assumption rate for 1999 was 7.75%. An annual increase of 4.75% compounded annually, is the base portion of the individual pay increase assumption. This assumes no change in the number of active employees. Additionally, annual pay increases, over and above the 4.75% base increase, were assumed to range from 0.54% to 5.1%. Health care costs were assumed to increase 4.75% annually.

Benefits are advanced-funded on an actuarially determined basis. The number of active contributing participants was 401,339. The actuarial value of the PERS of Ohio net assets available for OPEB at December 31, 1999 is \$10,805.5 million. The actuarially accrued liability and the unfunded actuarial accrued liability, based on the actuarial cost method used, were \$12,473.6 million and \$1,668.1 million, respectively.

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

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

Plan members are required to contribute 10.0% of their annual covered salary, while employers are required to contribute 19.5% and 24.0% respectively for police officers and firefighters. The City's contributions to the OP&F Fund for the years ending December 31, 2000, 1999 and 1998 were \$110,562, \$108,165 and \$104,692 for police and \$74,793, \$65,086 and \$67,499 for firefighters, respectively, which were equal to the required contributions for each year.

The OP&F Fund provides postemployment health care coverage to any person who received or is eligible to receive a monthly benefit check or is a spouse or eligible dependent child of such person. An eligible dependent child is any child under the age of 18 whether or not the child is attending school, or under the age of 22 if attending school on a full-time or two-thirds basis. The Ohio Revised Code provides that health care costs paid from the funds of the OP&F Fund

**NOTE 9 – DEFINED BENEFIT PENSION PLANS (Continued)**

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

shall be included in the employer's contribution rate. The Ohio Revised Code also provides statutory authority allowing the Fund's Board of Trustees to provide postemployment health care coverage to all eligible individuals from the employer's contributions to the OP&F Fund.

The portion of the 2000 covered payroll that was used to fund postemployment health care benefits was \$41,106 representing 7.25% of covered payroll for police and \$22,593 representing 7.25% of covered payroll for fire. Health care funding and accounting was on a pay-as-you-go basis. In addition, since July 1, 1992 most retirees have been required to contribute a portion of the cost of their health care coverage through a deduction from their monthly benefit payment. As of December 31, 1999, the date of the last actuarial evaluation available, the number of participants eligible to receive health care benefits was 12,467 for police and 9,807 for firefighters. The OP&F Fund does not provide separate data on the funded status and funding progress of postemployment health care benefits. The Fund's total health care expenses for the year ended December 31, 1999 were \$95,004,633, which was net of member contributions of \$5,518,098.

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**NOTE 10 – COMPENSATED ABSENCES**

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

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

At December 31, 2000, the total accumulated unpaid sick leave, vacation and compensation time recorded in the General Long-Term Obligations Account Group was:

	<u>Hours</u>	<u>Amount</u>
Sick Leave	26,652	\$114,724
Vacation Time	10,338	156,763
Compensation Time	<u>1,041</u>	<u>14,473</u>
Total	<u><u>38,031</u></u>	<u><u>\$285,960</u></u>

The compensated absences attributable to the enterprise funds and the internal service fund have been recorded within the respective fund and are not included in the figures presented above.

**NOTE 11 - NOTES PAYABLE**

The Ohio Revised Code provides that notes including renewal notes issued in anticipation of the issuance of general obligation bonds may be issued and outstanding from time to time up to a maximum period of 20 years from the date of issuance of the original notes. The maximum maturity for notes anticipating general obligation bonds payable from special assessments is five years. Any period in excess of five years must be deducted from the permitted maximum maturity of the bonds anticipated, and portions of the principal amount of notes outstanding for more than five years must be retired in amounts at least equal to and payable no later than those principal maturities required if the bonds had been issued at the expiration of the initial five year period.

	Issue Date	Balance December 31, 1999	Issued (Retired)	Balance December 31, 2000
Capital Projects Note Payable:				
3.83% Street Improvement	07/01/99	\$540,000	(\$540,000)	\$0

**NOTE 12 - LONG-TERM DEBT AND OTHER LONG-TERM OBLIGATIONS**

Long-term debt and other long-term obligations of the City at December 31, 2000 were as follows:

Date Purchased	Interest Rate	Description	Maturity Date	Restated Balance December 31, 1999	Issued (Retired)	Balance December 31, 2000
<b>Enterprise Funds:</b>						
General Obligation Bonds:						
1980	7.25%	Waterworks System Improvement	2004	\$75,000	(\$15,000)	\$60,000
1994	6.00%	Waterworks System Improvements	2019	1,640,000	(45,000)	1,595,000
Total General Obligation Bonds				1,715,000	(60,000)	1,655,000
Mortgage Revenue Bonds:						
1998	4.00%	Sewer System Improvement	2018	3,365,000	(115,000)	3,250,000
1998	4.00%	Electric System Improvement	2018	3,140,000	(110,000)	3,030,000
Total Mortgage Revenue Bonds				6,505,000	(225,000)	6,280,000
Special Assessment Bond: (with Governmental Commitment)						
2000	5.00%	West Main, Wested and Vine Improvements	2020	0	115,000	115,000
Ohio Sewer and Water Rotary Commission Deferred Loan:						
1998		OSWRC - Palmer Ditch Project		88,341	0	88,341
Ohio Public Works Commission Loan:						
1999		Railroad Street Sewer Separation	2019	73,686	(3,684)	70,002
Ohio Water Development Authority Loans (OWDA):						
1986	8.720%	OWDA - Project #0613	2002	202,732	(75,899)	126,833
1990	7.840%	OWDA - Project #1089	2013	3,104,306	(145,939)	2,958,367
1992	9.185%	OWDA - Malinta Waterline	2016	382,950	(12,220)	370,730
Total Ohio Water Development Authority Loans				3,689,988	(234,058)	3,455,930
Total Enterprise Long-Term Debt				\$12,072,015	(\$407,742)	\$11,664,273
<b>General Long-Term Debt:</b>						
Special Assessment Bonds:						
1980	7.250%	Street Improvements	2000	\$55,000	(\$55,000)	\$0
1981	10.875%	Sewer and Water Improvements	2001	26,000	(13,000)	13,000
1985	9.500%	Sheffield Street Improvements	2004	30,000	(5,000)	25,000
1990	7.250%	Oberhaus Creek Sewer Improvements	2009	165,000	(15,000)	150,000
1991	5.65-6.55%	Street Improvements	2010	770,000	(100,000)	670,000
1992	5.70-6.10%	Street Improvements	2011	245,000	(15,000)	230,000
1993	5.400%	Street Improvements	2012	108,000	(5,000)	103,000
1996	7.500%	Street Improvements	2016	170,000	(5,000)	165,000
1998	4.50%	Street Improvements	2019	153,400	(3,340)	150,060
1998	4.50%	Street Improvements	2019	76,600	(1,660)	74,940
2000	5.00%	West Main, Wested and Vine Improvements	2020	0	29,000	29,000
Total Special Assessment Bonds (with Governmental Commitment)				1,799,000	(189,000)	1,610,000
Ohio Public Works Commission Loan:						
1998		Unimproved Street Program	2018	222,312	(12,350)	209,962
<b>Other Long-Term Obligations:</b>						
Compensated Absences				341,284	(55,324)	285,960
Total General Long-Term Debt and Other Long-Term Obligations				\$2,362,596	(\$256,674)	\$2,105,922

**NOTE 12 - LONG-TERM DEBT AND OTHER LONG-TERM OBLIGATIONS (Continued)**

The principal amount of the City's special assessment debt outstanding at December 31, 2000, \$1,725,000, is general obligation debt (backed by the full faith and credit of the City) that is being retired with the proceeds from special assessments levied against benefited property owners. The City is obligated to repay the debt irrespective of the amount of special assessments collected from property owners. The fund balance of \$310,986 in the Debt Service Fund at December 31, 2000 is reserved for the retirement of outstanding special assessment bonds in the General Long-Term Debt Account Group. The Sewer Fund will be collecting special assessments to retire the enterprise funds' special assessment debt.

**A. Future Long-Term Financing Requirements**

A summary of the City's future long-term debt funding requirements including principal and interest payments as of December 31, 2000 follows:

Years	General Obligation Bonds		Mortgage Revenue Bonds		Special Assessment Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
2001	\$65,000	\$95,895	\$235,000	\$294,863	\$178,000	\$105,521
2002	65,000	91,883	245,000	285,228	150,000	93,974
2003	65,000	87,870	250,000	274,937	160,000	84,577
2004	75,000	86,783	270,000	264,313	172,000	74,538
2005	60,000	82,185	280,000	252,702	182,000	63,712
2006-2010	355,000	354,435	1,580,000	1,067,498	499,000	186,856
2011-2015	475,000	236,050	1,980,000	660,763	261,000	72,899
2016-2020	495,000	76,200	1,440,000	146,500	123,000	16,260
Totals	<u>\$1,655,000</u>	<u>\$1,111,301</u>	<u>\$6,280,000</u>	<u>\$3,246,804</u>	<u>\$1,725,000</u>	<u>\$698,337</u>

Years	OWDA Loans		OPWC Loan		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2001	\$253,826	\$273,070	\$16,036	\$0	\$747,862	\$769,349
2002	227,472	251,623	16,035	0	703,507	722,708
2003	198,322	232,971	16,036	0	689,358	680,355
2004	213,860	217,433	16,035	0	746,895	643,067
2005	230,614	200,678	16,035	0	768,649	599,277
2006-2010	1,454,115	702,349	80,175	0	3,968,290	2,311,138
2011-2015	858,247	130,264	80,174	0	3,654,421	1,099,976
2016-2020	19,474	1,513	39,438	0	2,116,912	240,473
Totals	<u>\$3,455,930</u>	<u>\$2,009,901</u>	<u>\$279,964</u>	<u>\$0</u>	<u>\$13,395,894</u>	<u>\$7,066,343</u>

**B. Deferred Loan Payable to the Ohio Sewer and Water Rotary Commission**

The City has received an advance to meet the portion of the cost of extension of waterlines to be financed by assessments which collections are deferred or exempt pursuant to division (B) of Section 6103.052 of the Ohio Revised Code. The City is responsible for collecting the assessments upon expiration of the maximum time for which the deferments were made or when the property no longer meets the exemption criteria. This money must be remitted to the Ohio Sewer and Water Rotary Commission within one year. If the money is not collected and remitted to the Commission within one year, the City is responsible for paying interest from the general fund of the City.

**NOTE 12 - LONG-TERM DEBT AND OTHER LONG-TERM OBLIGATIONS (Continued)****C. Joint Ventures**

The City is a participant in two joint ventures, one of which has issued Certificates of Beneficial Interest (See Note 15). The debt service payment obligations of the joint ventures' participants, payable from each participants' user charges, is subject only to the prior payment of the operation and maintenance expenses. In case of default by a participant, the remaining participants become liable for that participant's debt service payments. The Certificates of Beneficial Interest are fully insured in case of total default by all of the participants. No defaults have occurred to date on either of these joint ventures.

The debt associated with OMEGA JV-5 amounts to 7.35 percent of \$144,830,000 or approximately \$10,645,006. The total principal retirements and the portion that will be paid by the City is as follows:

<u>Years</u>	<u>Certificates of Beneficial Interest</u>	<u>City of Napoleon Share</u>
2001	\$3,130,000	\$230,055
2002	3,280,000	241,080
2003	3,445,000	253,208
2004	3,620,000	266,070
2005	3,800,000	279,300
2006-2024	<u>127,555,000</u>	<u>9,375,293</u>
Totals	<u>\$144,830,000</u>	<u>\$10,645,006</u>

**NOTE 13 - RISK MANAGEMENT**

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters. The City participates with other cities in the Buckeye Ohio Risk Management Agency, Inc., (BORMA, Inc.) in jointly funded risk financing programs administered by Arthur J. Gallagher & Co. BORMA, Inc. includes two separate pools which provide separate and distinct coverages.

The first pool provides comprehensive automobile liability, automobile physical damage, comprehensive general liability, crime and property liability and public officials liability coverage up to specified limits. The pool includes the following municipalities: Bowling Green, Defiance, Huron, Napoleon, Sandusky and Willard. Member contributions are calculated annually to produce a sufficient sum of money within the pool to fund administrative expenses and to create reserves for claims. As of December 31, 2000 the pool had cash reserves of \$737,805, which in the opinion of management is adequate for any claims against the pool. The amount of risk retained within the pool is \$25,000 per claim. Claims in excess of \$25,000 up to \$10,000,000 are covered by various insurance carriers.



**NOTE 13 - RISK MANAGEMENT (Continued)**

The second pool is for employee benefits and includes life insurance, accidental death and dismemberment insurance, health insurance and prescription drug insurance. Each member has an option on the coverage it has elected to provide for its employees. Napoleon provides to its employees all available options offered by the pool. The employee benefits pool includes the following municipalities: Archbold, Bowling Green, Carey, Defiance, Fayette, Harrison, Huron, Napoleon, Sandusky and Willard. As of December 31, 2000 the pool had cash reserves of \$960,522 which, in the opinion of management, is adequate for any claims against the pool.

Premiums are paid to the employee benefits pool at a cost of \$422.63 for family coverage. Life insurance monthly premium is \$6.20. During 2000 the City paid \$477,983 into the pool for coverage. The cost of coverage is paid by the fund that pays the salary of the individual employees. The amount of risk retained within the employee benefits pool is \$75,000 per individual with excess claims coverage provided by the Lloyds of London Insurance Company.

The individual BORMA, Inc. members are not considered "participants having equity interest" as defined by GASB Statement No. 14 since members have no rights to any assets of BORMA, Inc. other than possible residual claims upon dissolution. Therefore, BORMA, Inc. is a multijurisdictional arrangement that has the characteristics of a joint venture but has additional features that distinguish it, for financial reporting purposes, from the traditional joint venture defined in GASB Statement No. 14.

BORMA, Inc. has the ability to require the member cities to make supplemental payments in the event reserves are not adequate to cover claims. The probability of this occurring is considered remote due to the adequacy of the pool reserves and premium levels, therefore, no amounts have been reserved in the financial statements. Audited financial statements are maintained separately by BORMA, Inc.

Workers' Compensation claims are covered through the City's participation in the State of Ohio's program. The City pays the State Workers' Compensation System a premium based upon a rate per \$100 of payroll plus administrative costs. The rate is determined based on accident history of the North Central Ohio Municipal Finance Officers Association, of which the City is a member. The City also pays unemployment claims to the State of Ohio as incurred.

There has been no significant reduction in insurance coverages from coverages in the prior year. In addition, settled claims resulting from these risks have not exceeded commercial insurance coverages in any of the past three fiscal years.

**NOTE 14 - CONTINGENCIES**

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

**NOTE 15 - JOINT VENTURES**

**A. Ohio Municipal Electric Generation Agency Joint Venture 3 (Omega JV-3)**

The City is a participant with thirteen subdivisions within the State of Ohio in a joint venture to provide supplemental reserve electric power to the participants on a cooperative basis. The Omega JV-3 was created for that purpose. On dissolution of the joint venture, the net assets of Omega JV-3 will be shared by the participants on a percentage basis. The Omega JV-3 is managed by AMP-Ohio which acts as the joint venture's agent. The participants are obligated by the agreement to remit monthly costs incurred from using electricity generated by the joint venture. In accordance with the joint venture agreement, the City remitted \$13,615 to the joint venture for 2000. The City's net investment and its share of the operating results of Omega JV-3 are reported in the City's electric fund (an enterprise fund). The City's equity interest in Omega JV-3 was \$131,213 at December 31, 2000. Complete financial statements for Omega JV-3 can be obtained from AMP-Ohio or from the City's Finance Director.

**B. Ohio Municipal Electric Generation Agency Joint Venture 5 (Omega JV-5)**

The City is a participant with forty-two subdivisions within the State of Ohio in a joint venture to construct a hydroelectric plant and associated transmission facilities in West Virginia on the Ohio River at the Belleville Locks and Dam and receive electricity from its operation. Omega JV-5 was created for that purpose. On dissolution of the joint venture, the net assets of Omega JV-5 will be shared by the participants on a percentage basis. The Omega JV-5 is managed by AMP-Ohio which acts as the joint venture's agent. The participants are obligated by the agreement to remit monthly costs incurred from using electricity generated by the joint venture and a portion of the \$153,415,000 certificates of beneficial interest debt that was issued to construct the fixed asset. In accordance with the joint venture agreement, the City remitted \$1,438,837 to the joint venture for 2000. The City's net investment and its share of the operating results of Omega JV-5 are reported in the City's electric fund (an enterprise fund). The City's equity interest in Omega JV-5 was \$306,223 at December 31, 2000. Complete financial statements for Omega JV-5 can be obtained from AMP-Ohio or from the City's Finance Director.

**C. Community Improvement Corporation (CIC)**

The City, along with Henry County is a participant in the joint venture to operate the Community Improvement Corporation (CIC). The corporation's duties are to advance, encourage and promote the industrial, economic, commercial and civic development of the City of Napoleon and Henry County. The CIC is governed by a Board of 10 Trustees. Five of these trustees are residents of the City of Napoleon and the remaining five are residents of Henry County. The City's degree of control over the Board is limited to its representation on the Board. The City has no equity interest in the CIC. The City paid \$29,000 to the CIC during 2000. Financial information can be obtained from the CIC, 104 East Washington Street, Napoleon, Ohio 43545.

**NOTE 16 - CONTRIBUTED CAPITAL**

During 2000, there were no changes to contributed capital reported by the City:

	Enterprise					Internal
	Electric	Water	Sewer	Sanitation	Total	Service Garage
Balance at 12/31/00	\$79,492	\$101,418	\$3,390,129	\$101,123	\$3,672,162	\$1,495

**NOTE 17 - SEGMENT INFORMATION**

The key financial information for the year ended December 31, 2000 for the enterprise activities is as follows:

	Electric	Water	Sewer	Sanitation	Total
Operating Revenues	\$10,730,560	\$1,405,015	\$1,588,047	\$527,020	\$14,250,642
Depreciation	247,737	88,839	266,659	7,499	610,734
Operating Income	1,086,662	284,592	613,134	102,732	2,087,120
Operating Transfers In	0	0	6,078	0	6,078
Operating Transfers Out	0	0	(225,000)	0	(225,000)
Net Income	1,562,532	219,016	143,193	141,547	2,066,288
Property, Plant and Equipment:					
Additions	1,570,414	118,200	151,773	146,033	1,986,420
Deletions	(6,400)	0	0	(90,320)	(96,720)
Total Assets	19,805,858	3,560,986	11,788,445	752,635	35,907,924
Net Working Capital	9,950,020	1,217,451	2,159,710	603,551	13,930,732
Bonds and Loans Payable	3,030,000	2,025,730	6,608,543	0	11,664,273
Total Equity	16,611,036	1,448,386	5,117,981	738,368	23,915,771

**NOTE 18 - CONDUIT DEBT OBLIGATIONS**

The City issued mortgage revenue bonds to provide financial assistance to The Lutheran Orphans' and Old Folks' Home Society at Napoleon, Ohio, Inc. The City has no obligation for the debt beyond the resources provided by the mortgage revenue bonds. Neither the City, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. At December 31, 2000, there were two mortgage revenue bonds outstanding with an aggregate principal amount payable of \$2,313,444.

**NOTE 19 - CONTRACTUAL COMMITMENT**

The City of Napoleon entered into an agreement with the City of Wauseon for an amount of \$1,000,000. This is for the construction of a raw waterline built from Napoleon's Water Intake to Wauseon's Reservoir. The project was bid in 2000 by the City of Wauseon, with construction to be completed during 2001.

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

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*THE FOLLOWING COMBINING STATEMENTS AND SCHEDULES INCLUDE  
THE GENERAL FUND, SPECIAL REVENUE FUNDS, CAPITAL PROJECTS  
FUNDS, ENTERPRISE FUNDS, FIDUCIARY FUNDS AND THE GENERAL  
FIXED ASSETS ACCOUNT GROUP.*

***GENERAL FUND***

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The General Fund is used to account for government resources not accounted for in any other fund. The General Fund balance is available to the City for any purpose provided it is expended or transferred according to the Charter and/or the general laws of Ohio.

**THE CITY OF NAPOLEON, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**FOR THE YEAR ENDED DECEMBER 31, 2000**

**GENERAL FUND**

	<u>Revised Budget</u>	<u>Actual</u>	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Taxes	\$2,831,040	\$2,831,313	\$273
Intergovernmental Revenues	677,710	677,754	44
Charges for Services	96,030	95,805	(225)
Licenses and Permits	51,800	52,682	882
Investment Earnings	337,500	337,491	(9)
Fines and Forfeitures	227,800	227,831	31
All Other Revenues	<u>99,000</u>	<u>99,229</u>	<u>229</u>
Total Revenues	<u>4,320,880</u>	<u>4,322,105</u>	<u>1,225</u>
<u>Expenditures:</u>			
Security of Persons and Property:			
Police:			
Personal Services	873,960	871,292	2,668
Contractual Services	69,825	66,374	3,451
Materials and Supplies	37,282	35,406	1,876
Other Expenditures	<u>4,300</u>	<u>4,232</u>	<u>68</u>
Total Police	<u>985,367</u>	<u>977,304</u>	<u>8,063</u>
Fire:			
Personal Services	478,450	477,569	881
Contractual Services	103,202	102,556	646
Materials and Supplies	42,023	39,285	2,738
Other Expenditures	<u>200</u>	<u>36</u>	<u>164</u>
Total Fire	<u>623,875</u>	<u>619,446</u>	<u>4,429</u>
Total Security of Persons and Property	<u>1,609,242</u>	<u>1,596,750</u>	<u>12,492</u>
Public Health and Welfare Services:			
Cemetery:			
Personal Services	52,160	51,868	292
Contractual Services	5,480	5,269	211
Materials and Supplies	<u>9,720</u>	<u>9,504</u>	<u>216</u>
Total Cemetery	<u>67,360</u>	<u>66,641</u>	<u>719</u>
Total Public Health and Welfare Services	<u>67,360</u>	<u>66,641</u>	<u>719</u>

(Continued)

**THE CITY OF NAPOLEON, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**FOR THE YEAR ENDED DECEMBER 31, 2000**

**GENERAL FUND**

	<u>Revised Budget</u>	<u>Actual</u>	Variance: Favorable <u>(Unfavorable)</u>
Community Environment:			
Building Inspection:			
Personal Services	66,660	66,562	98
Contractual Services	1,650	1,110	540
Materials and Supplies	2,410	1,921	489
Other Expenditures	500	284	216
Total Building Inspection	<u>71,220</u>	<u>69,877</u>	<u>1,343</u>
Total Community Environment	<u>71,220</u>	<u>69,877</u>	<u>1,343</u>
General Government:			
City Council:			
Personal Services	8,763	8,467	296
Contractual Services	913	880	33
Materials and Supplies	130	92	38
Other Expenditures	115	114	1
Total City Council	<u>9,921</u>	<u>9,553</u>	<u>368</u>
Mayor:			
Personal Services	3,615	3,485	130
Contractual Services	1,245	1,233	12
Materials and Supplies	150	143	7
Other Expenditures	55	53	2
Total Mayor	<u>5,065</u>	<u>4,914</u>	<u>151</u>
City Manager:			
Personal Services	52,109	50,318	1,791
Contractual Services	1,264	1,089	175
Materials and Supplies	784	672	112
Other Expenditures	150	77	73
Total City Manager	<u>54,307</u>	<u>52,156</u>	<u>2,151</u>
Law Director:			
Personal Services	41,366	39,915	1,451
Contractual Services	6,885	6,518	367
Materials and Supplies	384	312	72
Total Law Director	<u>48,635</u>	<u>46,745</u>	<u>1,890</u>

(Continued)

**THE CITY OF NAPOLEON, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**FOR THE YEAR ENDED DECEMBER 31, 2000**

**GENERAL FUND**

	<u>Revised Budget</u>	<u>Actual</u>	Variance: Favorable <u>(Unfavorable)</u>
Finance - Administration:			
Personal Services	78,419	75,756	2,663
Contractual Services	28,719	27,698	1,021
Materials and Supplies	150	102	48
Other Expenditures	980	968	12
Total Finance - Administration	<u>108,268</u>	<u>104,524</u>	<u>3,744</u>
Finance - Utility Billing:			
Personal Services	34,871	33,583	1,288
Contractual Services	5,983	5,466	517
Materials and Supplies	4,764	4,546	218
Other Expenditures	100	16	84
Total Finance - Utility Billing	<u>45,718</u>	<u>43,611</u>	<u>2,107</u>
Finance - Income Tax Collection:			
Personal Services	86,190	85,914	276
Contractual Services	11,670	11,327	343
Materials and Supplies	5,050	4,156	894
Capital Outlay	2,630	2,589	41
Total Finance - Income Tax Collection	<u>105,540</u>	<u>103,986</u>	<u>1,554</u>
City Engineer:			
Personal Services	54,623	52,638	1,985
Contractual Services	26,208	25,271	937
Materials and Supplies	1,664	1,415	249
Other Expenditures	500	497	3
Total City Engineer	<u>82,995</u>	<u>79,821</u>	<u>3,174</u>
Municipal Court:			
Personal Services	235,050	234,559	491
Contractual Services	18,620	15,856	2,764
Materials and Supplies	28,800	27,867	933
Other Expenditures	400	64	336
Total Municipal Court	<u>282,870</u>	<u>278,346</u>	<u>4,524</u>

(Continued)



**THE CITY OF NAPOLEON, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**FOR THE YEAR ENDED DECEMBER 31, 2000**

**GENERAL FUND**

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Service - Buildings, Property, and Equipment:			
Personal Services	30,421	29,199	1,222
Contractual Services	662	578	84
Materials and Supplies	4,441	3,936	505
Total Service - Buildings, Property, and Equipment	35,524	33,713	1,811
Miscellaneous:			
Contractual Services	17,642	12,933	4,709
Materials and Supplies	4,677	2,888	1,789
Other Expenditures	3,264	2,380	884
Total Miscellaneous	25,583	18,201	7,382
Total General Government	804,426	775,570	28,856
Total Expenditures	2,552,248	2,508,838	43,410
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,768,632	1,813,267	44,635
<u>Other Financing Sources (Uses):</u>			
Operating Transfers In	50,838	50,805	(33)
Operating Transfers Out	(2,269,840)	(2,268,998)	842
Total Other Financing Sources (Uses)	(2,219,002)	(2,218,193)	809
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(450,370)	(404,926)	45,444
Fund Balance at Beginning of Year	2,756,027	2,756,027	0
Prior Year Encumbrances	32,446	32,446	0
Fund Balance at End of Year	<u>\$2,338,103</u>	<u>\$2,383,547</u>	<u>\$45,444</u>

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## ***SPECIAL REVENUE FUNDS***

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

**Street Construction, Maintenance and Repair Fund**

To account for state-levied and controlled gasoline tax and motor vehicle registration fees designated for street maintenance and repair.

**State Highway Improvement Fund**

To account for the portion of the state gasoline tax and motor vehicle registration fees designated for street maintenance and repair of state highways within the City.

**Motor Vehicle License Tax Fund**

To account for county-levied motor vehicle registration fees designate for street construction, maintenance and repair.

**EMS Transport Service Fund**

To account for service charges to clients for emergency medical services.

**Recreation Fund**

To account for the operation and maintenance of public recreational facilities.

**Special Events Fund**

To account for revenues received from various sources to be used for special events sponsored by the City.

**Economic Development Fund**

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

**Hotel/Motel Tax Fund**

To account for the collection of Hotel/Motel Excise Tax, otherwise known as Lodge Tax.

**Grants Program Fund**

To account for grant monies to be used for home improvements. (The Balance Sheet is not presented because there are no assets or liabilities at year end.)

**Indigent Drivers Alcohol Treatment Fund**

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

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***SPECIAL REVENUE FUNDS***

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**Law Enforcement and Education Fund**

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

**Court Computerization Fund**

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

**Law Enforcement Trust Fund**

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

**Mandatory Drug Fine Fund**

To account for mandatory fines collected for drug related offenses.

**Fire Equipment Fund**

To account for monies received from fire contracts to be used for the purchase of fire fighting apparatus.

**Municipal Probation Service Fund**

To account for monies received from fines levied and expenditures by Probation Officer.

**Law Enforcement Block Grant Fund**

To account for grant monies for special overtime for Police Department. (The Balance Sheet is not presented because there are no assets or liabilities at year end.)

**Probation Officer Grant Fund**

To account for monies received from State Grant for Municipal Probation Officer.

**Court Improvement Fund**

To account for monies received from fines levied and expenditures for Court Improvements.

**Police Pension Fund**

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

**Fire Pension Fund**

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

**THE CITY OF NAPOLEON, OHIO**  
**COMBINING BALANCE SHEET**  
**SPECIAL REVENUE FUNDS**  
**DECEMBER 31, 2000**

	Street Construction, Maintenance and Repair	State Highway Improvement	Motor Vehicle License Tax	EMS Transport Service
<u>Assets:</u>				
Cash and Cash Equivalents	\$2,787	\$870	\$1,103	\$110,999
Investments	212,483	66,334	84,103	0
Receivables (net of allowances for doubtful accounts)				
Taxes	0	0	0	0
Accounts	730	0	0	131,591
Interest	6,520	1,630	2,776	0
Intergovernmental Receivables	19,205	1,557	4,242	0
Inventory of Supplies at Cost	41,661	0	0	0
Total Assets	<u>\$283,386</u>	<u>\$70,391</u>	<u>\$92,224</u>	<u>\$242,590</u>
<u>Liabilities and Fund Equity:</u>				
Liabilities:				
Accounts Payable	\$2,039	\$0	\$2,882	\$5,405
Accrued Wages and Benefits	15,408	0	0	0
Deferred Revenue	5,367	1,342	2,285	0
Total Liabilities	<u>22,814</u>	<u>1,342</u>	<u>5,167</u>	<u>5,405</u>
Fund Equity:				
Reserved for Encumbrances	2,536	0	14,619	12,006
Reserved for Supplies Inventory	41,661	0	0	0
Unreserved	216,375	69,049	72,438	225,179
Total Fund Equity	<u>260,572</u>	<u>69,049</u>	<u>87,057</u>	<u>237,185</u>
Total Liabilities and Fund Equity	<u>\$283,386</u>	<u>\$70,391</u>	<u>\$92,224</u>	<u>\$242,590</u>

**THE CITY OF NAPOLEON, OHIO**  
**COMBINING BALANCE SHEET**  
**SPECIAL REVENUE FUNDS**  
**DECEMBER 31, 2000**

Recreation	Special Events	Economic Development	Hotel/ Motel Tax	Indigent Drivers Alcohol Treatment	Law Enforcement and Education
\$2,226	\$9,213	\$8,566	\$8,856	\$251	\$85
169,685	0	653,071	0	19,141	6,453
0	0	0	0	0	0
0	0	0	0	134	26
5,552	0	15,994	0	528	132
0	0	0	0	0	0
0	0	0	0	0	0
<u>\$177,463</u>	<u>\$9,213</u>	<u>\$677,631</u>	<u>\$8,856</u>	<u>\$20,054</u>	<u>\$6,696</u>
\$1,883	\$0	\$0	\$0	\$0	\$0
15,048	0	0	0	0	0
4,570	0	13,165	0	435	109
<u>21,501</u>	<u>0</u>	<u>13,165</u>	<u>0</u>	<u>435</u>	<u>109</u>
19,756	0	35,000	0	0	0
0	0	0	0	0	0
136,206	9,213	629,466	8,856	19,619	6,587
<u>155,962</u>	<u>9,213</u>	<u>664,466</u>	<u>8,856</u>	<u>19,619</u>	<u>6,587</u>
<u>\$177,463</u>	<u>\$9,213</u>	<u>\$677,631</u>	<u>\$8,856</u>	<u>\$20,054</u>	<u>\$6,696</u>

(Continued)

**THE CITY OF NAPOLEON, OHIO**  
**COMBINING BALANCE SHEET**  
**SPECIAL REVENUE FUNDS**  
**DECEMBER 31, 2000**

	Court Computerization	Law Enforcement Trust	Mandatory Drug Fine	Fire Equipment
<u>Assets:</u>				
Cash and Cash Equivalents	\$746	\$49	\$79	\$409
Investments	56,881	3,763	5,987	31,189
Receivables (net of allowances for doubtful accounts)				
Taxes	0	0	0	0
Accounts	1,618	0	243	0
Interest	1,366	89	132	0
Intergovernmental Receivables	0	0	0	0
Inventory of Supplies at Cost	0	0	0	0
Total Assets	<u>\$60,611</u>	<u>\$3,901</u>	<u>\$6,441</u>	<u>\$31,598</u>
<u>Liabilities and Fund Equity:</u>				
Liabilities:				
Accounts Payable	\$1,596	\$0	\$0	\$0
Accrued Wages and Benefits	0	0	0	0
Deferred Revenue	1,124	73	109	0
Total Liabilities	<u>2,720</u>	<u>73</u>	<u>109</u>	<u>0</u>
Fund Equity:				
Reserved for Encumbrances	0	0	0	0
Reserved for Supplies Inventory	0	0	0	0
Unreserved	57,891	3,828	6,332	31,598
Total Fund Equity	<u>57,891</u>	<u>3,828</u>	<u>6,332</u>	<u>31,598</u>
Total Liabilities and Fund Equity	<u>\$60,611</u>	<u>\$3,901</u>	<u>\$6,441</u>	<u>\$31,598</u>

**THE CITY OF NAPOLEON, OHIO**  
**COMBINING BALANCE SHEET**  
**SPECIAL REVENUE FUNDS**  
**DECEMBER 31, 2000**

Municipal Probation Service	Probation Officer Grant	Court Improvement	Police Pension	Fire Pension	Totals
\$146	\$16,630	\$56,237	\$19,421	\$10,663	\$249,336
11,127	0	0	0	0	1,320,217
0	0	0	84,422	42,210	126,632
39	0	1,610	0	0	135,991
265	0	0	0	0	34,984
0	0	0	0	0	25,004
0	0	0	0	0	41,661
<u>\$11,577</u>	<u>\$16,630</u>	<u>\$57,847</u>	<u>\$103,843</u>	<u>\$52,873</u>	<u>\$1,933,825</u>
\$0	\$372	\$0	\$0	\$0	\$14,177
0	1,190	0	32,536	20,900	85,082
218	0	0	84,422	42,210	155,429
<u>218</u>	<u>1,562</u>	<u>0</u>	<u>116,958</u>	<u>63,110</u>	<u>254,688</u>
3,290	2	0	0	0	87,209
0	0	0	0	0	41,661
8,069	15,066	57,847	(13,115)	(10,237)	1,550,267
<u>11,359</u>	<u>15,068</u>	<u>57,847</u>	<u>(13,115)</u>	<u>(10,237)</u>	<u>1,679,137</u>
<u>\$11,577</u>	<u>\$16,630</u>	<u>\$57,847</u>	<u>\$103,843</u>	<u>\$52,873</u>	<u>\$1,933,825</u>

**THE CITY OF NAPOLEON, OHIO**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2000**

	Street Construction, Maintenance and Repair	State Highway Improvement	Motor Vehicle License Tax	EMS Transport Service
<b>Revenues:</b>				
Taxes	\$0	\$0	\$0	\$0
Intergovernmental Revenues	298,485	24,201	69,014	17,265
Charges for Services	0	0	0	222,583
Investment Earnings	14,529	4,090	7,529	0
Fines and Forfeitures	0	0	0	0
All Other Revenues	9,320	0	0	0
Total Revenues	<u>322,334</u>	<u>28,291</u>	<u>76,543</u>	<u>239,848</u>
<b>Expenditures:</b>				
Security of Persons and Property	0	0	0	102,377
Leisure Time Activities	0	0	0	0
Community Environment	0	0	0	0
Transportation	453,778	7,302	58,577	0
General Government	0	0	0	0
Total Expenditures	<u>453,778</u>	<u>7,302</u>	<u>58,577</u>	<u>102,377</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(131,444)	20,989	17,966	137,471
<b>Other Financing Sources (Uses):</b>				
Operating Transfers In	145,000	0	0	0
Operating Transfers Out	0	0	(35,360)	(45,000)
Total Other Financing Sources (Uses)	<u>145,000</u>	<u>0</u>	<u>(35,360)</u>	<u>(45,000)</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	13,556	20,989	(17,394)	92,471
Fund Balance (Deficit) at Beginning of Year	241,057	48,060	104,451	144,714
Increase in Inventory Reserve	5,959	0	0	0
Fund Balance (Deficit) at End of Year	<u>\$260,572</u>	<u>\$69,049</u>	<u>\$87,057</u>	<u>\$237,185</u>



**THE CITY OF NAPOLEON, OHIO**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2000**

Recreation	Special Events	Economic Development	Hotel/Motel Tax	Grants Program	Indigent Drivers Alcohol Treatment	Law Enforcement and Education
\$0	\$0	\$0	\$88,576	\$0	\$0	\$0
0	0	0	0	378,000	0	0
255,743	1,223	0	0	0	0	0
12,910	0	35,322	0	0	1,649	428
0	0	0	0	0	7,140	1,217
31,779	0	0	0	0	0	0
<u>300,432</u>	<u>1,223</u>	<u>35,322</u>	<u>88,576</u>	<u>378,000</u>	<u>8,789</u>	<u>1,645</u>
0	0	0	0	0	13,720	1,744
710,193	0	0	0	0	0	0
0	0	148,608	0	436,320	0	0
0	0	0	0	0	0	0
0	13,299	0	49,242	0	0	0
<u>710,193</u>	<u>13,299</u>	<u>148,608</u>	<u>49,242</u>	<u>436,320</u>	<u>13,720</u>	<u>1,744</u>
(409,761)	(12,076)	(113,286)	39,334	(58,320)	(4,931)	(99)
444,578	10,000	275,000	0	0	0	0
0	0	0	(49,242)	0	0	0
<u>444,578</u>	<u>10,000</u>	<u>275,000</u>	<u>(49,242)</u>	<u>0</u>	<u>0</u>	<u>0</u>
34,817	(2,076)	161,714	(9,908)	(58,320)	(4,931)	(99)
121,145	11,289	502,752	18,764	58,320	24,550	6,686
0	0	0	0	0	0	0
<u>\$155,962</u>	<u>\$9,213</u>	<u>\$664,466</u>	<u>\$8,856</u>	<u>\$0</u>	<u>\$19,619</u>	<u>\$6,587</u>

(Continued)

**THE CITY OF NAPOLEON, OHIO**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2000**

	Court Computerization	Law Enforcement Trust	Mandatory Drug Fine	Fire Equipment
<b>Revenues:</b>				
Taxes	\$0	\$0	\$0	\$0
Intergovernmental Revenues	0	0	0	0
Charges for Services	0	0	0	15,000
Investment Earnings	3,000	252	462	22,771
Fines and Forfeitures	28,783	0	770	0
All Other Revenues	0	0	0	0
Total Revenues	<u>31,783</u>	<u>252</u>	<u>1,232</u>	<u>37,771</u>
<b>Expenditures:</b>				
Security of Persons and Property	6,681	221	1,664	567,636
Leisure Time Activities	0	0	0	0
Community Environment	0	0	0	0
Transportation	0	0	0	0
General Government	0	0	0	0
Total Expenditures	<u>6,681</u>	<u>221</u>	<u>1,664</u>	<u>567,636</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	25,102	31	(432)	(529,865)
<b>Other Financing Sources (Uses):</b>				
Operating Transfers In	0	0	0	155,000
Operating Transfers Out	0	0	0	0
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>155,000</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	25,102	31	(432)	(374,865)
Fund Balance (Deficit) at Beginning of Year	32,789	3,797	6,764	406,463
Increase in Inventory Reserve	0	0	0	0
Fund Balance (Deficit) at End of Year	<u>\$57,891</u>	<u>\$3,828</u>	<u>\$6,332</u>	<u>\$31,598</u>

**THE CITY OF NAPOLEON, OHIO**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2000**

Municipal Probation Service	Law Enforcement Block Grant	Probation Officer Grant	Court Improvement	Police Pension	Fire Pension	Totals
\$0	\$0	\$0	\$0	\$75,785	\$37,897	\$202,258
0	0	51,545	0	7,652	3,827	849,989
0	0	0	0	0	0	494,549
616	(13)	0	0	0	0	103,545
4,054	0	0	33,167	0	0	75,131
0	0	0	0	0	0	41,099
4,670	(13)	51,545	33,167	83,437	41,724	1,766,571
0	1,942	60,667	0	75,787	38,363	870,802
0	0	0	0	0	0	710,193
0	0	0	0	0	0	584,928
0	0	0	0	0	0	519,657
0	0	0	0	0	0	62,541
0	1,942	60,667	0	75,787	38,363	2,748,121
4,670	(1,955)	(9,122)	33,167	7,650	3,361	(981,550)
0	0	0	0	0	0	1,029,578
0	(1,328)	0	0	0	0	(130,930)
0	(1,328)	0	0	0	0	898,648
4,670	(3,283)	(9,122)	33,167	7,650	3,361	(82,902)
6,689	3,283	24,190	24,680	(20,765)	(13,598)	1,756,080
0	0	0	0	0	0	5,959
<u>\$11,359</u>	<u>\$0</u>	<u>\$15,068</u>	<u>\$57,847</u>	<u>(\$13,115)</u>	<u>(\$10,237)</u>	<u>\$1,679,137</u>

**THE CITY OF NAPOLEON, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2000**

**STREET CONSTRUCTION, MAINTENANCE AND REPAIR FUND**

	<u>Revised Budget</u>	<u>Actual</u>	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental Revenues	\$298,300	\$298,441	\$141
Investment Earnings	10,900	10,980	80
All Other Revenues	<u>8,500</u>	<u>8,590</u>	<u>90</u>
Total Revenues	<u>317,700</u>	<u>318,011</u>	<u>311</u>
<u>Expenditures:</u>			
Transportation:			
Street Maintenance:			
Personal Services	303,380	303,093	287
Contractual Services	86,900	63,020	23,880
Materials and Supplies	72,232	43,490	28,742
Other Expenditures	<u>1,000</u>	<u>162</u>	<u>838</u>
Total Street Maintenance	463,512	409,765	53,747
Ice and Snow Removal:			
Personal Services	20,700	20,640	60
Contractual Services	17,980	11,866	6,114
Materials and Supplies	<u>6,420</u>	<u>3,820</u>	<u>2,600</u>
Total Ice and Snow Removal	45,100	36,326	8,774
Storm Drainage:			
Personal Services	5,400	5,319	81
Contractual Services	100	0	100
Materials and Supplies	<u>8,000</u>	<u>5,879</u>	<u>2,121</u>
Total Storm Drainage	<u>13,500</u>	<u>11,198</u>	<u>2,302</u>
Total Expenditures	<u>522,112</u>	<u>457,289</u>	<u>64,823</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(204,412)	(139,278)	65,134
<u>Other Financing Sources (Uses):</u>			
Operating Transfers In	<u>145,000</u>	<u>145,000</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>145,000</u>	<u>145,000</u>	<u>0</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(59,412)	5,722	65,134
Fund Balance at Beginning of Year	198,721	198,721	0
Prior Year Encumbrances	<u>6,382</u>	<u>6,382</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$145,691</u></u>	<u><u>\$210,825</u></u>	<u><u>\$65,134</u></u>

**THE CITY OF NAPOLEON, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2000**

**STATE HIGHWAY IMPROVEMENT FUND**

	<u>Revised Budget</u>	<u>Actual</u>	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental Revenues	\$24,200	\$24,198	(\$2)
Investment Earnings	<u>3,300</u>	<u>3,309</u>	<u>9</u>
Total Revenues	<u>27,500</u>	<u>27,507</u>	<u>7</u>
<u>Expenditures:</u>			
Transportation:			
Contractual Services	5,200	4,938	262
Materials and Supplies	<u>2,600</u>	<u>2,364</u>	<u>236</u>
Total Expenditures	<u>7,800</u>	<u>7,302</u>	<u>498</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	19,700	20,205	505
Fund Balance at Beginning of Year	<u>46,403</u>	<u>46,403</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$66,103</u></u>	<u><u>\$66,608</u></u>	<u><u>\$505</u></u>

**THE CITY OF NAPOLEON, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2000**

**MOTOR VEHICLE LICENSE TAX FUND**

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental Revenues	\$67,500	\$69,263	\$1,763
Investment Earnings	7,500	6,536	(964)
Total Revenues	75,000	75,799	799
<u>Expenditures:</u>			
Transportation:			
Materials and Supplies	96,865	73,196	23,669
Total Expenditures	96,865	73,196	23,669
Excess (Deficiency) of Revenues Over (Under) Expenditures	(21,865)	2,603	24,468
<u>Other Financing Sources (Uses):</u>			
Operating Transfers Out	(35,360)	(35,360)	0
Total Other Financing Sources (Uses)	(35,360)	(35,360)	0
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(57,225)	(32,757)	24,468
Fund Balance at Beginning of Year	82,241	82,241	0
Prior Year Encumbrances	17,465	17,465	0
Fund Balance at End of Year	\$42,481	\$66,949	\$24,468

**THE CITY OF NAPOLEON, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2000**

**EMS TRANSPORT SERVICE FUND**

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental Revenues	\$17,000	\$17,265	\$265
Charges for Services	176,789	177,008	219
Total Revenues	193,789	194,273	484
<u>Expenditures:</u>			
Security of Persons and Property:			
Contractual Services	27,858	26,828	1,030
Materials and Supplies	12,200	12,154	46
Other Expenditures	36,000	0	36,000
Capital Outlay	75,641	73,984	1,657
Total Expenditures	151,699	112,966	38,733
Excess (Deficiency) of Revenues Over (Under) Expenditures	42,090	81,307	39,217
<u>Other Financing Sources (Uses):</u>			
Operating Transfers Out	(45,000)	(45,000)	0
Total Other Financing Sources (Uses)	(45,000)	(45,000)	0
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(2,910)	36,307	39,217
Fund Balance at Beginning of Year	57,788	57,788	0
Prior Year Encumbrances	910	910	0
Fund Balance at End of Year	\$55,788	\$95,005	\$39,217

**THE CITY OF NAPOLEON, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2000**

**RECREATION FUND**

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Charges for Services	\$255,210	\$255,743	\$533
Investment Earnings	11,000	10,977	(23)
All Other Revenue	31,800	31,779	(21)
Total Revenues	298,010	298,499	489
<u>Expenditures:</u>			
Leisure Time Activities:			
Administration:			
Personal Services	58,960	58,506	454
Contractual Services	3,970	3,306	664
Materials and Supplies	12,499	12,335	164
Other Expenditures	25,830	24,030	1,800
Total Administration	101,259	98,177	3,082
Golf Course Operations:			
Personal Services	104,880	104,650	230
Contractual Services	10,340	9,853	487
Materials and Supplies	58,498	58,093	405
Capital Outlay	19,100	19,099	1
Total Golf Course Operations	192,818	191,695	1,123
Pool Operations:			
Personal Services	50,920	50,543	377
Contractual Services	15,090	15,053	37
Materials and Supplies	18,460	18,381	79
Total Pool Operations	84,470	83,977	493
Parks and Programs:			
Personal Services	199,640	199,274	366
Contractual Services	42,820	42,159	661
Materials and Supplies	93,770	92,319	1,451
Capital Outlay	25,010	25,010	0
Total Parks and Programs	361,240	358,762	2,478
Total Expenditures	739,787	732,611	7,176

(Continued)



**THE CITY OF NAPOLEON, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2000**

**RECREATION FUND**

	<u>Revised Budget</u>	<u>Actual</u>	Variance: Favorable (Unfavorable)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(441,777)	(434,112)	7,665
<u>Other Financing Sources (Uses):</u>			
Operating Transfers In	<u>444,640</u>	<u>444,578</u>	<u>(62)</u>
Total Other Financing Sources (Uses)	<u>444,640</u>	<u>444,578</u>	<u>(62)</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	2,863	10,466	7,603
Fund Balance at Beginning of Year	139,836	139,836	0
Prior Year Encumbrances	<u>107</u>	<u>107</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$142,806</u></u>	<u><u>\$150,409</u></u>	<u><u>\$7,603</u></u>

**THE CITY OF NAPOLEON, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2000**

**SPECIAL EVENTS FUND**

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
<u>Revenues:</u>			
Charges for Services	\$1,300	\$1,223	(\$77)
Total Revenues	<u>1,300</u>	<u>1,223</u>	<u>(77)</u>
<u>Expenditures:</u>			
General Government:			
Miscellaneous:			
Contractual Services	7,550	7,449	101
Materials and Supplies	3,750	3,719	31
Other Expenditures	<u>2,200</u>	<u>2,131</u>	<u>69</u>
Total Expenditures	<u>13,500</u>	<u>13,299</u>	<u>201</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(12,200)	(12,076)	124
<u>Other Financing Sources (Uses):</u>			
Operating Transfers In	<u>10,000</u>	<u>10,000</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>10,000</u>	<u>10,000</u>	<u>0</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(2,200)	(2,076)	124
Fund Balance at Beginning of Year	<u>11,289</u>	<u>11,289</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$9,089</u></u>	<u><u>\$9,213</u></u>	<u><u>\$124</u></u>

**THE CITY OF NAPOLEON, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2000**

**ECONOMIC DEVELOPMENT FUND**

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Investment Earnings	\$27,900	\$27,907	\$7
Total Revenues	<u>27,900</u>	<u>27,907</u>	<u>7</u>
<u>Expenditures:</u>			
Community Environment:			
Contractual Services	29,175	29,000	175
Capital Outlay	154,800	154,608	192
Total Expenditures	<u>183,975</u>	<u>183,608</u>	<u>367</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(156,075)	(155,701)	374
<u>Other Financing Sources (Uses):</u>			
Operating Transfers In	275,000	275,000	0
Total Other Financing Sources (Uses)	<u>275,000</u>	<u>275,000</u>	<u>0</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	118,925	119,299	374
Fund Balance at Beginning of Year	501,296	501,296	0
Prior Year Encumbrances	175	175	0
Fund Balance at End of Year	<u><u>\$620,396</u></u>	<u><u>\$620,770</u></u>	<u><u>\$374</u></u>

**THE CITY OF NAPOLEON, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2000**

**HOTEL/MOTEL TAX FUND**

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Taxes	\$88,500	\$88,576	\$76
Total Revenues	88,500	88,576	76
<u>Expenditures:</u>			
General Government:			
Contractual Services	49,242	49,242	0
Total Expenditures	49,242	49,242	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	39,258	39,334	76
<u>Other Financing Sources (Uses):</u>			
Operating Transfers Out	(49,242)	(49,242)	0
Total Other Financing Sources (Uses)	(49,242)	(49,242)	0
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(9,984)	(9,908)	76
Fund Balance at Beginning of Year	18,764	18,764	0
Fund Balance at End of Year	\$8,780	\$8,856	\$76

**THE CITY OF NAPOLEON, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2000**

**GRANTS PROGRAM FUND**

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental Revenues	\$378,000	\$378,000	\$0
Total Revenues	378,000	378,000	0
<u>Expenditures:</u>			
Community Environment:			
Contractual Services	450,030	450,030	0
Total Expenditures	450,030	450,030	0
Excess (Deficiency) of			
Revenues Over (Under) Expenditures	(72,030)	(72,030)	0
Fund Balance at Beginning of Year	72,030	72,030	0
Fund Balance at End of Year	\$0	\$0	\$0

**THE CITY OF NAPOLEON, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2000**

**INDIGENT DRIVERS ALCOHOL TREATMENT FUND**

	<u>Revised Budget</u>	<u>Actual</u>	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Investment Earnings	\$1,400	\$1,457	\$57
Fines and Forfeitures	<u>7,200</u>	<u>7,188</u>	<u>(12)</u>
Total Revenues	<u>8,600</u>	<u>8,645</u>	<u>45</u>
<u>Expenditures:</u>			
Security of Persons and Property:			
Contractual Services	<u>19,200</u>	<u>15,169</u>	<u>4,031</u>
Total Expenditures	<u>19,200</u>	<u>15,169</u>	<u>4,031</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(10,600)	(6,524)	4,076
Fund Balance at Beginning of Year	<u>25,744</u>	<u>25,744</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$15,144</u></u>	<u><u>\$19,220</u></u>	<u><u>\$4,076</u></u>

**THE CITY OF NAPOLEON, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2000**

**LAW ENFORCEMENT AND EDUCATION FUND**

	<u>Revised Budget</u>	<u>Actual</u>	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Investment Earnings	\$300	\$371	\$71
Fines and Forfeitures	1,300	1,314	14
Total Revenues	<u>1,600</u>	<u>1,685</u>	<u>85</u>
<u>Expenditures:</u>			
Security of Persons and Property:			
Personal Services	900	835	65
Contractual Services	100	60	40
Capital Outlay	900	849	51
Total Expenditures	<u>1,900</u>	<u>1,744</u>	<u>156</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(300)	(59)	241
Fund Balance at Beginning of Year	<u>6,539</u>	<u>6,539</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$6,239</u></u>	<u><u>\$6,480</u></u>	<u><u>\$241</u></u>

**THE CITY OF NAPOLEON, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2000**

**COURT COMPUTERIZATION FUND**

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Investment Earnings	\$2,400	\$2,362	(\$38)
Fines and Forfeitures	29,000	29,050	50
Total Revenues	<u>31,400</u>	<u>31,412</u>	<u>12</u>
<u>Expenditures:</u>			
Security of Persons and Property:			
Contractual Services	620	609	11
Capital Outlay	6,080	6,072	8
Total Expenditures	<u>6,700</u>	<u>6,681</u>	<u>19</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	24,700	24,731	31
Fund Balance at Beginning of Year	30,789	30,789	0
Fund Balance at End of Year	<u>\$55,489</u>	<u>\$55,520</u>	<u>\$31</u>



**THE CITY OF NAPOLEON, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2000**

**LAW ENFORCEMENT TRUST FUND**

	<u>Revised Budget</u>	<u>Actual</u>	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Investment Earnings	\$200	\$212	\$12
Fines and Forfeitures	100	0	(100)
Total Revenues	<u>300</u>	<u>212</u>	<u>(88)</u>
<u>Expenditures:</u>			
Security of Persons and Property:			
Capital Outlay	300	221	79
Total Expenditures	<u>300</u>	<u>221</u>	<u>79</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	(9)	(9)
Fund Balance at Beginning of Year	<u>3,787</u>	<u>3,787</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$3,787</u></u>	<u><u>\$3,778</u></u>	<u><u>(\$9)</u></u>

**THE CITY OF NAPOLEON, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2000**

**MANDATORY DRUG FINE FUND**

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Investment Earnings	\$100	\$396	\$296
Fines and Forfeitures	1,000	757	(243)
Total Revenues	1,100	1,153	53
<u>Expenditures:</u>			
Security of Persons and Property:			
Personal Services	1,200	1,113	87
Other Expenditures	600	551	49
Total Expenditures	1,800	1,664	136
Excess (Deficiency) of Revenues Over (Under) Expenditures	(700)	(511)	189
Fund Balance at Beginning of Year	6,523	6,523	0
Fund Balance at End of Year	\$5,823	\$6,012	\$189

**THE CITY OF NAPOLEON, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2000**

**FIRE EQUIPMENT FUND**

	<u>Revised Budget</u>	<u>Actual</u>	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Charges for Services	\$15,000	\$15,000	\$0
Investment Earnings	<u>22,600</u>	<u>22,657</u>	<u>57</u>
Total Revenues	<u>37,600</u>	<u>37,657</u>	<u>57</u>
<u>Expenditures:</u>			
Security of Persons and Property:			
Capital Outlay	<u>567,700</u>	<u>567,636</u>	<u>64</u>
Total Expenditures	<u>567,700</u>	<u>567,636</u>	<u>64</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(530,100)	(529,979)	121
<u>Other Financing Sources (Uses):</u>			
Operating Transfers In	<u>155,000</u>	<u>155,000</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>155,000</u>	<u>155,000</u>	<u>0</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(375,100)	(374,979)	121
Fund Balance at Beginning of Year	<u>406,297</u>	<u>406,297</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$31,197</u></u>	<u><u>\$31,318</u></u>	<u><u>\$121</u></u>

**THE CITY OF NAPOLEON, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2000**

**MUNICIPAL PROBATION SERVICE FUND**

	<u>Revised Budget</u>	<u>Actual</u>	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Investment Earnings	\$500	\$480	(\$20)
Fines and Forfeitures	<u>4,100</u>	<u>4,130</u>	<u>30</u>
Total Revenues	<u>4,600</u>	<u>4,610</u>	<u>10</u>
<u>Expenditures:</u>			
Security of Persons and Property:			
Other Expenditures	<u>3,400</u>	<u>3,290</u>	<u>110</u>
Total Expenditures	<u>3,400</u>	<u>3,290</u>	<u>110</u>
Excess (Deficiency) of			
Revenues Over (Under) Expenditures	1,200	1,320	120
Fund Balance at Beginning of Year	<u>6,563</u>	<u>6,563</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$7,763</u></u>	<u><u>\$7,883</u></u>	<u><u>\$120</u></u>

**THE CITY OF NAPOLEON, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2000**

**LAW ENFORCEMENT BLOCK GRANT FUND**

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Total Revenues	\$0	\$0	\$0
<u>Expenditures:</u>			
Security of Persons and Property:			
Other Expenditures	1,942	1,942	0
Total Expenditures	1,942	1,942	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,942)	(1,942)	0
<u>Other Financing Sources (Uses):</u>			
Operating Transfers Out	(1,328)	(1,328)	0
Total Other Financing Sources (Uses)	(1,328)	(1,328)	0
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(3,270)	(3,270)	0
Fund Balance at Beginning of Year	3,270	3,270	0
Fund Balance at End of Year	\$0	\$0	\$0

**THE CITY OF NAPOLEON, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2000**

**PROBATION OFFICER GRANT FUND**

	<u>Revised Budget</u>	<u>Actual</u>	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental Revenues	\$51,550	\$51,545	(\$5)
Total Revenues	<u>51,550</u>	<u>51,545</u>	<u>(5)</u>
<u>Expenditures:</u>			
Security of Persons and Property:			
Personal Services	39,020	35,400	3,620
Contractual Services	14,020	9,455	4,565
Materials and Supplies	1,650	1,220	430
Other Expenditures	12,280	12,277	3
Capital Outlay	4,430	2,711	1,719
Total Expenditures	<u>71,400</u>	<u>61,063</u>	<u>10,337</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(19,850)	(9,518)	10,332
Fund Balance at Beginning of Year	<u>25,774</u>	<u>25,774</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$5,924</u></u>	<u><u>\$16,256</u></u>	<u><u>\$10,332</u></u>

**THE CITY OF NAPOLEON, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2000**

**COURT IMPROVEMENT FUND**

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
<u>Revenues:</u>			
Fines and Forfeitures	\$33,600	\$33,620	\$20
Total Revenues	33,600	33,620	20
<u>Expenditures:</u>			
Total Expenditures	0	0	0
Excess (Deficiency) of			
Revenues Over (Under) Expenditures	33,600	33,620	20
Fund Balance at Beginning of Year	22,617	22,617	0
Fund Balance at End of Year	\$56,217	\$56,237	\$20

**THE CITY OF NAPOLEON, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2000**

**POLICE PENSION FUND**

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Taxes	\$75,960	\$75,785	(\$175)
Intergovernmental Revenues	7,400	7,652	252
Total Revenues	83,360	83,437	77
<u>Expenditures:</u>			
Security of Persons and Property:			
Personal Services	72,860	72,860	0
Contractual Services	2,050	2,024	26
Total Expenditures	74,910	74,884	26
Excess (Deficiency) of			
Revenues Over (Under) Expenditures	8,450	8,553	103
Fund Balance at Beginning of Year	10,868	10,868	0
Fund Balance at End of Year	\$19,318	\$19,421	\$103



**THE CITY OF NAPOLEON, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2000**

**FIRE PENSION FUND**

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Taxes	\$37,980	\$37,897	(\$83)
Intergovernmental Revenues	3,650	3,827	177
Total Revenues	41,630	41,724	94
<u>Expenditures:</u>			
Security of Persons and Property:			
Personal Services	36,430	36,430	0
Contractual Services	1,050	1,012	38
Total Expenditures	37,480	37,442	38
Excess (Deficiency) of			
Revenues Over (Under) Expenditures	4,150	4,282	132
Fund Balance at Beginning of Year	6,381	6,381	0
Fund Balance at End of Year	\$10,531	\$10,663	\$132

## ***CAPITAL PROJECTS FUNDS***

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

### **Capital Improvement Fund**

To account for financial resources used for the major capital projects undertaken by the City.

### **Main, Welsted and Vine Improvement Fund**

To account for financial resources designated for the construction and acquisition of capital street projects.

**THE CITY OF NAPOLEON, OHIO**  
**COMBINING BALANCE SHEET**  
**CAPITAL PROJECTS FUNDS**  
**DECEMBER 31, 2000**

	Capital Improvement	Main, Welsted and Vine Improvement	Totals
<u>Assets:</u>			
Cash and Cash Equivalents	\$9,879	\$0	\$9,879
Investments	746,357	0	746,357
Receivables (net of allowances for doubtful accounts)			
Interest	0	132	132
Total Assets	<u>\$756,236</u>	<u>\$132</u>	<u>\$756,368</u>
<u>Liabilities and Fund Equity:</u>			
Liabilities:			
Accounts Payable	\$10,127	\$0	\$10,127
Deferred Revenue	0	109	109
Total Liabilities	<u>10,127</u>	<u>109</u>	<u>10,236</u>
Fund Equity:			
Reserved for Encumbrances	180,261	0	180,261
Unreserved	565,848	23	565,871
Total Fund Equity	<u>746,109</u>	<u>23</u>	<u>746,132</u>
Total Liabilities and Fund Equity	<u>\$756,236</u>	<u>\$132</u>	<u>\$756,368</u>

**THE CITY OF NAPOLEON, OHIO**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**CAPITAL PROJECTS FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2000**

	Capital Improvement	Main, Welsted and Vine Improvement	Totals
<u>Revenues:</u>			
Intergovernmental Revenues	\$48,372	\$0	\$48,372
Investment Earnings	0	1,140	1,140
Special Assessments	0	23,506	23,506
All Other Revenues	20	6,308	6,328
Total Revenues	<u>48,392</u>	<u>30,954</u>	<u>79,346</u>
<u>Expenditures:</u>			
Capital Outlay	1,063,046	91,563	1,154,609
Debt Service:			
Interest and Fiscal Charges	0	10,340	10,340
Total Expenditures	<u>1,063,046</u>	<u>101,903</u>	<u>1,164,949</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,014,654)	(70,949)	(1,085,603)
<u>Other Financing Sources (Uses):</u>			
Proceeds from Special Assessment Bonds	0	29,000	29,000
Operating Transfers In	1,022,420	470,000	1,492,420
Operating Transfers Out	(60,000)	(6,078)	(66,078)
Total Other Financing Sources (Uses)	<u>962,420</u>	<u>492,922</u>	<u>1,455,342</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(52,234)	421,973	369,739
Fund Balance (Deficit) at Beginning of Year	<u>798,343</u>	<u>(421,950)</u>	<u>376,393</u>
Fund Balance at End of Year	<u><u>\$746,109</u></u>	<u><u>\$23</u></u>	<u><u>\$746,132</u></u>

**CITY OF NAPOLEON, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**CAPITAL PROJECTS FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2000**

**CAPITAL IMPROVEMENT FUND**

	<u>Revised Budget</u>	<u>Actual</u>	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental Revenues	\$48,300	\$48,372	\$72
All Other Revenues	100	20	(80)
Total Revenues	<u>48,400</u>	<u>48,392</u>	<u>(8)</u>
<u>Expenditures:</u>			
Capital Outlay:			
City Manager	14,680	14,091	589
Law Director	1,500	1,500	0
Finance - Administration	23,650	23,456	194
Engineering	24,479	24,033	446
Municipal Court	18,650	18,589	61
Police	102,637	102,212	425
Fire	86,141	86,141	0
Building Inspections	1,700	1,592	108
Parks and Recreation	85,900	85,179	721
Cemetery	8,150	8,134	16
Street Maintenance	863,584	863,364	220
Storm Drainage	137,348	134,882	2,466
Total Expenditures	<u>1,368,419</u>	<u>1,363,173</u>	<u>5,246</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,320,019)	(1,314,781)	5,238
<u>Other Financing Sources (Uses):</u>			
Operating Transfers In	1,022,360	1,022,420	60
Operating Transfers Out	(60,000)	(60,000)	0
Total Other Financing Sources (Uses)	<u>962,360</u>	<u>962,420</u>	<u>60</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(357,659)	(352,361)	5,298
Fund Balance at Beginning of Year	743,868	743,868	0
Prior Year Encumbrances	176,559	176,559	0
Fund Balance at End of Year	<u><u>\$562,768</u></u>	<u><u>\$568,066</u></u>	<u><u>\$5,298</u></u>

**CITY OF NAPOLEON, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**CAPITAL PROJECTS FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2000**

**MAIN, WELSTED AND VINE IMPROVEMENT FUND**

	<u>Revised Budget</u>	<u>Actual</u>	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Investment Earnings	\$3,870	\$2,763	(\$1,107)
Special Assessments	23,500	23,506	6
All Other Revenues	<u>6,300</u>	<u>6,308</u>	<u>8</u>
Total Revenues	<u>33,670</u>	<u>32,577</u>	<u>(1,093)</u>
<u>Expenditures:</u>			
Capital Outlay:			
Street Improvements	<u>92,648</u>	<u>91,563</u>	<u>1,085</u>
Total Capital Outlay	92,648	91,563	1,085
Debt Service:			
Principal Retirement	540,000	540,000	0
Interest and Fiscal Charges	<u>20,681</u>	<u>20,681</u>	<u>0</u>
Total Expenditures	<u>653,329</u>	<u>652,244</u>	<u>1,085</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(619,659)	(619,667)	(8)
<u>Other Financing Sources (Uses):</u>			
Proceeds from Special Assessment Bonds	29,000	29,000	0
Operating Transfers In	470,000	470,000	0
Operating Transfers Out	<u>(6,078)</u>	<u>(6,078)</u>	<u>0</u>
Total Other Financing Sources	<u>492,922</u>	<u>492,922</u>	<u>0</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(126,737)	(126,745)	(8)
Fund Balance at Beginning of Year	123,665	123,665	0
Prior Year Encumbrances	<u>3,080</u>	<u>3,080</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$8</u></u>	<u><u>\$0</u></u>	<u><u>(\$8)</u></u>

## ***ENTERPRISE FUNDS***

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Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprise, whereby the intent of the City is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the City has decided that periodic determination of net income is appropriate for accountability purposes.

### **Electric Fund**

To account for the operation of the City's electric distribution service.

### **Water Fund**

To account for the operation of the City's water distribution service.

### **Sewer Fund**

To account for the operation of the City's sanitary sewer collection service.

### **Sanitation Fund**

To account for the operation of the City's trash collection service.

**THE CITY OF NAPOLEON, OHIO**  
**COMBINING BALANCE SHEET**  
**ENTERPRISE FUNDS**  
**DECEMBER 31, 2000**

	Electric	Water	Sewer	Sanitation	Totals
<b>Assets:</b>					
Cash and Cash Equivalents	\$244,101	\$11,648	\$28,410	\$6,859	\$291,018
Investments	7,078,613	887,984	1,868,825	522,891	10,358,313
Receivables (net of allowances for doubtful accounts):					
Accounts	1,377,684	178,758	207,443	67,841	1,831,726
Special Assessments	0	0	1,781,144	0	1,781,144
Interest	154,949	26,214	58,244	12,865	252,272
Inventory of Supplies at Cost	1,198,605	138,065	31,402	0	1,368,072
Investment in Joint Venture	437,436	0	0	0	437,436
Restricted Assets:					
Cash and Cash Equivalents	324,941	0	337,125	0	662,066
Investments	112,185	0	297,221	0	409,406
Property, Plant and Equipment	13,818,392	5,265,868	11,505,835	278,702	30,868,797
Less Accumulated Depreciation	(4,941,048)	(2,947,551)	(4,327,204)	(136,523)	(12,352,326)
Net Fixed Assets	8,877,344	2,318,317	7,178,631	142,179	18,516,471
<b>Total Assets</b>	<b>\$19,805,858</b>	<b>\$3,560,986</b>	<b>\$11,788,445</b>	<b>\$752,635</b>	<b>\$35,907,924</b>
<b>Liabilities and Fund Equity:</b>					
<b>Liabilities:</b>					
Accounts Payable	\$71,151	\$3,105	\$25,700	\$1,023	\$100,979
Accrued Wages and Benefits	32,781	22,113	8,914	5,882	69,690
Customer Deposits	11,038	0	0	0	11,038
Compensated Absences Payable	49,852	61,652	27,307	7,362	146,173
General Obligation Bonds Payable	0	1,655,000	0	0	1,655,000
Special Assessment Bond Payable	0	0	115,000	0	115,000
Mortgage Revenue Bonds Payable	3,030,000	0	3,250,000	0	6,280,000
Ohio Sewer and Water Rotary					
Commission Deferred Loan Payable	0	0	88,341	0	88,341
Ohio Public Works					
Commission Loan Payable	0	0	70,002	0	70,002
Ohio Water Development					
Authority Loans Payable	0	370,730	3,085,200	0	3,455,930
<b>Total Liabilities</b>	<b>3,194,822</b>	<b>2,112,600</b>	<b>6,670,464</b>	<b>14,267</b>	<b>11,992,153</b>
<b>Fund Equity:</b>					
Contributed Capital	79,492	101,418	3,390,129	101,123	3,672,162
Retained Earnings:					
Reserved	437,126	0	634,346	0	1,071,472
Unreserved	16,094,418	1,346,968	1,093,506	637,245	19,172,137
<b>Total Fund Equity</b>	<b>16,611,036</b>	<b>1,448,386</b>	<b>5,117,981</b>	<b>738,368</b>	<b>23,915,771</b>
<b>Total Liabilities and Fund Equity</b>	<b>\$19,805,858</b>	<b>\$3,560,986</b>	<b>\$11,788,445</b>	<b>\$752,635</b>	<b>\$35,907,924</b>



**THE CITY OF NAPOLEON, OHIO**  
**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS**  
**ENTERPRISE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2000**

	<u>Electric</u>	<u>Water</u>	<u>Sewer</u>	<u>Sanitation</u>	<u>Totals</u>
<b><u>Operating Revenues:</u></b>					
Charges for Services	\$10,726,421	\$1,393,324	\$1,586,675	\$519,260	\$14,225,680
Other Charges for Services	4,139	11,691	0	7,760	23,590
Other Operating Revenues	0	0	1,372	0	1,372
Total Operating Revenues	<u>10,730,560</u>	<u>1,405,015</u>	<u>1,588,047</u>	<u>527,020</u>	<u>14,250,642</u>
<b><u>Operating Expenses:</u></b>					
Personal Services	726,241	462,333	221,892	120,843	1,531,309
Materials and Supplies	263,913	252,453	109,958	65,099	691,423
Contractual Services	198,816	71,395	114,446	142,325	526,982
Utilities	7,693,274	33,467	31,358	2,420	7,760,519
Depreciation	247,737	88,839	266,659	7,499	610,734
Other Operating Expenses	513,917	211,936	230,600	86,102	1,042,555
Total Operating Expenses	<u>9,643,898</u>	<u>1,120,423</u>	<u>974,913</u>	<u>424,288</u>	<u>12,163,522</u>
Operating Income	1,086,662	284,592	613,134	102,732	2,087,120
<b><u>Nonoperating Revenues (Expenses):</u></b>					
Gain on Investment in Joint Ventures	144,434	0	0	0	144,434
Investment Earnings	477,528	66,697	173,758	38,815	756,798
Interest and Fiscal Charges	(146,092)	(132,273)	(424,777)	0	(703,142)
Total Nonoperating Revenues (Expenses)	<u>475,870</u>	<u>(65,576)</u>	<u>(251,019)</u>	<u>38,815</u>	<u>198,090</u>
Income Before Operating Transfers	1,562,532	219,016	362,115	141,547	2,285,210
<b><u>Operating Transfers:</u></b>					
Operating Transfers In	0	0	6,078	0	6,078
Operating Transfers Out	0	0	(225,000)	0	(225,000)
Total Operating Transfers	<u>0</u>	<u>0</u>	<u>(218,922)</u>	<u>0</u>	<u>(218,922)</u>
Net Income	1,562,532	219,016	143,193	141,547	2,066,288
Restated Retained Earnings at Beginning of Year	<u>14,969,012</u>	<u>1,127,952</u>	<u>1,584,659</u>	<u>495,698</u>	<u>18,177,321</u>
Retained Earnings at End of Year	<u>\$16,531,544</u>	<u>\$1,346,968</u>	<u>\$1,727,852</u>	<u>\$637,245</u>	<u>\$20,243,609</u>

**THE CITY OF NAPOLEON, OHIO**  
**COMBINING STATEMENT OF CASH FLOWS**  
**ENTERPRISE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2000**

	Electric	Water	Sewer	Sanitation	Totals
<u>Cash Flows from Operating Activities:</u>					
Cash Received from Customers	\$10,809,569	\$1,420,529	\$1,580,605	\$524,231	\$14,334,934
Cash Payments for Goods and Services	(9,474,833)	(569,978)	(474,341)	(301,607)	(10,820,759)
Cash Payments to Employees	(743,513)	(462,312)	(225,240)	(118,421)	(1,549,486)
Net Cash Provided by Operating Activities	591,223	388,239	881,024	104,203	1,964,689
<u>Cash Flows from Noncapital Financing Activities:</u>					
Transfers In From Other Funds	0	0	6,078	0	6,078
Transfers Out to Other Funds	0	0	(225,000)	0	(225,000)
Receipts of Special Assessments	0	0	164,253	0	164,253
Net Cash Used for Noncapital Financing Activities	0	0	(54,669)	0	(54,669)
<u>Cash Flows from Capital and Related Financing Activities:</u>					
Acquisition and Construction of Assets	(1,566,032)	(118,200)	(146,739)	(146,033)	(1,977,004)
Proceeds From Special Assessment Bond	0	0	115,000	0	115,000
Principal Paid on General Obligation Bonds	0	(60,000)	0	0	(60,000)
Principal Paid on Mortgage Revenue Bonds	(110,000)	0	(115,000)	0	(225,000)
Principal Paid on Ohio Public Works Commission Loan	0	0	(3,684)	0	(3,684)
Principal Paid on Ohio Water Development Authority Loans	0	(12,220)	(221,838)	0	(234,058)
Interest Paid on All Debt	(146,711)	(132,273)	(424,777)	0	(703,761)
Net Cash Used for Capital and Related Financing Activities	(1,822,743)	(322,693)	(797,038)	(146,033)	(3,088,507)
<u>Cash Flows from Investing Activities:</u>					
Purchase of Investments	0	(107,824)	(126,540)	0	(234,364)
Sale of Investments	960,041	0	19,099	14,867	994,007
Receipts of Interest	388,712	52,820	122,768	33,058	597,358
Net Cash Provided (Used) by Investing Activities	1,348,753	(55,004)	15,327	47,925	1,357,001
Net Increase in Cash and Cash Equivalents	117,233	10,542	44,644	6,095	178,514
Cash and Cash Equivalents at Beginning of Year	451,809	1,106	320,891	764	774,570
Cash and Cash Equivalents at End of Year	\$569,042	\$11,648	\$365,535	\$6,859	\$953,084
<u>Reconciliation of Cash and Cash Equivalents per the Balance Sheet:</u>					
Cash and Cash Equivalents	\$244,101	\$11,648	\$28,410	\$6,859	\$291,018
Add: Restricted Cash and Cash Equivalents	324,941	0	337,125	0	662,066
Cash and Cash Equivalents at End of Year	\$569,042	\$11,648	\$365,535	\$6,859	\$953,084

(Continued)

**THE CITY OF NAPOLEON, OHIO**  
**COMBINING STATEMENT OF CASH FLOWS**  
**ENTERPRISE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2000**

	Electric	Water	Sewer	Sanitation	Totals
<u>Reconciliation of Operating Income to Net Cash</u>					
<u>Provided by Operating Activities:</u>					
Operating Income	\$1,086,662	\$284,592	\$613,134	\$102,732	\$2,087,120
Adjustments to Reconcile Operating Income to					
Net Cash Provided by Operating Activities:					
Depreciation Expense	247,737	88,839	266,659	7,499	610,734
Changes in Assets and Liabilities:					
(Increase) Decrease in Accounts Receivable	79,009	15,514	(7,442)	(2,789)	84,292
Increase in Inventory	(223,723)	(2,129)	(4,044)	0	(229,896)
Increase (Decrease) in Accounts Payable	(571,613)	1,402	16,065	(5,661)	(559,807)
Decrease in Accrued Wages and Benefits	(7,303)	(3,819)	(1,807)	(473)	(13,402)
Decrease in Customer Deposits	(9,554)	0	0	0	(9,554)
Increase (Decrease) in Compensated Absences	(9,992)	3,840	(1,541)	2,895	(4,798)
Total Adjustments	(495,439)	103,647	267,890	1,471	(122,431)
Net Cash Provided by Operating Activities	<u>\$591,223</u>	<u>\$388,239</u>	<u>\$881,024</u>	<u>\$104,203</u>	<u>\$1,964,689</u>

Schedule of Noncash Investing, Capital and Financing Activities:

As of December 31, 2000, the Electric Fund and the Sewer Fund had outstanding liabilities of \$4,382 and \$5,034 respectively for the purchase of certain capital assets.

During 2000 the fair value of investments increased by \$64,599, \$7,977, \$19,459 and \$4,697 in the Electric, Water, Sewer and Sanitation Funds respectively.



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***FIDUCIARY FUND TYPES***

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

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***EXPENDABLE TRUST FUNDS***

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**Napoleon Cemetery Trust Fund**

To account for monies received by specific agreement, gifts, bequests or otherwise to provide for perpetual care of individual plots within the City cemetery.

**Unclaimed Monies Fund**

To account for stale uncashed warrants held until a legitimate claim is made or until the statute of limitations prevails.

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***NONEXPENDABLE TRUST FUND***

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**Forest Hill Cemetery Fund**

To account for monies received by specific agreement, gifts, bequests or otherwise to provide for care of the Forest Hill Mausoleum.

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***AGENCY FUNDS***

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**Municipal Court Fund**

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

**Payroll Withholding Fund**

To account for withholding taxes until remitted to other entities.

**Employee Benefits Fund**

To account for funds related to the IRS 125 Employee Benefits Plan. (The Balance Sheet is not presented because there are no assets or liabilities at year end.)

**THE CITY OF NAPOLEON, OHIO**  
**COMBINING BALANCE SHEET**  
**FIDUCIARY FUNDS**  
**DECEMBER 31, 2000**

	<i>Expendable Trust Funds</i>		<i>Nonexpendable Trust Fund</i>
	Napoleon Cemetery Trust	Unclaimed Monies	Forest Hill Cemetery
<u>Assets:</u>			
Cash and Cash Equivalents	\$74,780	\$2,157	\$10,566
Total Assets	\$74,780	\$2,157	\$10,566
<u>Liabilities and Fund Equity:</u>			
Liabilities:			
Due to Others	\$0	\$673	\$0
Total Liabilities	0	673	0
Fund Equity:			
Reserved for Endowments	0	0	10,566
Unreserved	74,780	1,484	0
Total Fund Equity	74,780	1,484	10,566
Total Liabilities and Fund Equity	\$74,780	\$2,157	\$10,566

**THE CITY OF NAPOLEON, OHIO**  
**COMBINING BALANCE SHEET**  
**FIDUCIARY FUNDS**  
**DECEMBER 31, 2000**

<i>Agency Funds</i>		
Municipal Court	Payroll Withholding	Totals
\$33,039	\$211	\$120,753
\$33,039	\$211	\$120,753
\$33,039	\$211	\$33,923
33,039	211	33,923
0	0	10,566
0	0	76,264
0	0	86,830
\$33,039	\$211	\$120,753

**THE CITY OF NAPOLEON, OHIO**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**EXPENDABLE TRUST FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2000**

	Napoleon Cemetery Trust	Unclaimed Monies	Totals
<u>Revenues:</u>			
Charges for Services	\$5,990	\$0	\$5,990
Total Revenues	5,990	0	5,990
<u>Expenditures:</u>			
Total Expenditures	0	0	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	5,990	0	5,990
Fund Balance at Beginning of Year	68,790	1,484	70,274
Fund Balance at End of Year	<u>\$74,780</u>	<u>\$1,484</u>	<u>\$76,264</u>



**CITY OF NAPOLEON, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**EXPENDABLE TRUST FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2000**

**NAPOLEON CEMETERY TRUST FUND**

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Charges for Services	\$5,900	\$5,990	\$90
Total Revenues	5,900	5,990	90
<u>Expenditures:</u>			
Total Expenditures	0	0	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	5,900	5,990	90
Fund Balance at Beginning of Year	68,790	68,790	0
Fund Balance at End of Year	\$74,690	\$74,780	\$90

**CITY OF NAPOLEON, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**EXPENDABLE TRUST FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2000**

UNCLAIMED MONIES FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
All Other Revenues	\$280	\$288	\$8
Total Revenues	280	288	8
<u>Expenditures:</u>			
General Government:			
Other Expenditures	400	0	400
Total Expenditures	400	0	400
Excess (Deficiency) of Revenues Over (Under) Expenditures	(120)	288	408
<u>Other Financing Sources (Uses):</u>			
Operating Transfers Out	(600)	(235)	365
Total Other Financing Sources (Uses)	(600)	(235)	365
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(720)	53	773
Fund Balance at Beginning of Year	2,104	2,104	0
Fund Balance at End of Year	\$1,384	\$2,157	\$773

**THE CITY OF NAPOLEON, OHIO**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**AGENCY FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2000**

	Balance December 31, 1999	Additions	Deductions	Balance December 31, 2000
<b><u>Municipal Court</u></b>				
Assets:				
Cash and Cash Equivalents	\$5,666	\$1,248,235	(\$1,220,862)	\$33,039
Total Assets	<u>\$5,666</u>	<u>\$1,248,235</u>	<u>(\$1,220,862)</u>	<u>\$33,039</u>
Liabilities:				
Due to Others	\$5,666	\$1,248,235	(\$1,220,862)	\$33,039
Total Liabilities	<u>\$5,666</u>	<u>\$1,248,235</u>	<u>(\$1,220,862)</u>	<u>\$33,039</u>
<b><u>Payroll Withholding</u></b>				
Assets:				
Cash and Cash Equivalents	\$278	\$211	(\$278)	\$211
Total Assets	<u>\$278</u>	<u>\$211</u>	<u>(\$278)</u>	<u>\$211</u>
Liabilities:				
Due to Others	\$278	\$211	(\$278)	\$211
Total Liabilities	<u>\$278</u>	<u>\$211</u>	<u>(\$278)</u>	<u>\$211</u>
<b><u>Employee Benefits</u></b>				
Assets:				
Cash and Cash Equivalents	\$2,607	\$3,995	(\$6,602)	\$0
Total Assets	<u>\$2,607</u>	<u>\$3,995</u>	<u>(\$6,602)</u>	<u>\$0</u>
Liabilities:				
Due to Others	\$2,607	\$3,995	(\$6,602)	\$0
Total Liabilities	<u>\$2,607</u>	<u>\$3,995</u>	<u>(\$6,602)</u>	<u>\$0</u>
<b><u>Totals - Agency Funds</u></b>				
Assets:				
Cash and Cash Equivalents	\$8,551	\$1,252,441	(\$1,227,742)	\$33,250
Total Assets	<u>\$8,551</u>	<u>\$1,252,441</u>	<u>(\$1,227,742)</u>	<u>\$33,250</u>
Liabilities:				
Due to Others	\$8,551	\$1,252,441	(\$1,227,742)	\$33,250
Total Liabilities	<u>\$8,551</u>	<u>\$1,252,441</u>	<u>(\$1,227,742)</u>	<u>\$33,250</u>

***GENERAL FIXED ASSETS ACCOUNT GROUP***

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General Fixed Assets Account Group is used to account for fixed assets other than those accounted for in the Proprietary Funds.

**THE CITY OF NAPOLEON, OHIO**  
**SCHEDULE OF GENERAL FIXED ASSETS**  
**BY SOURCE**  
**DECEMBER 31, 2000**

General Fixed Assets:

Land	\$1,647,180
Buildings	1,999,163
Improvements	127,317
Machinery and Equipment	<u>3,485,265</u>
Total General Fixed Assets	<u><u>\$7,258,925</u></u>

Investment in General Fixed Assets:

General Fund	\$396,565
Special Revenue Funds	197,693
Capital Projects Funds	6,085,812
Enterprise Funds	575,955
Internal Service Fund	400
Donated	<u>2,500</u>
Total Investment in General Fixed Assets	<u><u>\$7,258,925</u></u>

**THE CITY OF NAPOLEON, OHIO**  
**SCHEDULE OF GENERAL FIXED ASSETS**  
**BY CATEGORY**  
**DECEMBER 31, 2000**

<u>Function and Activity</u>	<u>Land</u>	<u>Buildings</u>	<u>Improvements</u>	<u>Machinery and Equipment</u>	<u>Total</u>
<b><u>General Government:</u></b>					
City Manager	\$0	\$0	\$0	\$57,327	\$57,327
Law Director	0	0	0	15,844	15,844
Finance	0	179,304	0	211,787	391,091
Tax	0	0	0	16,562	16,562
Engineering	0	0	1,978	47,393	49,371
Municipal Court	0	0	0	71,304	71,304
General Administration	260,320	0	0	5,880	266,200
Total	<u>260,320</u>	<u>179,304</u>	<u>1,978</u>	<u>426,097</u>	<u>867,699</u>
<b><u>Security of Persons and Property:</u></b>					
Police	32,729	112,500	0	394,213	539,442
Fire	6,514	398,474	0	1,250,833	1,655,821
Total	<u>39,243</u>	<u>510,974</u>	<u>0</u>	<u>1,645,046</u>	<u>2,195,263</u>
<b><u>Transportation:</u></b>					
Street	37,457	654,534	65,008	849,325	1,606,324
Maintenance	0	0	0	38,547	38,547
Total	<u>37,457</u>	<u>654,534</u>	<u>65,008</u>	<u>887,872</u>	<u>1,644,871</u>
<b><u>Leisure Time Activities:</u></b>					
Parks and Recreation	1,072,860	648,551	60,331	462,557	2,244,299
<b><u>Community Environment:</u></b>					
Inspection	0	0	0	10,226	10,226
<b><u>Public Health and Welfare:</u></b>					
Cemetery	237,300	5,800	0	53,467	296,567
Total General Fixed Assets	<u>\$1,647,180</u>	<u>\$1,999,163</u>	<u>\$127,317</u>	<u>\$3,485,265</u>	<u>\$7,258,925</u>

**THE CITY OF NAPOLEON, OHIO**  
**SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS**  
**BY FUNCTION AND ACTIVITY**  
**FOR THE YEAR ENDED DECEMBER 31, 2000**

<u>Function and Activity</u>	<u>Restated December 31, 1999</u>	<u>Additions</u>	<u>Deletions</u>	<u>December 31, 2000</u>
<b><u>General Government:</u></b>				
City Manager	\$57,327	\$0	\$0	\$57,327
Law Director	15,844	0	0	15,844
Finance	388,646	2,445	0	391,091
Tax	16,562	0	0	16,562
Engineering	49,371	0	0	49,371
Municipal Court	59,194	12,110	0	71,304
General Administration	261,605	4,595	0	266,200
Total	<u>848,549</u>	<u>19,150</u>	<u>0</u>	<u>867,699</u>
<b><u>Security of Persons and Property:</u></b>				
Police	497,193	56,534	(14,285)	539,442
Fire	1,019,830	637,077	(1,086)	1,655,821
Total	<u>1,517,023</u>	<u>693,611</u>	<u>(15,371)</u>	<u>2,195,263</u>
<b><u>Transportation:</u></b>				
Street	1,613,168	141,056	(147,900)	1,606,324
Maintenance	38,547	0	0	38,547
Total	<u>1,651,715</u>	<u>141,056</u>	<u>(147,900)</u>	<u>1,644,871</u>
<b><u>Leisure Time Activities:</u></b>				
Parks and Recreation	2,198,274	54,025	(8,000)	2,244,299
<b><u>Community Environment:</u></b>				
Inspection	10,226	0	0	10,226
<b><u>Public Health and Welfare:</u></b>				
Cemetery	295,415	7,067	(5,915)	296,567
Total General Fixed Assets	<u>\$6,521,202</u>	<u>\$914,909</u>	<u>(\$177,186)</u>	<u>\$7,258,925</u>





*STATISTICAL SECTION*

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## *STATISTICAL TABLES*

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

**THE CITY OF NAPOLEON, OHIO**  
**GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION (1)**  
**LAST TEN YEARS**

<b>Year</b>	<b>Security of Persons and Property</b>	<b>Public Health and Welfare</b>	<b>Leisure Time Activities</b>	<b>Community Environment</b>	<b>Trans- portation</b>	<b>Basic Utility Services</b>	<b>General Government</b>	<b>Capital Outlay</b>	<b>Debt Service</b>	<b>Other</b>	<b>Total</b>
1991	\$979,058	\$63,716	\$490,641	\$57,525	\$256,573	\$44,850	\$711,355	\$0	\$167,719	\$6,081	\$2,777,518
1992	1,097,106	70,621	549,734	56,532	304,167	27,607	777,317	0	339,838	6,500	3,229,422
1993	1,045,095	74,603	758,785	396,980	297,945	15,156	649,044	189,640	733,647	11,605	4,172,500
1994	1,137,555	77,598	575,031	343,283	332,275	24,240	532,174	0	736,022	5,097	3,763,275
1995	1,348,173	66,816	660,108	225,456	355,099	0	627,134	0	346,984	0	3,629,770
1996	1,701,587	53,255	650,675	101,021	419,561	0	613,264	0	328,443	0	3,867,806
1997	1,620,552	66,127	594,786	322,033	369,319	0	573,955	0	340,717	0	3,887,489
1998	1,811,903	66,231	637,495	166,716	460,040	0	526,416	0	347,991	0	4,016,792
1999	1,686,473	62,354	665,529	390,281	382,531	0	655,126	0	354,329	0	4,196,623
2000	2,451,923	66,118	710,193	653,905	519,657	0	793,592	0	345,952	0	5,541,340

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

NOTE In 1995 the Income Tax and Police Pension Funds (expendable trust funds) were reclassified. Income Tax is receipted into the General Fund and the Police Pension Fund is now a special revenue fund.

**THE CITY OF NAPOLEON, OHIO**  
**GENERAL GOVERNMENTAL REVENUES BY SOURCE (1)**  
**LAST TEN YEARS**

<b>Year</b>	<b>Taxes</b>	<b>Inter-Governmental Revenue</b>	<b>Charges for Service</b>	<b>Licenses and Permits</b>	<b>Investment Earnings</b>	<b>Fines and Forfeitures</b>	<b>(2) Miscellaneous</b>	<b>Total</b>
1991	\$443,421	\$463,945	\$255,538	\$36,393	\$153,051	\$203,225	\$275,439	\$1,831,012
1992	403,417	402,887	290,121	37,362	111,573	178,669	424,577	1,848,606
1993	776,471	185,364	263,949	33,152	101,599	221,160	688,037	2,269,732
1994	847,405	503,757	285,968	32,289	128,278	247,866	663,309	2,708,872
1995	2,327,551	860,524	537,149	20,288	137,300	229,291	388,174	4,500,277
1996	2,519,304	1,132,078	720,752	60,039	362,975	261,235	470,928	5,527,311
1997	2,546,058	1,056,318	458,110	48,663	408,910	242,252	465,081	5,225,392
1998	2,726,758	1,067,245	596,375	49,531	392,843	286,415	552,914	5,672,081
1999	3,018,876	1,311,630	531,657	50,966	388,960	271,662	655,030	6,228,781
2000	2,991,556	1,536,355	582,955	52,682	487,111	293,545	481,167	6,425,371

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

(2) Includes Special Assessments and All Other Revenues

NOTE In 1995 the Income Tax and Police Pension Funds (expendable trust funds) were reclassified. Income Tax is receipted into the General Fund and the Police Pension Fund is now reported as a special revenue fund.

**THE CITY OF NAPOLEON, OHIO**  
**PROPERTY TAX LEVIES AND COLLECTIONS**  
**LAST TEN YEARS**

<b>Collection Year</b>	<b>Total Tax Levy</b>	<b>Current Tax Collections</b>	<b>Delinquent Tax Collections</b>	<b>Total Tax Collections</b>	<b>Percent of Total Tax Collections To Tax Levy</b>	<b>Accumulated Outstanding Delinquent Taxes</b>	<b>Percentage of Accumulated Delinquent Taxes to Total Tax Levy</b>
1991	\$289,676	\$236,730	\$6,471	\$243,201	83.96%	\$1,773	0.61%
1992	280,677	260,159	3,558	263,717	93.96%	2,588	0.92%
1993	283,536	267,210	6,500	273,710	96.53%	2,799	0.99%
1994	289,896	284,806	3,569	288,375	99.48%	3,532	1.22%
1995	295,504	288,137	4,645	292,782	99.08%	5,131	1.74%
1996	301,210	295,186	5,991	301,177	99.99%	4,599	1.53%
1997	336,308	312,912	5,826	318,738	94.78%	5,345	1.59%
1998	330,297	259,303	9,015	268,318	81.24%	1,475	0.45%
1999	352,182	270,412	8,344	278,756	79.15%	3,118	0.89%
2000	405,869	302,381	9,308	311,689	76.80%	2,169	0.53%

Source: Henry County Auditor

**THE CITY OF NAPOLEON, OHIO  
TANGIBLE TAX COLLECTED  
LAST TEN YEARS**

<b><u>Year Paid</u></b>	<b><u>Amount</u></b>
1991	\$69,029
1992	63,251
1993	67,413
1994	66,153
1995	71,558
1996	73,621
1997	61,252
1998	100,576
1999	104,762
2000	92,597

Source: Henry County Auditor

**THE CITY OF NAPOLEON, OHIO**  
**ASSESSED VALUATIONS AND ESTIMATED TRUE VALUES**  
**OF TAXABLE PROPERTY**  
**LAST TEN YEARS**

<b>Tax Year</b>	<b>Real Property</b>		<b>Public Utility Personal</b>		<b>Tangible Personal Property</b>		<b>Total</b>		<b>Assessed Value as a Percent of Actual Value</b>
	<b>Assessed</b>	<b>Actual</b>	<b>Assessed</b>	<b>Actual</b>	<b>Assessed</b>	<b>Actual</b>	<b>Assessed</b>	<b>Actual</b>	
1991	\$63,227,910	\$180,651,171	\$3,612,920	\$4,105,591	\$22,611,724	\$83,747,126	\$89,452,554	\$268,503,888	33.32%
1992	63,020,220	180,057,771	3,508,810	3,987,284	24,186,676	93,025,677	90,715,706	277,070,732	32.74%
1993	65,019,730	185,770,657	3,686,860	4,189,614	22,763,639	84,309,774	91,470,229	274,270,045	33.35%
1994	75,566,330	215,903,800	3,699,790	4,204,307	24,025,675	88,983,981	103,291,795	309,092,088	33.42%
1995	76,051,100	217,288,857	3,936,490	4,473,284	24,382,578	90,305,844	104,370,168	312,067,985	33.44%
1996	77,681,990	221,948,543	3,976,050	4,518,239	25,608,664	94,846,904	107,266,704	321,313,686	33.38%
1997	88,136,170	246,061,343	3,506,130	4,174,330	28,314,167	96,938,593	119,956,467	347,174,266	34.55%
1998	89,735,450	256,387,000	3,396,460	3,855,068	28,314,167	113,256,668	121,446,077	373,498,736	32.52%
1999	102,814,376	293,755,360	3,331,130	3,333,130	35,687,750	142,751,000	141,833,256	439,839,490	32.25%
2000	103,446,330	295,560,943	3,748,180	3,748,180	31,633,917	126,535,668	138,828,427	425,844,791	32.60%

Source: Henry County Auditor

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

Collection Year	City of Napoleon				Napoleon City School District	Joint Vocational School District	Henry County	Napoleon Township	Total
	General Fund	Police Pension Fund	Fire Pension Fund	Total City					
1991	2.00	0.60	0.30	2.90	35.55	3.20	14.15	0.40	56.20
1992	2.00	0.60	0.30	2.90	34.90	3.20	14.55	0.40	55.95
1993	2.00	0.60	0.30	2.90	34.90	3.20	12.60	0.40	54.00
1994	2.00	0.60	0.30	2.90	42.80	3.20	12.60	0.40	61.90
1995	2.00	0.60	0.30	2.90	42.80	3.20	12.60	0.40	61.90
1996	2.00	0.60	0.30	2.90	42.80	3.20	14.00	0.40	63.30
1997	2.00	0.60	0.30	2.90	44.90	3.20	15.30	0.40	66.70
1998	2.00	0.60	0.30	2.90	44.90	3.20	15.30	0.40	66.70
1999	2.00	0.60	0.30	2.90	45.80	3.20	15.30	0.40	67.60
2000	2.00	0.60	0.30	2.90	45.80	3.20	15.30	0.40	67.60

Source: Henry County Treasurer



***THE CITY OF NAPOLEON, OHIO  
SPECIAL ASSESSMENT BILLINGS AND COLLECTIONS  
LAST TEN YEARS***

<b>Collection Year</b>	<b>Amount Billed</b>	<b>Amount Collected</b>	<b>Percent Collected</b>
1991	\$179,830	\$184,713	102.72%
1992	336,407	329,936	98.08%
1993	482,119	485,542	100.71%
1994	477,305	480,708	100.71%
1995	471,964	472,361	100.08%
1996	466,386	468,027	100.35%
1997	478,477	481,189	100.57%
1998	468,893	467,776	99.76%
1999	508,435	440,706	86.68%
2000	471,774	318,144	67.44%

Source: City of Napoleon Finance Department

**THE CITY OF NAPOLEON, OHIO**  
**COMPUTATION OF LEGAL DEBT MARGIN**  
**DECEMBER 31, 2000**

	<b>Total Debt</b>	<b>Unvoted Debt</b>
Net Assessed Valuation	\$138,828,427	\$138,828,427
Legal Debt Limitation (%) (1)	10.50%	5.50%
Legal Debt Limitation (\$) (1)	14,576,985	7,635,563
Applicable City Debt Outstanding (2)	0	0
Less: Applicable Debt Service Fund Amounts	(310,986)	(310,986)
Net Indebtedness Subject to Limitation	0	0
Legal Debt Margin	\$14,576,985	\$7,635,563

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

(2) The City does not have any non self-supporting general obligation debt.  
Enterprise Debt is Not Considered in the Computation of the Legal Debt Margin.

**THE CITY OF NAPOLEON, OHIO**  
**RATIO OF NET GENERAL OBLIGATION BONDED DEBT TO ASSESSED**  
**VALUE AND NET GENERAL OBLIGATION BONDED DEBT PER CAPITA**  
**LAST TEN YEARS**

<u>Year</u>	<u>Population (1)</u>	<u>Assessed Value (2)</u>	<u>Gross Bonded Debt (3)</u>	<u>Debt Service Funds Available</u>	<u>Net Bonded Debt</u>	<u>Ratio of Net Bonded Debt to Assessed Valuation</u>	<u>Net Bonded Debt Per Capita</u>	
1991	a	8,884	\$89,452,554	\$305,000	\$253,862	\$51,138	0.06%	\$5.76
1992	a	8,884	90,715,706	265,000	799,934	0	0.00%	0.00
1993	a	8,884	91,470,229	225,000	1,013,650	0	0.00%	0.00
1994	b	9,215	103,291,795	0	938,031	0	0.00%	0.00
1995	b	9,215	104,370,168	0	268,590	0	0.00%	0.00
1996	b	9,215	107,266,704	0	283,725	0	0.00%	0.00
1997	b	9,215	115,978,300	0	300,495	0	0.00%	0.00
1998	b	9,215	121,446,077	0	308,476	0	0.00%	0.00
1999	b	9,215	141,833,256	0	281,696	0	0.00%	0.00
2000	c	9,318	138,828,427	0	310,986	0	0.00%	0.00

(1) Source: U.S. Bureau of Census, a) Federal 1990 Census.  
b) Population estimates made by the City.  
c) Federal 2000 Census.

(2) Source: Henry County Auditor.

(3) Includes all non self-supporting general obligation bonded debt supported by property taxes.

**THE CITY OF NAPOLEON, OHIO**  
**COMPUTATION OF ALL DIRECT AND OVERLAPPING GOVERNMENTAL DEBT**  
**DECEMBER 31, 2000**

<u>Jurisdiction</u>	<u>Net Debt Outstanding</u>	<u>Percentage Applicable to City of Napoleon</u>	<u>Amount Applicable to City of Napoleon</u>
<b>Direct</b>			
City of Napoleon	\$0	100.00%	\$0
<b>Overlapping Subdivisions</b>			
Napoleon City School District	5,369,456	48.52%	2,605,260
Liberty Center School District	3,350,000	13.71%	459,285
Four County Vocational School District	0	5.89%	0
Henry County	3,450,000	28.25%	974,625
		Subtotal	<u>4,039,170</u>
		Total	<u><u>\$4,039,170</u></u>

Source: Bond Counsel - Squire, Sanders & Dempsey

**THE CITY OF NAPOLEON, OHIO**  
**MORTGAGE REVENUE BOND COVERAGE**

<u>Year</u>	<u>Gross Revenues (3)</u>	<u>Direct Operating Expenses (4)</u>	<u>Net Revenue Available For Debt Service</u>	<u>Annual Debt Service Requirement (5)</u>	<u>Coverage</u>
Electric (1)					
1998	\$9,898,206	\$9,939,969	(\$41,763)	\$21,326	(1.96)
1999	11,057,218	10,041,853	1,015,365	234,584	4.33
2000	11,208,088	9,396,161	1,811,927	256,710	7.06
Sewer (2)					
1998	\$1,521,674	\$1,258,196	\$263,478	\$23,072	11.42
1999	1,498,570	546,998	951,572	253,793	3.75
2000	1,761,805	708,254	1,053,551	272,265	3.87

The City had no Mortgage Revenue Bonds Prior to 1998.

(1) The Electric system 1st Mortgage Revenue Bonds were issued in 1998, in the amount of \$3,245,000.

(2) The Sewer system 1st Mortgage Revenue Bonds were issued in 1998, in the amount of \$3,480,000.

(3) Gross revenues include operating revenues plus interest income.

(4) Direct operating expenses include operating expenses less depreciation.

(5) Annual debt service requirements include principal and interest on revenue bonds only.

It does not include the general obligation bonds reported in the Water Revenue Fund.

Source: City of Napoleon Finance Department

**THE CITY OF NAPOLEON, OHIO**  
**DEMOGRAPHIC STATISTICS**  
**LAST TEN YEARS**

<u>Year</u>		<u>City Population (1)</u>		<u>Henry County Population (1)</u>	<u>Unemployment Rate Henry County Area (2)</u>	<u>Per Capita Income Henry County Area (2)</u>	<u>School Enrollment (3)</u>
1991	a	8,884	b	29,249	7.6%	17,210	2,462
1992	a	8,884	b	29,445	8.7%	18,354	2,509
1993	a	8,884	b	29,456	7.9%	19,211	2,505
1994	b	9,215	b	29,521	6.2%	20,326	2,459
1995	b	9,215	b	29,703	6.2%	20,870	2,451
1996	b	9,215	b	29,837	4.5%	21,723	2,399
1997	b	9,215	b	29,885	5.4%	22,928	2,436
1998	b	9,215	b	29,880	5.3%	23,144	2,462
1999	b	9,215	b	29,870	5.6%	23,833	2,779
2000	c	9,318	b	29,210	4.8%	24,430	2,885

- (1) Source: U.S. Bureau of Census, a) Federal 1990 Census.  
b) Population estimates.  
c) Federal 2000 Census.
- (2) State Department of Labor
- (3) Napoleon City School District, Board of Education.

**THE CITY OF NAPOLEON, OHIO**  
**PROPERTY VALUE AND CONSTRUCTION PERMITS**  
**LAST TEN YEARS**

<b>Year</b>	<b>Residential</b>		<b>Commercial</b>	
	<b>Number of Permits</b>	<b>Property Value</b>	<b>Number of Permits</b>	<b>Property Value</b>
1991	353	\$2,798,085	96	\$2,564,600
1992	291	3,091,573	89	3,246,080
1993	290	2,687,699	98	3,052,160
1994	325	4,553,321	110	4,742,731
1995	304	4,835,106	95	3,231,124
1996	396	3,752,544	99	9,371,560
1997	465	4,044,180	126	4,716,800
1998	422	5,004,557	142	14,928,580
1999	441	5,066,085	101	5,323,497
2000	464	3,757,826	106	11,525,340

Source: City of Napoleon Building Department.

**THE CITY OF NAPOLEON, OHIO**  
**PRINCIPAL TAXPAYERS (PERSONAL PROPERTY TAX) (1)**  
**DECEMBER 31, 2000**

<u>Taxpayer</u>	<u>Type of Business</u>	<u>2000 Assessed Valuation (Tax Duplicate)</u>	<u>Percentage of Total Assessed Valuation</u>
1. Campbell Soup Supply Company, LLC	Food Canning and Processing	\$2,977,780	9.41%
2. Automatic Feed Company	Steel Handling Equipment	2,264,790	7.16%
3. Sunshine Biscuits	Food Processing	1,941,130	6.14%
4. Carson Industries	Manufacturing	1,614,840	5.11%
5. LDM Technologies, Inc.	Manufacturing	1,445,870	4.57%
6. Advanced Drainage	Manufacturing	1,214,270	3.84%
7. Pro Team Corvette Sales	Automobile Sales	1,146,420	3.62%
8. Wal-Mart Stores, Inc.	Retail Sales	999,770	3.16%
9. Universal Co-op	Manufacturing	933,390	2.95%
10. Fleet Capital Corporation	Automobile Sales	803,890	2.54%
Sub-Total		15,342,150	48.50%
All Others		16,291,767	51.50%
Total		<u>\$31,633,917</u>	<u>100.00%</u>

(1) Based on valuation of property taxes to be collected in 2001.  
Source: Henry County Auditor - Land and Buildings.



**THE CITY OF NAPOLEON, OHIO**  
**PRINCIPAL TAXPAYERS (REAL PROPERTY TAX) (1)**  
**DECEMBER 31, 2000**

<u>Taxpayer</u>	<u>Type of Business</u>	<u>2000 Assessed Valuation (Tax Duplicate)</u>	<u>Percentage of Total Assessed Valuation</u>
1. Campbell Soup Supply Company, LLC	Food Canning and Processing	\$12,710,485	12.29%
2. CCS Realty Company	Real Estate	6,143,885	5.94%
3. Imperial Clevite	Rubber and Metal Assembly	2,263,114	2.19%
4. Lutheran Development	Nursing Home	2,242,914	2.17%
5. Tippman-Napoleon Ltd.	Warehouse	2,015,257	1.95%
6. Automatic Feed	Steel Handling Equipment	1,759,400	1.70%
7. Rahee Hospitality	Motel	1,635,885	1.58%
8. Glen Arbor Limited	Apartments	1,523,771	1.47%
9. Buckeye Hotel Management	Hotel	1,149,800	1.11%
10. Riverview Apartments	Apartments	1,148,314	1.11%
Sub-Total		32,592,825	31.51%
All Others		70,853,505	68.49%
Total		<u>\$103,446,330</u>	<u>100.00%</u>

(1) Based on valuation of property taxes to be collected in 2001.  
Source: Henry County Auditor - Land and Buildings.

**THE CITY OF NAPOLEON, OHIO**  
**PRINCIPAL TAXPAYERS (INCOME TAX)**  
**DECEMBER 31, 2000**

<u>Taxpayer</u>	<u>Type of Business</u>	<u>Amount of Tax Paid in 2000</u>	<u>Percentage of Total</u>
1. Tenneco Automotive (Pullman Company)	Manufacturing	\$208,765	7.87%
2. Campbell Soup Supply Company, LLC	Food Canning and Processing	135,861	5.12%
3. Napoleon City School District	Education	106,913	4.03%
4. Automatic Feed Company	Steel Handling Equipment	83,833	3.16%
5. Henry County	County Government	66,339	2.50%
6. LDM Technologies, Inc.	Manufacturing	52,717	1.99%
7. City of Napoleon	Local Government	50,419	1.90%
8. Carson Industries	Manufacturing	34,657	1.31%
9. Cloverleaf Cold Storage	Warehousing	31,154	1.17%
10. Wal-Mart Stores, Inc.	Retail Sales	26,104	0.98%
Sub-Total		796,762	30.03%
All Others		1,857,022	69.97%
Total		<u>\$2,653,784</u>	<u>100.00%</u>

Source: Napoleon City Income Tax Department

**THE CITY OF NAPOLEON, OHIO**  
**PRINCIPAL EMPLOYERS**  
**DECEMBER 31, 2000**

	<b>Employer</b>	<b>Type of Business</b>	<b>Number of Employees</b>		
			<b>Full Time</b>	<b>Part Time</b>	<b>Total</b>
1.	Henry County	County Government	277	203	480
2.	Tenneco Automotive (Pullman Company)	Automobile Parts Manufacturer	418	8	426
3.	Napoleon City School District	Education	206	51	257
4.	LDM Technologies	Manufacturing	181	22	203
5.	City of Napoleon	Local Government	102	78	180
6.	Wal-Mart Stores	Retail	125	35	160
7.	Automatic Feed Company	Steel Handling Equipment	122	4	126
8.	The Lutheran Home	Long-term Health Care	75	51	126
9.	Carson Industries	Manufacturing	99	3	102
10.	Northcrest Nursing Home	Health Care and Rehabilitation	75	27	102

Source: City of Napoleon Chamber of Commerce/Each Employer's Personnel Departments.

**THE CITY OF NAPOLEON, OHIO**  
**MISCELLANEOUS STATISTICS**  
**DECEMBER 31, 2000**

Date of Incorporation	1863	Police Services:		Water System:	
Form of Government	Charter	Number of Stations	1	Number of Purification Plants	1
Area (square miles)	5.63	Number of Police Personnel and Officers	21	Miles of Water Mains	58.48
Facilities and Services:		Number of Patrol Units	6	Number of Fire Hydrants	327
Miles of Streets	72	Number of Law Violations: Criminal /Juvenile Citations and Charges	2,759	Number of Service Connections	3,500
Recreation and Culture:		Traffic Citations Issued	860	Average Daily Consumption (gallons)	1.5M
Number of Parks	9	Parking Tickets Written	103	Maximum Daily Capacity of Plant (gallons)	4.5M
Park Area (acres)	225	Fire/Emergency Medical Services:		Sewerage System:	
Number of Ball Fields:		Number of Stations	1	Number of Treatment Plants	1
Lighted	3	Number of Fire Officers		Miles of Sanitary Sewers	45
Unlighted	2	and Firefighters/Paramedics:		Miles of Storm Sewers	30
Number of Tennis Courts:		Full-Time	7	Number of Service Connections	3,500
Lighted	2	Part-Time	37	Average Daily Treatment (gallons)	1.8M
Number of Libraries	1	Number of Calls Answered		Maximum Daily Capacity of Treatment (gallons)	2.5M
Number of Hospitals	1	Fire	174	Education:	
Number of Patient Beds	50	EMS	799	Elementary and Middle Schools	4
Number of Bassinets	5	Number of Inspections	200	Elementary and Middle School Student:	1,481
		Number of Cemeteries	2	Elementary and Middle School Instruct	107
		Cemetery Area (acres)	25	Secondary Schools	1
				Secondary School Students	874
				Secondary School Instructors	54
				Parochial Schools	3
				Parochial School Students	530
				Parochial School Instructors	39



STATE OF OHIO  
OFFICE OF THE AUDITOR  

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JIM PETRO, AUDITOR OF STATE

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**CITY OF NAPOLEON**

**HENRY 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 19, 2001**