

THE CITY OF NEWARK, OHIO

LICKING COUNTY



COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
DECEMBER 31, 2000



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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Honorable Mayor and Members of City Council
City of Newark
Newark, Ohio 43055

We have reviewed the Independent Auditor's Report of the City of Newark, Licking County, prepared by Wolfe, Wilson, & Phillips, Inc., for the audit period January 1, 2000 to December 31, 2000. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

JIM PETRO
Auditor of State

July 16, 2001

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FOR THE YEAR ENDED
DECEMBER 31, 2000

Prepared by:
City Auditor's Office

Stephen E. Johnson
City Auditor

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INTRODUCTORY SECTION

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City of Newark, Ohio

Office of The Auditor

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Stephen E. Johnson

June 25, 2001

To The Members of City Council and
All Citizens of the City of Newark, Ohio

We are pleased to submit for your review the Comprehensive Annual Financial Report of the City of Newark, Ohio for the fiscal 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 Newark (the "City") to conform to nationally recognized standards of excellence in financial reporting. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data, as presented, is accurate in all material respects; is presented in a manner designed to fairly set forth the financial position and results of operations of the City; and presents all disclosures necessary to enable the reader to gain an understanding of the City's financial activity.

The Report:

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

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

The Reporting Entity:

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

Based on the foregoing, the reporting entity of the City has no component units but includes 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 the water treatment and distribution system and the wastewater treatment and collection system, each of which is reported as an enterprise fund.

Historical Information:

The hub of a metropolitan area with in excess of 80,000 citizens and the county seat of Licking County, Newark, "Land of Legend," has served for nearly two centuries as a center of commerce and industry.

It will likely remain a mystery how long men inhabited the area where Newark is now located. When settlers first came to the wilderness of the Licking Valley, they found a maze of strange earthworks covering hundreds of acres. They discovered unusual and mysterious mounds of earth, shaped in circles, squares and other geometric forms which were already hundreds, perhaps thousands of years old. Little is known about these prehistoric engineers, the purpose of the earthworks, or the civilization that obviously flourished here, hence, the title "Land of Legend." Two large groups of these mounds are preserved today at Moundbuilders and Octagon State Memorials, where thousands of visitors come each year to look and wonder.

In the spring of 1802, General William Schenk platted around these ancient mounds a settlement named after his hometown of Newark, New Jersey. There were many salt licks in the area and by 1808 the area now known as Licking County was founded. During those early years, Newark remained a small settlement and by 1820 had grown to only 500 people. Then the canal came to Newark and with it settlers and commerce. Newark became known as Ohio's canal capital and by 1830, the population had grown to 3,000. The advent of the steam locomotive resulted in the demise of the canal system as the most important form of transportation. Shortly thereafter, Newark became an important rail center.

The decline of the railroad as a primary source of transportation has changed the emphasis of commerce and business in recent years, but Newark and the surrounding area continue to enjoy great progress in community development and are becoming one of the fastest growing areas in Ohio. Newark is the largest city in Licking County. Results of the 1990 census show that Newark exhibited continued and steady growth throughout the decade of the 1980's. The 1990 census placed the population at 44,274. Current estimates place the population of Newark at approximately 47,450.

Form of Government:

Statutory

Newark is a statutory Mayor-Council form of government as prescribed by Title Seven of the Ohio Revised Code. Newark's government was incorporated in 1826. The City is divided into seven wards with 47 election precincts. The City Council consists of one council person from each ward, plus three council persons at-large and a council president elected at-large. All serve two year terms. Elected officials serving four year terms are the Mayor, Law Director, Auditor and Treasurer. Currently, the Mayor and Law Director are serving their third terms, the Auditor his first term, and the Treasurer his seventh term. The Safety, Service, Human Resources and Economic Development Directors are approved by the Mayor and serve at the pleasure of the Mayor.

City Charter

On Tuesday, November 4, 1997, the voters of Newark approved a City Charter which became effective January 1, 1998. Among the highlights of the Charter are the following:

- ❖ Department of Economic Development established
- ❖ Certain bidding requirements were altered.
- ❖ City council's term of office adjusted from two year to four year term.
- ❖ Residence requirements for safety forces.
- ❖ Auditor and Law Director added to Board of Control.
- ❖ Standards for open meetings and information access.
- ❖ Police Chief and Fire Chief recruitment outside departments is now allowed.

Location:

Newark is located in the central part of the state, approximately 33 miles east of Columbus, Ohio, the state capital. Its 19.04 square mile area serves a residential population of 47,450. The City's elevation is approximately 830 feet above sea level. Its median temperatures are 75 degrees in summer and 30.2 degrees in winter. State highways 79, 13 and 16 serve as the City's major transportation arteries. The City is also served by the east-west interstate highway I-70 which lies approximately 9 miles to the south. Newark is ranked as Ohio's 24th largest city and the nation's 586th largest city by the Census Bureau.

As part of the Columbus metropolitan area, in particular, its closeness to Port Columbus International Airport (located on Columbus' far east side), places the City of Newark in a very favorable position. Newark is close to a region of rapidly expanding business and industry, close to excellent transportation facilities and the governmental center of Ohio; yet, the City is able to maintain a pleasant residential setting, free of the "big" city atmosphere and the corresponding crowded, hectic pace of a typical major metropolitan area.

As previously noted, Newark is the home of the historic Moundbuilders State Memorial Park, known for its prehistoric Indian lore and featuring an Ohio Indian art museum. The National Heisey Glass Museum exhibits glass produced in Newark from 1895 to 1957. The Heisey Collectors of America operate this striking display of Heisey glassware housed in the 165 year old home of S.D. King, a prominent criminal attorney in the mid 1800's.

The Licking County Courthouse is located in the public square in downtown Newark. A variety of outdoor events are centered around the historic courthouse each year. At Christmas, the courthouse is a magnificent display of holiday splendor which has been featured on several magazine covers and was on the cover of our first comprehensive annual financial report issued for the year ended December 31, 1991. Newark's campus style high school is ranked as one of the five outstanding secondary educational institutions in the nation. As an alternative to public education, Newark has two parochial elementary schools and one high school.

Municipal Services:

The City of Newark provides a variety of services including police and fire protection, emergency medical service, planning and engineering, zoning, code enforcement, street maintenance, traffic control, parks and recreation, building inspection, health services, cemetery, community development, litter control and general administrative services. The City sponsors, with the help of certain grants, the Drug Abuse Resistance Education (D.A.R.E.) program, a drug prevention program serving older elementary school students, Safety City, a safety program for small children, reduced rates for public transportation and owner, rental and small business loans. The City does not operate hospitals or schools, nor is it responsible for public assistance programs.

The City also operates two enterprise activities: water treatment and distribution and wastewater collection and treatment. Funds from these enterprises are set up in accounts for the operation of these facilities. The facilities are operated in a manner similar to a private business. It is the mission of the City that the costs of providing water services to business, industry and the general public on a permanent basis be financed or recovered primarily through user fees.

The enterprise activities are not subject to rate review or determination by the Public Utilities Commission of Ohio or any similar regulatory body. The City Council has the necessary authority to establish and amend appropriate user rates as required. The rates are reviewed on an on-going basis to insure their adequacy. The City Council exercises sole authority regarding the frequency and amount of rate change for these services.

The Reporting Standards:

The City's accounts are organized as funds and account groups. Each fund and account group is a separate accounting entity with its own self-balancing set of accounts, assets, liabilities and fund equity. Indicated below are the titles of these funds and account groups with a brief description.

Governmental Funds:

The General Fund is the general operating fund of the City. It is used to account for all financial resources traditionally associated with government which are not required to be accounted for in another fund.

The Special Revenue Funds are used to account for revenues derived from specific taxes, grants or other restricted revenue sources. The uses and limitations of each special revenue fund are specified by local legislation or state or federal statutes.

The Debt Service Fund is used to account for the accumulation of resources used for the payment of general long-term principal, interest and related costs.

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

Proprietary Funds:

The Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, where it is the intent of the governing body that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

The Internal Service Funds are used to account for the financing of goods or services by one division or agency to other divisions or agencies of the government, generally on a cost reimbursement basis.

Fiduciary Funds:

Fiduciary funds include Trust and Agency Funds. Trust Funds are used to account for assets held by the City in a trustee capacity. Agency Funds are used to account for assets held by the government as an agent for individuals, private organizations, other governments and/or other funds.

General Fixed Assets Account Group:

Fixed assets of the City other than those accounted for in the proprietary funds are accounted for in the General Fixed Assets Account Group. General fixed assets of \$24,372,629, included in this report, exclude the City's infrastructure. Infrastructure fixed assets are further explained in Note 1 of the general purpose financial statements.

General Long-Term Obligations Account Group:

All long-term obligations of the City except those accounted for in the proprietary funds are accounted for in this account group. These obligations include special assessment bonds payable with governmental commitment of \$143,095, accrued vacation and sick leave benefits of \$2,082,809, the accrued liability to the Ohio Police and Fire Pension Fund of \$2,250,558 and the remaining amount due on capitalized leases used for the acquisition of general fixed assets of \$372,623. These obligations are further explained in Notes 1, 11, 13 and 14.

Bases of Accounting:

Except for that used for budgetary purposes, the bases of accounting used by the City are in conformity with generally accepted accounting principles (GAAP) as applicable to governmental units and are consistent with GASB Codified Section 1600, "Basis of Accounting." All governmental and expendable trust funds are accounted for using a current financial resource (current assets and current liabilities) measurement focus. The modified accrual basis of accounting is utilized for the governmental and expendable trust and agency funds.

Revenues are recognized when they are susceptible to accrual; both measurable and available. Expenditures are recognized when the related liability is incurred, except for interest on long-term debt which is recorded when due.

The measurement focus for the City's proprietary funds is on the flow of economic resources (all assets and all liabilities). The accrual basis of accounting is utilized which recognizes revenues when earned and expenses when incurred.

The City's basis of accounting for budgetary purposes differs from generally accepted accounting principles in that revenues are recognized when received, rather than when susceptible to accrual (measurable and available) and encumbrances are recorded as expenditures rather than as reservations of fund balances. A reconciliation of the results of these two methods and additional accounting policies are further explained in Note 1.

ECONOMIC OUTLOOK

Local Economy:

The Newark-Licking County area continues to benefit from an excellent economy and very low unemployment rates. Several industrial parks in close proximity to Newark provide employment opportunities for residents in and around Newark and neighboring communities within the borders of Licking County. New businesses find this region in Ohio to be in the "heart of it all." The Licking County region is within 500 miles of parcel post bulk mail centers and within 250 miles of all package delivery air hubs.

Newark area businesses continue to manufacture and distribute a wide variety of products. Foremost among these products are plastics, insulation, prefabricated homes, prismatic reflectors, wiping cloths, quartz and specialty products, asphalt, automotive products, bricks, chemicals, electronic equipment, truck axles and transmissions, anodized aluminum products, wood veneer, dairy products, concrete products and many other industrial specialty items. Newark and Licking County have been noted for their diversity of industry and business. During both strong and slow economic periods the area has not experienced wide variations in its economic indicators. The community has been fortunate to have experienced a steady economy along with a low unemployment rate.

Along with the State of Ohio, Newark has a stake in markets overseas and in the world business community. Holophane, a manufacturer of lighting fixtures for commercial and industrial facilities, large retail stores, highways, parking lots and billboards employs 729 at manufacturing facilities in Newark, Utica and Pataskala. Holophane has successfully focused its expansion efforts on Asia and South America the past two years. Over the past several years Holophane has seen a 30 percent growth in international sales. Since 1992 the company has increased its numbers of Licking County employees by 130.

There was tremendous change at the former Newark Air Force Base, now known as the Central Ohio Aerospace and Technology Center (COATC). Serving as anchor tenants, Boeing Guidance Repair Center and Wyle Labs are settling into their areas and into the community. The Heath-Newark-Licking County Port Authority which owns and manages the facility continues to plan for the future of the COATC. In addition to physical improvements to the property, the Port Authority continues to seek tenants who will complement the site's high-technology environment. COATC has over 50,000 square feet of existing multi-purpose space available. Land is also available for development. On-site first response fire protection services are provided by Rural Metro.

Area Development Magazine stated, "The Central Ohio Aerospace and Technology Center is one of Ohio's newest resources for advanced-technology companies. It also represents a unique initiative by the community, people and governments of Licking County who were determined that the decommissioning of the Newark Air Force Base would be a new beginning and not an end." The Port Authority intends to promote this excellent resource to the private sector, and by doing so, expects to create greater economic prosperity for the community. The Port Authority's goal for the facility is to one day become known as one of this country's premier high technology service centers. The Boeing Corporation has taken over operations at the former Newark Air Force Base.

The Longaberger Company, a manufacturer of decorative baskets and pottery sold through a network of 70,000 independent distributors, moved into their new corporate headquarters on the east side of Newark during 1998. The headquarters building is a seven-story, \$30 million complex that follows the design of one of the company's famous handmade baskets. The unusual design has been featured in the Wall Street Journal, U.S. News and World Report and on CNN.

The Owens Corning Corporation remains the largest employer and the largest industry in Newark. The Newark facility is the "world's largest fiberglass manufacturing facility." It employs 1,600 people and fills roughly 50,000 orders per day. The plant is situated on 250 acres within the city and incorporates 70 buildings with approximately 40 acres under roof. Owens Corning's Research and Technology Center is in nearby Granville and employs over 600 researchers and their support staff. During the fall of 2000, Owens Corning went into bankruptcy. While the City is optimistic, the bankruptcy's impact is unknown.

New business to the Newark area include the Bear Creek Corporation which is one of the nation's leading direct mail marketers. The Bear Creek Corporation includes the companies of Harry and David, Jackson and Perkins, Northwest Express and Bear Creek Gardens. Bear Creek is the largest direct mail marketer of gift fruit.

The city created the position and employed an Economic Development Director. A development strategy has been developed and economic growth projects are underway with completion dates set for early 2001.

Unemployment Rates:

The 2000 unemployment rate for Licking County of 2.8%, was below the state average of 3.6% and the national average of 3.6%. The unemployment rate for the County decreased slightly from the prior year. The Ohio Bureau of Employment Services does not maintain statistics for the City of Newark, but unemployment within the City was estimated to be 3.0%, well below the state and national averages.

Employee Relations:

The City of Newark negotiates contracts with five employee bargaining units. These groups consist of Local 109 of the International Association of Firefighters, Lodge 12 of the Licking County Fraternal Order of Police, the American Federation of State, County and Municipal Employees (AFSCME) Local 2963, Ohio Council 8, AFL-CIO, certain other non-uniform employees of the City and employees in management and supervisory service. Current contracts with union employees cover the years 2001 through 2003.

MAJOR INITIATIVE

During 2000, continuing efforts were made to upgrade services and improve the quality of life for the citizens of Newark through the following projects:

Infrastructure Improvements

Construction has been completed on the East Main Street Sanitary Sewer Improvements and extensions. The East Main Street Roadway culvert and signal improvement have been awarded to a construction company and work is proceeding satisfactorily. This entire East Main Street Project is being financed by Tax Increment Financing in conjunction with the Longaberger Company.

The City of Newark and the Longaberger Company entered into an agreement to update and improve the infrastructure on East Main Street where the company headquarters are located. The project involved updating and installing a sanitary sewer, road improvements, street lighting and traffic control lights and flood control improvements. In 1999 the City financed the project by issuing approximately \$3.5 million in general obligation bonds. The infrastructure improvements will eventually be paid by the Longaberger Company through a tax increment financing plan (T.I.F.). The agreement will allow future property taxes collected on the Longaberger site to be divided between the City of Newark and the local school district.

During late 1999 another TIF project was announced. This project, known as the Deo Drive Extension Project, will extend Deo Drive and provide for a major shopping facility on the far north side of the City. Another benefit of the Deo Drive project will be the elimination of an intersection that has created numerous traffic concerns.

Further development along the State Route 16 corridor is also taking place as a result of the Longaberger project. A beautification project involving Longaberger properties, construction of golf courses and a highway widening project are all underway. In the development stage is a theme park with a turn of the century village.

Recently the Longaberger Company acquired and refurbished the former Sheraton Hotel in downtown Newark and plans are under way for the renovation of two theaters the company has purchased. The Longaberger Company is a generous supporter of local organizations and schools. The Longaberger Company's success will provide a catalyst for additional development on Newark's east side.

Work has been completed on the SR 79/Hebron bypass, a new four-lane interchange at SR 40 and new construction to relocate SR 79 east of Hebron, Ohio. Discussions have resurfaced concerning a bypass road west of Heath, Ohio. The proposed bypass would consist of a limited access four-lane highway that would connect SR 16 and SR 79. This Thornwood Drive/Cherry Valley Road Corridor, also known as SR 157, would connect two heavily traveled routes and relieve excessive traffic congestion and improve safety at SR 16 and Cherry Valley Road. The increased interest in this project has resulted in considerable support from many sources. The City of Newark, the City of Heath, the Village of Granville and Union Township have formed a Joint Economic Development Committee (JED) to study and plan development of this corridor. Construction began in 2000 to repair the roadway and bridges on State Route 16. This massive project is expected to be completely in early 2001.

Parks and Recreation

Throughout 2000, activities were provided at the City's youth center and community meeting hall in the newly renovated Everett Pool House. The building was remodeled to provide a meeting center for youth and adults who live on the near east side. It has been a very successful improvement project and has been well received by the near east side residents. In addition, Denman Park was rebuilt and new playground equipment installed. Also included in the renovation was a new road and entrance to the park. Improvements are planned for Hollander Pool on the City's north side, including a waterslide.

City-Wide Initiatives

Construction of a precedent setting venture on the Courthouse Square has been completed. The project is located on South Third Street at the site of a March 1994 fire which destroyed the Dollar General Store, a T-shirt design shop, a music workshop and a beauty shop. The project consisted of a four-story, 44-unit apartment building to house senior citizens. A McDonald's restaurant is located on the first floor of the building. The project was sponsored by a development company founded by the Rev. Charles Noble of the Shiloh Missionary Baptist Church and the Licking County Aging Program. The City of Newark has invested approximately \$20,000 towards the project. The remainder of the funding came from the Department of Housing and Urban Development. This was the first time that a federally-funded building has been joined with a commercial development. Construction on a new hotel began in the fall of 2000, and completion is expected in mid 2001.

DEPARTMENT HIGHLIGHT - Traffic Control Department

The Traffic Control Department, within the Department of Public service, is charged with the responsibility of ensuring safe and efficient flow of traffic within the City.

Traffic Control is housed in the Service Complex on the City's far east side. The facility is equipped with a diagnostic laboratory for traffic signals, a computer center controlling the City's hundreds of traffic signals and a sign fabrication shop.

The department is responsible for painting traffic control lines and the maintenance of traffic lanes. Traffic studies are also conducted with the City engineer's office in intersection design and signage placement.

Traffic Control also works closely with the Street Maintenance Department as well as the Water and Sewer Department.

The Traffic Control Department was originally a division of the Department of Public Safety, but was transferred to Public Service with the adoption of the City charter.

FINANCIAL INFORMATION

Internal Control, Budgetary Control and the Accounting System:

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

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

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

1. The expense associated with providing the internal controls should not exceed the benefits likely to be derived from their implementation; and
2. The evaluation of the offsetting costs and benefits involves estimates and judgment by the City administration and 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. The City Auditor's Office is responsible for the auditing and analysis of all purchase orders and vouchers of the City. The Auditor's Office personnel review the purchase orders and vouchers very carefully to ensure the

availability of monies in the proper funds and accounts prior to certification and payment of approved invoices. The City utilizes a fully automated accounting system, as well as an automated system of controls for fixed asset accounting and payroll. These systems coupled with the review and examination performed by the City Auditor's Office ensure that the financial information generated is both accurate and reliable.

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

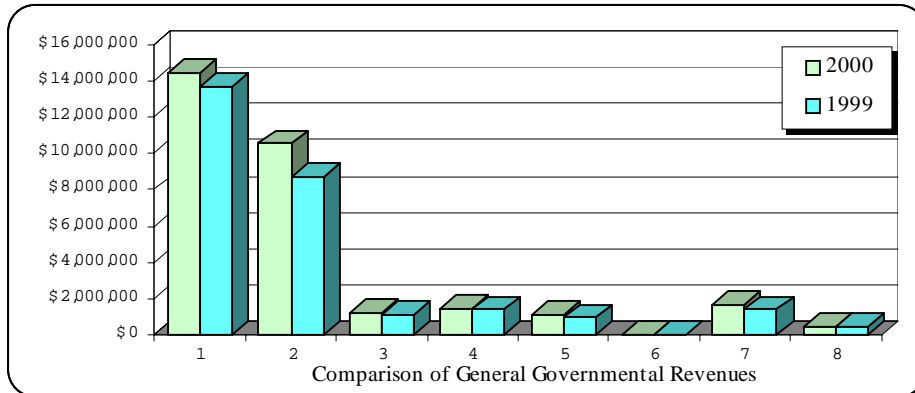
- * Personal services
- * Contractual services
- * Other (Miscellaneous)
- * Transfers
- * Materials and Supplies
- * Capital Outlay
- * Debt Service:
Principal
Interest

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. Unencumbered appropriations at year end return (lapse) to the unappropriated balances in the individual funds at the end of each fiscal year which coincides with the calendar year.

General Governmental Functions:

The following schedule presents a summary of general governmental functions revenues (including general, special revenue, debt service and capital projects funds) for the year ended December 31, 2000, the percentage of each revenue source to total revenues, and the amount of increases and decreases in relation to the prior year's revenue.

<u>Revenue Source</u>	<u>Total 2000</u>	<u>Percent of Total</u>	<u>Total 1999</u>	<u>Increase (Decrease) over/under 1999</u>	<u>Percent of Change</u>
1. Taxes	\$14,460,762	46.68%	\$13,672,911	\$787,851	5.76%
2. Intergovernmental Revenue	10,529,901	33.99%	8,718,932	1,810,969	20.77%
3. Charges for Services	1,230,212	3.97%	1,137,543	92,669	8.15%
4. Licenses, Permits and Fees	1,422,641	4.59%	1,395,993	26,648	1.91%
5. Investment Earnings	1,139,430	3.68%	941,367	198,063	21.04%
6. Special Assessments	41,321	0.13%	37,013	4,308	11.64%
7. Fines and Forfeitures	1,686,475	5.44%	1,393,728	292,747	21.00%
8. All Other Revenues	469,901	1.52%	480,820	(10,919)	(2.27%)
Total	<u>\$30,980,643</u>	<u>100.00%</u>	<u>\$27,778,307</u>	<u>\$3,202,336</u>	



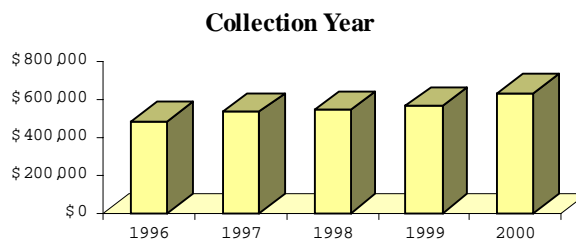
Revenue Narrative:

Revenues for General Governmental purposes (including general, special revenue, debt service and capital projects) totaled \$30,980,643 an increase of \$3,202,336 over 1999. The City's income tax continues to be its primary source of revenue. The 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. The initial tax rate of 1% collected in 1959 was increased to its current 1.25% in 1975. 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. Approximately 83% of the City's income taxes collected in 2000 were collected through employer withholdings from employee earnings. The employer must remit withheld income taxes to the City on a quarterly basis.

The City Council approved and the Tax Commissioner initiated mandatory filing of city income tax returns effective January 1, 1993. The 5.76% increase in tax collections from 1999 to 2000 is attributable in part to the continued requirements of mandatory filing, the aggressive approach the City has taken in identifying taxpayers who do not file and primarily from growth of residential and business developments in and around the City of Newark.

Property taxes are levied and collected by the Licking County Treasurer. After collection, the County Auditor distributes portions of the taxes collected to the various political subdivisions within their geographic boundaries. Property tax rates for the City are 3.7 mills, which represents \$3.70 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 and for partial funding of police and fire pension costs. Total assessed values in the City over the past five years are shown below:

Levy Year	Collection Year	Assessed Value (in thousands)
1995	1996	\$483,903
1996	1997	531,727
1997	1998	541,274
1998	1999	562,806
1999	2000	634,519



Investment earnings increased \$198,063 from 1999 due to larger invested balances. The City's investment policies are discussed in more detail later in this letter under the topic of "cash management."

Intergovernmental Revenues consist primarily of local government assistance provided by the State of Ohio through 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 increase in intergovernmental revenues is a result of a larger distribution of inheritance tax to the City as compared to 1999.

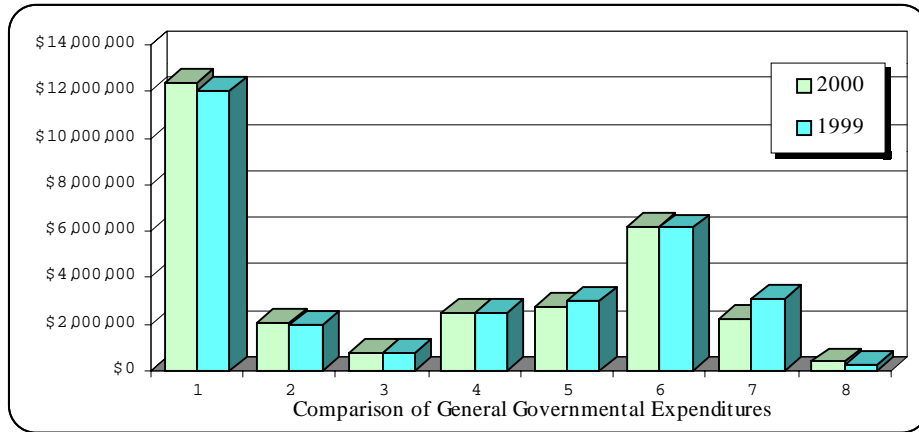
The City performs certain services for the public and other governmental entities for which it levies a charge. These services include those performed by the health department, such as home health visits and certification of birth and death certificates. The fire department offers its services to other communities to aid in the cleanup of hazardous materials spills and charges a fee for the service. The police department charges for the monitoring of commercial establishment alarm systems. The recreation department offers many programs such as summer volleyball leagues and winter basketball leagues for which charges are levied. There are also engineering services, inspection services, health department services and parking facilities that are available at a charge. Charges for services exhibited an increase resulting from increased cemetery lot sales.

The increase in special assessments of \$4,308 was caused the by Hudson Avenue Lighting Project.

Expenditures for General Governmental purposes (including general, special revenue, debt service and capital projects) totaled \$29,200,174, a decrease of \$548,241 compared to 1999.

Expenditures for the major functions of the City, the percentage of the total, and increases and decreases in relation to prior year expenditures are shown in the following table:

<u>Expenditures</u>	<u>Total 2000</u>	<u>Percent of Total</u>	<u>Total 1999</u>	<u>Increase (Decrease) over/under 1999</u>	<u>Percent of Change</u>
1. Security of Persons and Property	\$12,401,045	42.47%	\$12,060,959	\$340,086	2.82%
2. Public Health and Welfare	2,028,556	6.95%	1,987,846	40,710	2.05%
3. Leisure Time Activities	774,609	2.65%	781,835	(7,226)	(0.92%)
4. Community Environment	2,518,321	8.63%	2,496,316	22,005	0.88%
5. Transportation	2,711,224	9.28%	3,009,431	(298,207)	(9.91%)
6. General Government	6,150,877	21.06%	6,136,903	13,974	0.23%
7. Capital Outlay	2,244,604	7.69%	3,054,466	(809,862)	(26.51%)
8. Debt Service	370,938	1.27%	220,659	150,279	68.10%
Total	<u>\$29,200,174</u>	<u>100.00%</u>	<u>\$29,748,415</u>	<u>(\$548,241)</u>	



Expenditure Narrative:

The City experienced a decrease in total governmental expenditures for 2000, which is attributable to a large decrease in capital outlay. The decrease in capital outlay expenditures can be attributed to an overall decrease in capital projects. Security of persons and property increased \$340,086 as a result of the City's demonstrated commitment to providing improved safety programs for its citizens. The increase in expenditures within security of persons and property is attributable to routine increases for materials, supplies and services and increases in salaries due to new contract negotiations.

Expenditures within the transportation function decreased due mainly to the fact that there had been a larger number of vehicles purchased by the city in 1999, and this was not repeated in 2000.

Debt service costs include the payment of principal, interest and related fiscal administration charges for the retirement of the City's outstanding general long-term debt. The expenditures vary with the nature and timing of debt service requirements.

Proprietary Operations:

Enterprise Funds:

The City's enterprise operations include a water treatment plant and distribution system and a wastewater treatment facility and a collection system. The enterprise funds are supported by revenues derived from user charges.

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

	Total Assets	Net Income (Loss)	Return on Assets
Water	\$27,646,929	\$1,103,376	3.99%
Sewer	22,704,625	(464,989)	(2.05%)

Internal Service Funds:

The City's internal service funds are 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's two internal service funds account for the accumulation and allocation of costs associated with insurance and workers' compensation costs incurred by the City.

Fiduciary Funds:

Trust Funds

The expendable trust funds of the City include the Parking Lot Fund, the Liability Insurance Trust Fund, the Law Library Fund, the Cemetery Open and Close Fund, Cemetery Vault Fund, the Veterans Memorial Sidewalk Fund and the Mary E. Barnes Trust Fund. The expendable trust funds are accounted for and reported similarly to governmental funds. Total assets of the expendable trust funds of the City amounted to \$479,006.

In addition to the expendable trust funds noted above, the City maintains a nonexpendable trust fund, associated with the cemeteries operated by the City. The Cemetery Endowment Fund is used to account for principal balances from contributions and endowments where capital maintenance is of primary importance. The nonexpendable trust funds are accounted for and reported in a manner similar to proprietary funds. Total assets of the nonexpendable trust fund amounted to \$563,792.

Agency Funds

Agency funds of the City of Newark include the Municipal Court Fund and the Fire Code Fund. These funds are custodial in nature and do not involve the measurement of results of operations. Total assets of the agency funds amounted to \$309,916.

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 are derived from property taxes (real and personal), special assessments, investment earnings, income taxes and operating transfers.

The City's general obligation bonds have an excellent rating. Moody's Investors Service maintains the City's bond credit rating at Aaa. The total bonded debt of the City at December 31, 2000 was \$18,899,955, consisting of the following:

Special Assessment Bonds	
with Governmental Commitment	\$143,095
General Obligation Bonds which are Self-Supported	18,756,860

In addition, the City has a loan obtained from the Ohio Water Development Authority (OWDA), which was used to finance the construction of the Wastewater Treatment Plant Improvements. The loan is being repaid from the revenues of the sewer fund in equal annual installments of \$1,090,345 and a final payment of \$545,173 through the year 2014. The principal amount of the loan at December 31, 2000 was \$8,577,181.

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	\$68,020,858
Unvoted Legal Debt Margin	35,285,774
General Obligation Notes	795,000

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

Cash Management:

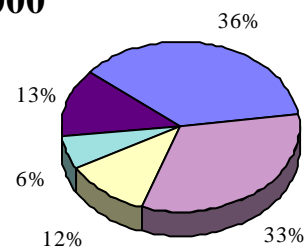
Cash management is a vital component of the City of Newark's overall financial strategy. The primary objective of the City's investment activity is the preservation of capital and the protection of invested principal. The City pools its cash except for that held by fiscal and escrow agents, certain debt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

Public funds are invested to achieve maximum return on the portfolio without assuming unreasonable risk. The City purchases investments only through member banks of the Federal Reserve System or broker-dealers registered with the U.S. Securities and Exchange Commission. Investments are diversified to avoid incurring unreasonable risks related to a specific type of security or a particular individual financial institution. Portfolio investments remain sufficiently liquid to ensure that all operating requirements are satisfied in a timely manner.

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

Cash Resources *	2000	%
Cash	\$7,844,453	36%
Certificates of Deposit	6,972,443	33%
STAR Ohio	2,498,309	12%
Repurchase Agreement	1,283,903	6%
Investments/Mutual Funds	2,798,323	13%
Total Resources	\$21,397,431	100%

2000



*Does not include Cash with Fiscal Agent

The City earned interest on investments of \$1,270,811 for fiscal year 2000, allocated as follows:

Governmental Funds	\$1,139,430
Proprietary Funds	98,543
Fiduciary Funds	32,838
	<u>\$1,270,811</u>

At December 31, 2000, the bank balance of the City's deposits was \$16,109,078 of which \$600,000 was insured by Federal Depository Insurance and the remaining balance was collateralized by pooled collateral. The Ohio Revised Code requires that deposits be placed in eligible banks or savings and loan associations located in Ohio. Any public depository in which the City places deposits must pledge as collateral eligible securities of aggregate market value equal to the excess of deposits not insured by the Federal Deposit Insurance Corporation (FDIC). The securities pledged as collateral are pledged to a pool for each individual financial institution in amounts equal to at least 105% of the carrying value of all public deposits held by each institution. Obligations that may be pledged as collateral are limited to obligations of the United States and its agencies and obligations of any state, county, municipal corporation or other legally constituted authority of any other state, or any instrumentality of such county, municipal corporation or other authority. Based upon criteria described in GASB Statement No. 3, *"Deposits With Financial Institutions, Investments (including Repurchase Agreements) and Reverse Repurchase Agreements,"* collateral held in single financial institution collateral pools with securities being held by the pledging financial institution's agent in the pool's name are classified as Category 3.

Risk Management:

The proactive approach that the administration employs in addressing its ongoing operations is reflected in the composition of the City's insurance protection package and its very favorable loss experience.

The City has contracted with the Hartford Insurance Group for the provision of underlying bodily injury, personal injury, property damage and automotive coverages. Additional personal liability protection is provided by the Personal Service Insurance Company. The Ohio Municipal League Joint Self-Insurance Pool provided coverages for general liability, law enforcement liability, public officials liability, emergency medical service liability and garage keepers coverage. Boiler and machinery coverage is provided by the Travelers Insurance Company.

Deductible levels for the various policies have been selected so as not to expose the City to excessive "first dollars" loss in the case of a claim. In the property damage area, deductibles are \$1,000 per loss. In the professional liability areas, deductibles have been increased to help control the cost. The maximum deductible for professional liability coverage is \$50,000. When a notice of claim does arise, in every instance it is referred to the insurance company. Claims monitoring is reviewed both by the administration and by the City's legal counsel to assure that the City's interests are protected.

Through a periodic review of the City's scope of activities and an evaluation of acquisitions and disposals of fixed assets, an up-to-date risk profile is made available to all of our insurance carriers.

OTHER INFORMATION

Independent Audit:

The general purpose financial statements of the City of Newark were audited by Wolfe, Wilson and Phillips and Company. The independent auditor's unqualified opinion has been included in this report.

Awards:

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Newark, Ohio for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 1999. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards in state and local government financial reporting. 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 of Newark has received a Certificate of Achievement for eight consecutive years (1991 - 1999). We believe this current report continues to conform to the Certificate of Achievement for Excellence in Financial Reporting program requirements and are submitting it to the GFOA.

Public Disclosure

The publication of this Comprehensive Annual Financial Report is indicative of the City's commitment to provide significantly enhanced financial information and accountability to its citizens. In addition to the citizens of Newark, 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:

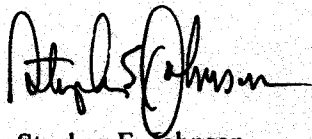
This report is a culmination of many hours of concentrated work on the part of a number of dedicated employees and associates, including, but not limited to, the Licking County Auditor and staff, the Newark Area Chamber of Commerce and the administration of the Newark City Schools. We want to thank all the employees who shared and supported us in our endeavor to produce this report.

We also express our sincere appreciation to Donald J. Schonhardt and Associates, Inc. for their professional manner, expertise and countless hours of consultation in completing this annual financial report for the citizens of this community.

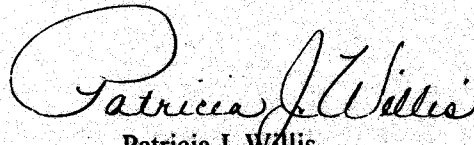
We would also like to extend a special thank you to The Art Department of Powers & Company, Inc. for their imaginative portrayal of the graphics contained within this publication.

Finally, special thanks to the members of City Council and the City Administration, whose support is necessary for the City of Newark to conform to reporting requirements established for municipal governments. By doing so, the City has been able to maintain the sound financial position it has enjoyed for many years.

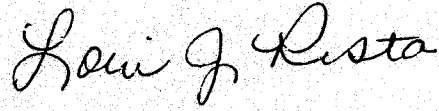
Respectfully,



Stephen E. Johnson
City Auditor



Patricia J. Willis
Budget Analyst



Lori J. Resta
Deputy City Auditor

**THE CITY OF NEWARK, OHIO
LICKING COUNTY**

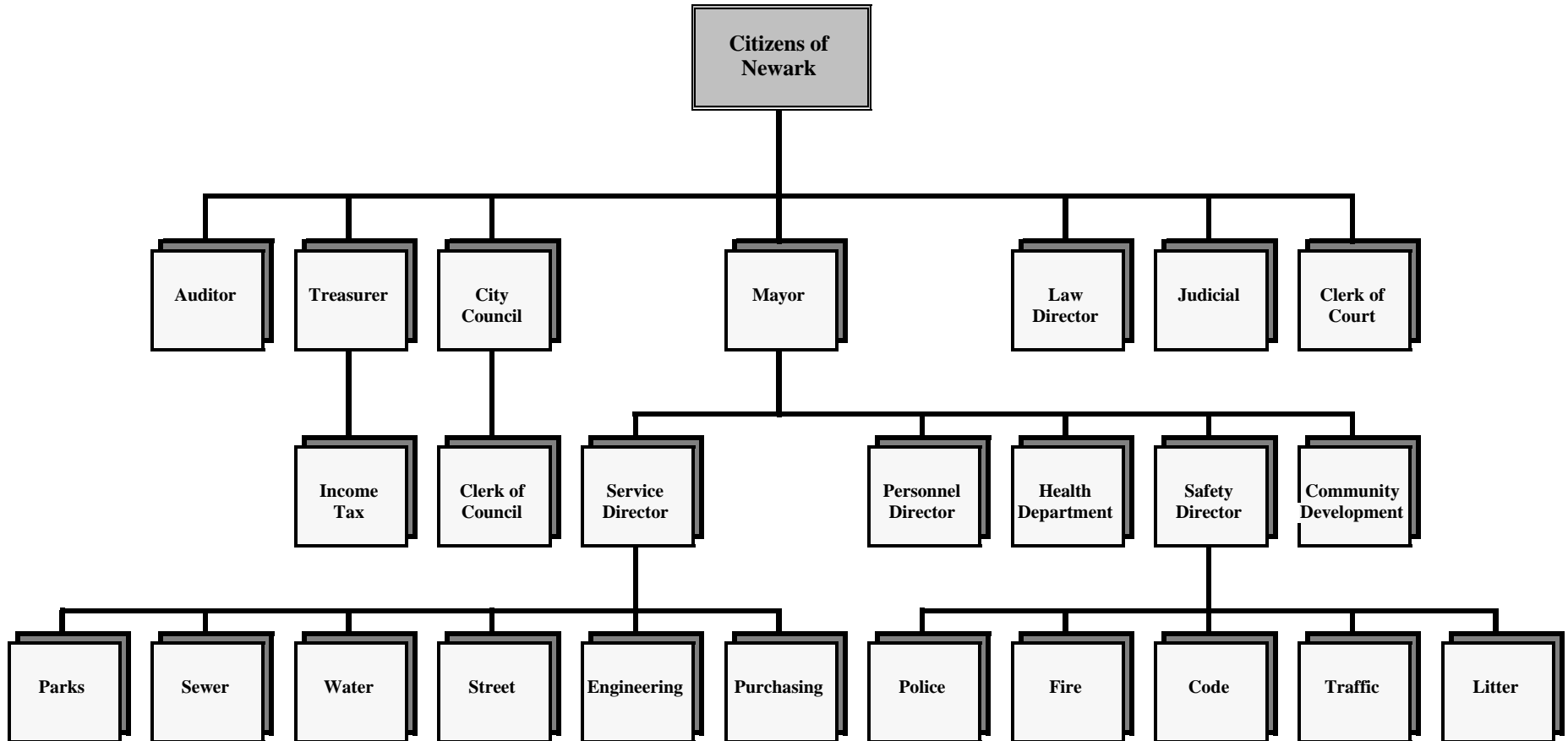
**LIST OF ELECTED OFFICIALS
DECEMBER 31, 2000**

NAME	TITLE	TERM OF OFFICE	SURETY DATA		
Frank L. Stare, III	Mayor	01/01/00 to 12/31/03			
Stephen E. Johnson	Auditor	01/01/00 to 12/31/03	A	\$5,000	01/01/00 to 12/31/03
Michael F. Higgins	Presiding Judge	01/01/98 to 12/31/04			
Thomas M. Marcelain	Judge	01/01/00 to 12/31/05			
James W. Hostetter	Law Director	01/01/00 to 12/31/03			
Charles Johnston	Treasurer	01/01/98 to 12/31/02	A	\$30,000	01/01/98 to 12/31/02
Bruce Bain	President of Council	01/01/00 to 12/31/03			
Julia Ketner Barrett	Council 3rd Ward	01/01/00 to 12/31/01			
Cheri Hottinger	Council-at-Large	01/01/00 to 12/31/03			
Brad Feightner	Council-at-Large	01/01/00 to 12/31/03			
Robert Diebold	Council 1st Ward	01/01/00 to 12/31/01			
Alma C. Hartman	Council 2nd Ward	01/01/00 to 12/31/01			
David Forgrave	Council-at-Large	01/01/00 to 12/31/03			
Chuck Holman	Council 4th Ward	01/01/00 to 12/31/01			
Richard Baker	Council 5th Ward	01/01/00 to 12/31/01			
Craig Baldwin	Council 6th Ward	01/01/00 to 12/31/01			
William J. Rauch	Council 7th Ward	01/01/00 to 12/31/01			
Robert A. Hill	Clerk of Court	01/01/96 to 12/31/01	A	\$10,000	01/01/96 to 12/31/01

A - Ohio Casualty Insurance Company

The City of Newark, Ohio

Organizational Chart



Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Newark,
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. Esser
Executive Director

FINANCIAL SECTION

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WOLFE, WILSON, & PHILLIPS
37 SOUTH SEVENTH STREET
ZANESVILLE, OHIO 43701

INDEPENDENT AUDITORS' REPORT

Honorable Mayor and Members of City Council
City of Newark
Newark, Ohio 43055

We have audited the accompanying general-purpose financial statements of City of Newark as of and for the year ended December 31, 2000. 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 and *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 City of Newark as of December 31, 2000, and the results of its operations and the cash flows of its proprietary funds for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued a report dated May 17, 2001, on our consideration of City of Newark's internal control structure 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 made for the purpose of forming an opinion on the financial statements of the City, taken as a whole. The accompanying Schedule of Federal Awards Expenditures is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, "*Audits of States, Local Governments, and Non-Profit Organizations*", and is not a required part of the general purpose financial statements. The combining, individual fund and account group financial statements and schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the City. 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 introductory and statistical information as listed in the table of contents, and, therefore, express no opinion thereon.

Wolfe, Wilson, & Phillips, Inc.
Zanesville, Ohio
May 17, 2001

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GENERAL PURPOSE FINANCIAL STATEMENTS

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 FUND FOR THE YEAR THEN ENDED.

THE CITY OF NEWARK, 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	\$1,936,452	\$1,276,814	\$64,089	\$983,578
Investments	2,003,902	1,043,749	8,093	1,048,262
Receivables (net of allowance for doubtful accounts):				
Taxes	2,113,855	2,177,757	0	0
Accounts	26,519	347,320	0	1,787
Special Assessments	0	0	335,146	0
Loans	0	3,181,077	0	0
Interest	106,638	1,415	0	0
Interfund Loans Receivable	127,298	0	0	0
Intergovernmental Receivables	528,642	164,671	0	27,982
Inventory of Supplies at Cost	75,064	200,928	0	0
Prepaid Items	27,201	5,724	0	0
Restricted Assets:				
Cash and Cash Equivalents	0	0	0	0
Cash With Fiscal Agent	0	192,739	0	0
Investments	0	0	0	0
Deferred Charge	0	0	0	0
Deferred Loss on Early Retirement of Bon	0	0	0	0
Fixed Assets (net of accumulated depreciation)	0	0	0	0
Construction in Progress	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>\$6,945,571</u>	<u>\$8,592,194</u>	<u>\$407,328</u>	<u>\$2,061,609</u>

THE CITY OF NEWARK, 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 Funds	Trust and Agency Funds	General Fixed Assets	General Long-Term Obligations	
\$6,338,334	\$2,497,023	\$391,844	\$0	\$0	\$13,488,134
2,856,736	0	80,621	0	0	7,041,363
0	0	0	0	0	4,291,612
1,207,356	147,635	5,089	0	0	1,735,706
0	0	0	0	0	335,146
0	0	0	0	0	3,181,077
10,763	0	7,226	0	0	126,042
0	0	0	0	0	127,298
0	0	0	0	0	721,295
359,567	0	0	0	0	635,559
4,064	0	0	0	0	36,989
0	0	487,474	0	0	487,474
14,732	0	0	0	0	207,471
0	0	380,460	0	0	380,460
175,876	0	0	0	0	175,876
866,834	0	0	0	0	866,834
37,163,336	0	0	24,194,324	0	61,357,660
1,353,956	0	0	178,305	0	1,532,261
0	0	0	0	72,182	72,182
0	0	0	0	7,876,903	7,876,903
<u>\$50,351,554</u>	<u>\$2,644,658</u>	<u>\$1,352,714</u>	<u>\$24,372,629</u>	<u>\$7,949,085</u>	<u>\$104,677,342</u>

(Continued)

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

	<i>Governmental</i>			
	<i>Fund Types</i>			
	General	Special	Debt	Capital
	Fund	Revenue	Service	Projects
	Fund	Funds	Fund	Funds
Liabilities, Equity and Other Credits:				
Liabilities:				
Accounts Payable	\$252,381	\$216,210	\$0	\$344,997
Accrued Wages and Benefits	1,168,805	239,235	0	0
Interfund Loans Payable	0	99,316	0	27,982
Intergovernmental Payables	23,333	15,357	0	29,577
Due to Others	0	0	0	0
Matured Bonds and Interest Payable	0	0	0	0
Accrued Interest Payable	0	0	0	28,416
Deferred Revenue	2,210,930	4,650,834	335,146	0
General Obligation Notes Payable	0	0	0	795,000
Compensated Absences Payable	1,344	0	0	0
Capital Leases Payable	0	0	0	0
General Obligation Bonds Payable	0	0	0	0
Special Assessment Bonds Payable with Governmental Commitment	0	0	0	0
Ohio Water Development Authority Loan Payable	0	0	0	0
Accrued Pension Liability	0	0	0	0
Total Liabilities	<u>3,656,793</u>	<u>5,220,952</u>	<u>335,146</u>	<u>1,225,972</u>
Equity and Other Credits:				
Investment in General Fixed Assets	0	0	0	0
Contributed Capital	0	0	0	0
Retained Earnings:				
Unreserved:	0	0	0	0
Fund Balances:				
Reserved for Encumbrances	283,168	1,467,018	0	2,213,762
Reserved for Supplies Inventory	75,064	200,928	0	0
Reserved for Prepaid Items	27,201	5,724	0	0
Reserved for Loans Receivable	0	3,181,077	0	0
Reserved for Debt Service	0	0	72,182	0
Reserved for Endowments	0	0	0	0
Unreserved:				
Undesignated	2,903,345	(1,483,505)	0	(1,378,125)
Total Equity and Other Credits	<u>3,288,778</u>	<u>3,371,242</u>	<u>72,182</u>	<u>835,637</u>
Total Liabilities, Equity and Other Credits	<u><u>\$6,945,571</u></u>	<u><u>\$8,592,194</u></u>	<u><u>\$407,328</u></u>	<u><u>\$2,061,609</u></u>

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

THE CITY OF NEWARK, 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 Funds	Trust and Agency Funds	General Fixed Assets	General Long-Term Obligations	
\$206,058	\$4,663	\$4,793	\$0	\$0	\$1,029,102
228,574	349,722	0	0	0	1,986,336
0	0	0	0	0	127,298
11,976	0	156,668	0	0	236,911
0	0	153,248	0	0	153,248
14,732	0	0	0	0	14,732
368,432	0	0	0	0	396,848
0	0	0	0	0	7,196,910
0	0	0	0	0	795,000
580,927	0	0	0	2,082,809	2,665,080
0	0	0	0	372,623	372,623
15,656,860	0	0	0	3,100,000	18,756,860
0	0	0	0	143,095	143,095
8,577,181	0	0	0	0	8,577,181
0	0	0	0	2,250,558	2,250,558
<u>25,644,740</u>	<u>354,385</u>	<u>314,709</u>	<u>0</u>	<u>7,949,085</u>	<u>44,701,782</u>
0	0	0	24,372,629	0	24,372,629
17,715,089	0	0	0	0	17,715,089
6,991,725	2,290,273	0	0	0	9,281,998
0	0	1,910	0	0	3,965,858
0	0	0	0	0	275,992
0	0	0	0	0	32,925
0	0	0	0	0	3,181,077
0	0	0	0	0	72,182
0	0	563,792	0	0	563,792
0	0	472,303	0	0	514,018
<u>24,706,814</u>	<u>2,290,273</u>	<u>1,038,005</u>	<u>24,372,629</u>	<u>0</u>	<u>59,975,560</u>
<u>\$50,351,554</u>	<u>\$2,644,658</u>	<u>\$1,352,714</u>	<u>\$24,372,629</u>	<u>\$7,949,085</u>	<u>\$104,677,342</u>



THE CITY OF NEWARK, 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

	<i>Governmental</i>			<i>Fiduciary</i>		Totals (Memorandum Only)
	<i>Fund Types</i>			<i>Fund Type</i>		
	General Fund	Special Revenue Funds	Debt Service Fund	Capital Projects Funds	Expendable Trust Funds	
Revenues:						
Taxes	\$1,984,242	\$12,476,520	\$0	\$0	\$0	\$14,460,762
Intergovernmental Revenues	5,233,119	4,775,344	0	521,438	0	10,529,901
Charges for Services	240,677	989,535	0	0	165,607	1,395,819
Licenses, Permits and Fees	1,284,859	137,782	0	0	0	1,422,641
Investment Earnings	1,096,599	42,831	0	0	21,379	1,160,809
Special Assessments	0	0	41,321	0	0	41,321
Fines and Forfeitures	1,558,439	94,444	0	33,592	0	1,686,475
All Other Revenues	193,896	265,324	0	10,681	8,895	478,796
Total Revenues	<u>11,591,831</u>	<u>18,781,780</u>	<u>41,321</u>	<u>565,711</u>	<u>195,881</u>	<u>31,176,524</u>
Expenditures:						
Current:						
Security of Persons and Property	11,533,291	867,754	0	0	640	12,401,685
Public Health and Welfare Services	1,498,213	530,343	0	0	0	2,028,556
Leisure Time Activities	0	774,609	0	0	7,405	782,014
Community Environment	962,567	1,555,754	0	0	0	2,518,321
Transportation	0	2,711,224	0	0	0	2,711,224
General Government	5,286,040	859,962	4,875	0	129,467	6,280,344
Capital Outlay	0	0	0	2,244,604	0	2,244,604
Debt Service:						
Principal Retirements	0	0	8,093	115,000	0	123,093
Interest and Fiscal Charges	0	0	1,172	246,673	0	247,845
Total Expenditures	<u>19,280,111</u>	<u>7,299,646</u>	<u>14,140</u>	<u>2,606,277</u>	<u>137,512</u>	<u>29,337,686</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(7,688,280)	11,482,134	27,181	(2,040,566)	58,369	1,838,838
Other Financing Sources (Uses):						
Proceeds from Sale of Fixed Assets	0	34,578	0	0	0	34,578
Operating Transfers In	10,089,535	1,675,682	0	2,271,604	50,000	14,086,821
Operating Transfers Out	(1,294,935)	(12,332,164)	(22,436)	(187,736)	(15,500)	(13,852,771)
Total Other Financing Sources (Uses)	<u>8,794,600</u>	<u>(10,621,904)</u>	<u>(22,436)</u>	<u>2,083,868</u>	<u>34,500</u>	<u>268,628</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	1,106,320	860,230	4,745	43,302	92,869	2,107,466
Fund Balance Beginning of Year	2,185,813	2,535,982	67,437	792,335	381,344	5,962,911
Decrease in Inventory Reserve	(3,355)	(24,970)	0	0	0	(28,325)
Fund Balance End of Year	<u>\$3,288,778</u>	<u>\$3,371,242</u>	<u>\$72,182</u>	<u>\$835,637</u>	<u>\$474,213</u>	<u>\$8,042,052</u>

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

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

	<i>General Fund</i>			<i>Special Revenue Funds</i>		
	Revised Budget	Actual	Variance: Favorable (Unfavorable)	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:						
Taxes	\$1,805,645	\$1,984,242	\$178,597	\$12,250,670	\$12,381,776	\$131,106
Intergovernmental Revenues	3,439,593	5,231,691	1,792,098	5,017,396	4,695,641	(321,755)
Charges for Services	43,150	241,065	197,915	1,118,971	992,789	(126,182)
Licenses, Permits and Fees	1,161,386	1,285,486	124,100	202,000	135,640	(66,360)
Investment Earnings	883,500	1,058,411	174,911	39,153	42,661	3,508
Special Assessments	0	0	0	0	0	0
Fines and Forfeitures	1,440,000	1,533,389	93,389	78,000	88,286	10,286
All Other Revenues	67,360	193,679	126,319	273,000	264,536	(8,464)
Total Revenues	8,840,634	11,527,963	2,687,329	18,979,190	18,601,329	(377,861)
Expenditures:						
Current:						
Security of Persons and Property	12,117,436	11,723,180	394,256	1,087,099	1,001,330	85,769
Public Health and Welfare Services	1,865,230	1,587,246	277,984	551,615	513,651	37,964
Leisure Time Activities	0	0	0	1,063,470	878,785	184,685
Community Environment	1,027,396	995,050	32,346	2,843,588	1,945,433	898,155
Transportation	228	0	228	4,124,024	3,772,510	351,514
General Government	6,215,918	5,572,722	643,196	1,068,960	910,823	158,137
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	21,226,208	19,878,198	1,348,010	10,738,756	9,022,532	1,716,224
Excess (Deficiency) of Revenues Over (Under) Expenditures	(12,385,574)	(8,350,235)	4,035,339	8,240,434	9,578,797	1,338,363
Other Financing Sources (Uses):						
Proceeds from Sale of Fixed Assets	0	0	0	30,000	34,578	4,578
Proceeds from General Obligation Notes	0	0	0	0	0	0
Operating Transfers In	10,070,563	10,089,535	18,972	2,106,663	1,675,682	(430,981)
Operating Transfers Out	(2,506,608)	(1,294,935)	1,211,673	(12,376,625)	(12,332,164)	44,461
Advances In	42,939	42,939	0	99,316	99,316	0
Advances Out	(127,298)	(127,298)	0	(42,939)	(42,939)	0
Total Other Financing Sources (Uses)	7,479,596	8,710,241	1,230,645	(10,183,585)	(10,565,527)	(381,942)
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(4,905,978)	360,006	5,265,984	(1,943,151)	(986,730)	956,421
Fund Balance at Beginning of Year	2,538,622	2,538,622	0	962,591	962,591	0
Prior Year Encumbrances	486,830	486,830	0	661,021	661,021	0
Fund Balance (Deficit) at End of Year	(\$1,880,526)	\$3,385,458	\$5,265,984	(\$319,539)	\$636,882	\$956,421

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

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

<i>Debt Service Fund</i>			<i>Capital Projects Funds</i>			<i>Totals (Memorandum Only)</i>		
Revised Budget	Actual	Variance: Favorable (Unfavorable)	Revised Budget	Actual	Variance: Favorable (Unfavorable)	Revised Budget	Actual	Variance: Favorable (Unfavorable)
\$0	\$0	\$0	\$0	\$0	\$0	\$14,056,315	\$14,366,018	\$309,703
0	0	0	1,983,644	493,456	(1,490,188)	10,440,633	10,420,788	(19,845)
0	0	0	0	0	0	1,162,121	1,233,854	71,733
0	0	0	0	0	0	1,363,386	1,421,126	57,740
0	0	0	0	0	0	922,653	1,101,072	178,419
40,908	41,321	413	0	0	0	40,908	41,321	413
0	0	0	32,000	31,805	(195)	1,550,000	1,653,480	103,480
0	0	0	0	10,681	10,681	340,360	468,896	128,536
40,908	41,321	413	2,015,644	535,942	(1,479,702)	29,876,376	30,706,555	830,179
0	0	0	0	0	0	13,204,535	12,724,510	480,025
0	0	0	0	0	0	2,416,845	2,100,897	315,948
0	0	0	0	0	0	1,063,470	878,785	184,685
0	0	0	0	0	0	3,870,984	2,940,483	930,501
0	0	0	0	0	0	4,124,252	3,772,510	351,742
13,310	4,875	8,435	0	0	0	7,298,188	6,488,420	809,768
0	0	0	5,035,375	4,524,245	511,130	5,035,375	4,524,245	511,130
8,093	8,093	0	1,016,000	1,005,000	11,000	1,024,093	1,013,093	11,000
154,268	1,172	153,096	288,017	239,692	48,325	442,285	240,864	201,421
175,671	14,140	161,531	6,339,392	5,768,937	570,455	38,480,027	34,683,807	3,796,220
(134,763)	27,181	161,944	(4,323,748)	(5,232,995)	(909,247)	(8,603,651)	(3,977,252)	4,626,399
0	0	0	0	0	0	30,000	34,578	4,578
0	0	0	970,000	795,000	(175,000)	970,000	795,000	(175,000)
0	0	0	2,272,843	2,271,604	(1,239)	14,450,069	14,036,821	(413,248)
(22,436)	(22,436)	0	(201,689)	(187,736)	13,953	(15,107,358)	(13,837,271)	1,270,087
0	0	0	0	27,982	27,982	142,255	170,237	27,982
0	0	0	0	0	0	(170,237)	(170,237)	0
(22,436)	(22,436)	0	3,041,154	2,906,850	(134,304)	314,729	1,029,128	714,399
(157,199)	4,745	161,944	(1,282,594)	(2,326,145)	(1,043,551)	(8,288,922)	(2,948,124)	5,340,798
66,627	66,627	0	1,164,519	1,164,519	0	4,732,359	4,732,359	0
810	810	0	605,130	605,130	0	1,753,791	1,753,791	0
(\$89,762)	\$72,182	\$161,944	\$487,055	(\$556,496)	(\$1,043,551)	(\$1,802,772)	\$3,538,026	\$5,340,798

THE CITY OF NEWARK, 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

	<i>Proprietary Fund Types</i>		<i>Fiduciary Fund Type</i>	Totals (Memorandum Only)
	Enterprise Funds	Internal Service Funds	Nonexpendable Trust Fund	
<u>Operating Revenues:</u>				
Charges for Services	\$10,765,825	\$2,705,696	\$11,821	\$13,483,342
Other Operating Revenues	38,069	203,247	0	241,316
Investment Earnings	0	0	11,459	11,459
Total Operating Revenues	<u>10,803,894</u>	<u>2,908,943</u>	<u>23,280</u>	<u>13,736,117</u>
<u>Operating Expenses:</u>				
Personal Services	3,538,785	2,731,526	0	6,270,311
Materials and Supplies	871,623	0	0	871,623
Contractual Services	1,571,004	13,894	0	1,584,898
Depreciation	2,909,229	0	0	2,909,229
Total Operating Expenses	<u>8,890,641</u>	<u>2,745,420</u>	<u>0</u>	<u>11,636,061</u>
Operating Income	1,913,253	163,523	23,280	2,100,056
<u>Nonoperating Revenues (Expenses):</u>				
Investment Earnings	98,543	0	0	98,543
Interest and Fiscal Charges	(1,139,359)	0	0	(1,139,359)
Total Nonoperating Revenues (Expenses)	<u>(1,040,816)</u>	<u>0</u>	<u>0</u>	<u>(1,040,816)</u>
Income Before Operating Transfers	872,437	163,523	23,280	1,059,240
<u>Operating Transfers:</u>				
Operating Transfers In	600,447	0	0	600,447
Operating Transfers Out	(834,497)	0	0	(834,497)
Total Operating Transfers	<u>(234,050)</u>	<u>0</u>	<u>0</u>	<u>(234,050)</u>
Net Income	638,387	163,523	23,280	825,190
Retained Earnings/Fund Balance at Beginning of Year	<u>6,353,338</u>	<u>2,126,750</u>	<u>540,512</u>	<u>9,020,600</u>
Retained Earnings/Fund Balance at End of Year	<u><u>\$6,991,725</u></u>	<u><u>\$2,290,273</u></u>	<u><u>\$563,792</u></u>	<u><u>\$9,845,790</u></u>

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

THE CITY OF NEWARK, 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 Funds	Nonexpendable Trust Fund	
<u>Cash Flows from Operating Activities:</u>				
Cash Received from Customers	\$10,496,404	\$0	\$12,163	\$10,508,567
Cash Received from Quasi-External Operating Transactions from Other Funds	0	2,761,478	0	2,761,478
Cash Payments for Goods and Services	(2,618,352)	(2,521,982)	0	(5,140,334)
Cash Payments to Employees	(3,475,014)	0	0	(3,475,014)
Net Cash Provided by Operating Activities	<u>4,403,038</u>	<u>239,496</u>	<u>12,163</u>	<u>4,654,697</u>
<u>Cash Flows from Noncapital Financing Activities:</u>				
Transfers In from Other Funds	600,447	0	0	600,447
Transfers Out to Other Funds	(834,497)	0	0	(834,497)
Net Cash Used for Noncapital Financing Activities	<u>(234,050)</u>	<u>0</u>	<u>0</u>	<u>(234,050)</u>
<u>Cash Flows from Capital and Related Financing Activities:</u>				
Acquisition and Construction of Assets	(2,970,482)	0	0	(2,970,482)
Principal Paid on General Obligation Bonds	(1,060,000)	0	0	(1,060,000)
Principal Paid on Ohio Water Development Authority Loan	(403,335)	0	0	(403,335)
Interest Paid on All Debt	(1,125,225)	0	0	(1,125,225)
Net Cash Used for Capital and Related Financing Activities	<u>(5,559,042)</u>	<u>0</u>	<u>0</u>	<u>(5,559,042)</u>
<u>Cash Flows from Investing Activities:</u>				
Sale of Investments	203,245	0	105,000	308,245
Receipts of Interest	90,949	0	0	90,949
Net Cash Provided by Investing Activities	<u>294,194</u>	<u>0</u>	<u>105,000</u>	<u>399,194</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(1,095,860)	239,496	117,163	(739,201)
Cash and Cash Equivalents at Beginning of Year	<u>7,448,926</u>	<u>2,257,527</u>	<u>60,395</u>	<u>9,766,848</u>
Cash and Cash Equivalents at End of Year	<u><u>\$6,353,066</u></u>	<u><u>\$2,497,023</u></u>	<u><u>\$177,558</u></u>	<u><u>\$9,027,647</u></u>
<u>Reconciliation of Cash and</u>				
Cash Equivalents per the Balance Sheet:				
Cash and Cash Equivalents	\$6,338,334	\$2,497,023	\$391,844	\$9,227,201
Less Cash and Cash Equivalents in Expendable Trust Fund	0	0	(391,844)	(391,844)
Restricted Cash and Cash Equivalents	0	0	487,474	487,474
Restricted Cash with Fiscal Agent	14,732	0	0	14,732
Less Restricted Cash in Agency Funds	0	0	(309,916)	(309,916)
Cash and Cash Equivalents at End of Year	<u><u>\$6,353,066</u></u>	<u><u>\$2,497,023</u></u>	<u><u>\$177,558</u></u>	<u><u>\$9,027,647</u></u>

(Continued)

THE CITY OF NEWARK, 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 Funds	Nonexpendable Trust Fund	
Reconciliation of Operating Income to Net Cash				
Provided by Operating Activities:				
Operating Income	\$1,913,253	\$163,523	\$23,280	\$2,100,056
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:				
Depreciation Expense	2,909,229	0	0	2,909,229
Investment Earnings	0	0	(11,459)	(11,459)
Changes in Assets and Liabilities:				
(Increase) Decrease in Accounts Receivable	(307,490)	(147,465)	342	(454,613)
Decrease in Inventory	13,413	0	0	13,413
Decrease in Prepaid Items	7,251	0	0	7,251
Decrease in Accounts Payable	(186,094)	(126,284)	0	(312,378)
Increase (Decrease) in Accrued Wages and Benefits	(38,574)	349,722	0	311,148
Decrease in Intergovernmental Payable	(10,295)	0	0	(10,295)
Increase in Compensated Absences	102,345	0	0	102,345
Total Adjustments	<u>2,489,785</u>	<u>75,973</u>	<u>(11,117)</u>	<u>2,554,641</u>
Net Cash Provided by Operating Activities	<u>\$4,403,038</u>	<u>\$239,496</u>	<u>\$12,163</u>	<u>\$4,654,697</u>

Schedule of Noncash Investing, Capital and Financing Activities:

At December 31, 2000, the Water and Sewer Funds had outstanding liabilities of \$9,374 and \$19,500, respectively for the purchase of certain capital assets. The Water Fund received \$343,904 of capital assets contributed from other funds.

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

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Newark, Ohio (the "City") was incorporated in 1826 under the laws of the State of Ohio. The City operates under a Council-Mayor form of government.

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 nonexpendable trust fund. 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 and a wastewater treatment and collection system which are reported as enterprise funds.

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:

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation - Fund Accounting (Continued)

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.

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.

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, where 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 and sewer utility services.

Internal Service Funds - These funds are 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.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation - Fund Accounting (Continued)

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 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.

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 and the 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 and 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.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Accounting (Continued)

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 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.

All funds other than agency funds are legally required to be budgeted and appropriated; however, only governmental 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 Mayor submits an annual tax budget for the following fiscal year to City Council by July 15 for consideration and passage. The adopted budget is submitted to the County Auditor, as Secretary of the County Budget Commission, by July 20 of each year for the period January 1 to December 31 of the following year.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Budgetary Process (Continued)

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 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. During the year, several supplemental appropriations were necessary to budget contingency funds, intergovernmental grants and proceeds of debt issues. The allocation of appropriations among departments and objects within a fund may be modified during the year only by an ordinance of City Council. 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" are provided on the budgetary basis to provide a comparison of actual results with the final budget, including all amendments and modifications.

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.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Budgetary Process (Continued)

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 the City's 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 the 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. Encumbrances are recorded as the equivalent of expenditures (budgetary basis) as opposed to reservation of fund balance (GAAP basis).

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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:

	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
GAAP Basis (as reported)	\$1,106,320	\$860,230	\$4,745	\$43,302
Increase (Decrease):				
Accrued Revenues at December 31, 2000 received during 2001	(715,980)	(1,414,874)	0	(29,769)
Accrued Revenues at December 31, 1999 received during 2000	567,753	1,234,423	0	0
Accrued Expenditures at December 31, 2000 paid during 2001	1,445,863	570,118	0	430,972
Accrued Expenditures at December 31, 1999 paid during 2000	(1,513,920)	(554,775)	0	(87,314)
1999 Prepays for 2000	28,109	6,824	0	0
2000 Prepays for 2001	(27,201)	(5,724)	0	0
Fund Debt:				
Note Proceeds	0	0	0	795,000
Note Retirements	0	0	0	(890,000)
Outstanding Encumbrances	(530,938)	(1,682,952)	0	(2,588,336)
Budget Basis	<u>\$360,006</u>	<u>(\$986,730)</u>	<u>\$4,745</u>	<u>(\$2,326,145)</u>

E. Cash and Cash Equivalents

Cash and cash equivalents include amounts in demand deposits, a repurchase agreement, the State Treasury Asset Reserve (STAR Ohio) and short-term certificates of deposit with original maturities of three months or less. The repurchase agreement, Star Ohio and certificates of deposit are considered cash equivalents because they are highly liquid investments. 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 the fund's cash balance at the date of investment. In accordance with GASB Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools", the City records all its investments at fair value except for nonparticipating investment contracts (repurchase agreements and certificates of deposit) which are reported at cost, which approximates fair value. All investment income, including changes in the fair value of investments, are recognized as revenue in the operating statements. Fair value is determined by quoted market prices. See Note 4, "Cash, Cash Equivalents and Investments".

The City had 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 their 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 on the date received.

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

Description	Estimated Lives (Years)
Buildings	3 - 10
Improvements other than Buildings	60
Machinery, Equipment, Furniture and Fixtures	3 - 10

I. Long-Term Obligations

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

Obligation	Fund
General Obligation Bonds	Water Fund
	Tax Increment Financing Fund
Special Assessment Bonds	Debt Service Fund
	Capital Improvement Fund
OWDA Loan	Sewer Fund
Capital Leases	Street Department Fund
	Capital Improvement Fund
Compensated Absences	General Fund
	Street Department Fund
	Income Tax 1% Fund
	Cemetery Fund
	Community Development Fund
	Parks and Recreation Fund
	Traffic Control Fund
	Water Fund
	Sewer Fund
	Accrued Pension Liability

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. At termination or retirement, employees are paid at their full rate for one-hundred percent (100%) of their unused vacation leave.

Sick leave is accrued by all employees at the rate of 4.615 hours every two weeks for a total of fifteen days of sick leave accrued per year. A percentage of accrued sick leave time is liquidated in cash at termination (in good standing) or at retirement. The rate of cash compensation for sick leave payout varies within specified limits under collective bargaining agreements or under law. Generally, employees with ten years of continuous service may receive 33% of their accrued sick leave if they terminate in good standing prior to retirement. Employees who elect to retire after 25 years of credit in the retirement system receive 50% of their accrued sick leave at time of retirement. Cash 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. Bond Discounts/Issuance Costs

In governmental fund types, bond discounts and issuance costs are recognized in the current period. Bond discounts and issuance costs for proprietary fund types are deferred and amortized over the term of the bonds using the bonds-outstanding method, which approximates the effective interest method. Bond discounts are presented as a reduction of the face amount of bonds payable, whereas issuance costs are recorded as deferred charges.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

M. 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.

N. Reservations of Fund Balance

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

O. 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.

P. Total Columns on Combined Financial Statements - Overview

Total columns on the "Combined Financial Statements - Overview" 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 - RESTATEMENT OF FUND BALANCES/RETAINED EARNINGS

The retained earnings balances at December 31, 1999 of the Water and Sewer Funds were restated from amounts previously reported to eliminate the reporting of Property, Plant and Equipment below the capitalization threshold, which was increased from \$500 to \$1,000. The increase in the capitalization threshold also resulted in the General Fixed Asset account group being restated from the balance previously reported of \$23,851,554 to \$22,987,177, a decrease of \$864,377.

The restatement resulted in adjustments to December 31, 1999 retained earnings as follows:

Description	Enterprise Funds
Balance at December 31, 1999 (as reported)	\$6,451,135
Restatement of Property, Plant and Equipment	<u>(97,797)</u>
Restated Balance at December 31, 1999	<u><u>\$6,353,338</u></u>

NOTE 3 - COMPLIANCE AND ACCOUNTABILITY

A. Deficit Fund Equities

The fund deficits at December 31, 2000 of \$45,435 in the Cemetery Fund, \$39,356 in the Federal Transit Administration Fund, (special revenue funds), \$121,744 in the Bikeway Upgrade Fund, (capital projects fund) and \$2,339,661 in the Sewer Fund (enterprise fund) arose from the recognition of expenditures/expenses on the modified accrual/accrual basis of accounting which are greater than expenditures/expenses recognized on the budgetary/cash basis. The fund deficits of \$108,806 in the North Fork Flood Control Fund, \$82,900 in the Cedar Hill Expansion Fund, and \$58,222 in the Deo Drive Improvement Fund (capital projects funds) are the result of recording notes payable amounts in the individual fund balance sheets. The General Fund provides operating transfers when cash is required, not when accruals occur.

B. Excess Expenditures over Appropriations

For the year ended December 31, 2000 expenditures exceeded appropriations at the object level (i.e. the legal level of budgetary control) by \$30,558 in the Law Enforcement Fund (special revenue). The excess expenditures were funded from available fund balances.

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;
- 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).

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

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

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

Deposits:

- Category 1 Insured or collateralized with securities held by the City or by its agent in the City's name.
- Category 2 Collateralized with securities held by the pledging financial institution's trust department or agent in the City's name.
- Category 3 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 \$14,816,896 and the bank balance \$16,109,078. Federal depository insurance covered \$600,000 of the bank balance. All remaining deposits were classified as Category 3.

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

B. Investments

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

<u>Categorized Investments</u>	<u>Category 1</u>	<u>Category 2</u>	<u>Fair Value</u>
United States Securities	\$2,609,610	\$0	\$2,609,610
Deo Drive Improvement Note City of Newark:	100,000	0	100,000
Special Assessment Bond:			
Yorkshire/Willrich	8,093	0	8,093
Repurchase Agreement	0	1,283,903	1,283,903
Total Categorized Investments	<u>2,717,703</u>	<u>1,283,903</u>	<u>4,001,606</u>
<u>Non-Categorized Investments</u>			
STAR Ohio	N/A	N/A	2,498,309
Mutual Funds	N/A	N/A	80,620
Total Non-Categorized Investments	<u>N/A</u>	<u>N/A</u>	<u>2,578,929</u>
Total Investments	<u>\$2,717,703</u>	<u>\$1,283,903</u>	<u>\$6,580,535</u>

In addition to deposits and investments, the City has cash with fiscal agents in the amount of \$14,732, which was classified as Category 3. This amount represents unredeemed matured bonds and interest coupons held with various trustees. Additionally, the City has uninsured and uncollateralized cash in the amount of \$192,739 being held by the Licking County Engineer. This cash is restricted in its use for various road improvement projects.

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	\$13,975,608	\$7,421,823
Certificates of Deposit (with maturities of more than 3 months)	4,623,500	(4,623,500)
Investments:		
STAR Ohio	(2,498,309)	2,498,309
Repurchase Agreement	(1,283,903)	1,283,903
Per GASB Statement No. 3	<u>\$14,816,896</u>	<u>\$6,580,535</u>

* Does not include Cash with Fiscal Agent

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 reevaluated every six years and equalization adjustments made in the third year following the reappraisal. The last revaluation was completed for tax year 1999. Real property taxes are payable annually or semiannually. If paid annually, payment is due January 31; if paid semiannually, the first payment is due 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 semiannually, the first payment is due April 30; the remainder payable by September 20.

Public utility real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Certain public utility tangible personal property is currently assessed at 100% 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 Newark. 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 \$3.70 per \$1,000 of assessed value. The assessed value upon which the 2000 levy was based was \$654,701,680. This amount constitutes \$554,376,620 in real property assessed value, \$31,010,390 in public utility assessed value and \$69,314,670 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 .37% (3.70 mills) of assessed value.

NOTE 5 - TAXES (Continued)

B. Income Tax

The City levies a tax of 1.25% 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 1.00% 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, loans, special assessments and intergovernmental receivables arising from shared revenues.

NOTE 7 - INTERFUND RECEIVABLES AND PAYABLES

Interfund balances at December 31, 2000 consist of the following individual fund receivables and payables:

<u>Fund</u>	<u>Interfund Loans Receivable</u>	<u>Interfund Loans Payable</u>
General Fund	\$127,298	\$0
Special Revenue Fund:		
Federal Transit Administration	0	99,316
Capital Projects Fund:		
Bikeway Upgrade	0	27,982
Totals	<u>\$127,298</u>	<u>\$127,298</u>

NOTE 8 - OPERATING TRANSFERS

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

Fund	Transfer In	Transfer Out
General Fund	\$10,089,535	\$1,294,935
Special Revenue Funds:		
Street Department	391,030	299,342
Cemetery	125,448	0
Parks and Recreation	498,207	0
Traffic Control	608,562	0
Compost Facility	2,713	0
Income Tax 1/4%	25,000	2,924,253
Income Tax 1%	0	8,574,780
Community Development	699	6,127
Police Grant	5,424	2,773
Police/Fire Pension	0	395,111
Cemetery Rental	0	1,200
State Highway	0	107,879
Law Enforcement	8,992	0
Probation Grant	5,611	0
Impound	0	20,000
Federal Transit Administration	1,350	0
Litter Grant	2,646	699
Total Special Revenue Funds	1,675,682	12,332,164
Debt Service Fund:		
Debt Service Fund	0	22,436
Capital Projects Funds:		
North Fork Flood Control	55,425	0
Cedar Hill Expansion	54,550	0
City Hall Upgrade	76,183	0
Deo Drive Improvement	1,578	0
Capital Improvement	2,083,868	187,736
Total Capital Projects Funds	2,271,604	187,736
Expendable Trust Funds:		
Liability Insurance	50,000	0
Cemetery Open and Close	0	7,000
Cemetery Vault	0	8,500
Total Expendable Trust Funds	50,000	15,500
Enterprise Funds:		
Water Fund	589,598	127,874
Sewer Fund	10,849	706,623
Total Enterprise Funds	600,447	834,497
Totals	<u>\$14,687,268</u>	<u>\$14,687,268</u>

NOTE 9 - FIXED ASSETS

A. General Fixed Assets

Summary by Category of changes in General Fixed Assets:

Category	Restated	Additions	Deletions	December 31,
	December 31,			2000
	1999			
Land	\$621,267	\$0	\$0	\$621,267
Buildings and Improvements	6,843,489	339,440	0	7,182,929
Land Improvements	3,496,176	167,640	0	3,663,816
Machinery and Equipment	11,925,852	806,460	(6,000)	12,726,312
Construction in Progress	100,393	77,912	0	178,305
Totals	<u>\$22,987,177</u>	<u>\$1,391,452</u>	<u>(\$6,000)</u>	<u>\$24,372,629</u>

Summary by Category and Investment at December 31, 2000:

General Fixed Assets	Investment in General Fixed Assets	
Land	\$621,267	General Fund \$6,339,004
Buildings and Improvements	7,182,929	Special Revenue Funds 5,007,871
Land Improvements	3,663,816	Capital Projects Funds 11,478,445
Machinery and Equipment	12,726,312	Enterprise Funds 46,483
Construction in Progress	178,305	Bonds 982,580
Total	<u>\$24,372,629</u>	Grants 369,626
		Donated 148,620
		Total <u>\$24,372,629</u>

B. Proprietary Fixed Assets

Summary by Category at December 31, 2000:

Category	Historic Cost	Accumulated Depreciation	Book Value
Land	\$170,500	\$0	\$170,500
Buildings and Improvements	21,754,689	(6,106,933)	15,647,756
Land Improvements	3,234,502	(1,013,867)	2,220,635
Infrastructure	6,340,534	(2,845,954)	3,494,580
Machinery and Equipment	33,774,610	(18,144,745)	15,629,865
Construction In Progress	1,353,956	0	1,353,956
Property, Plant and Equipment	<u>\$66,628,791</u>	<u>(\$28,111,499)</u>	<u>\$38,517,292</u>

NOTE 10 – 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 \$1,164,353, \$1,429,110 and \$1,399,565, 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 \$462,407.

NOTE 10 – 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 \$667,779, \$642,758 and \$596,172 for police and \$814,643, \$764,450 and \$732,404 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

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

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

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 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 \$248,277 representing 7.25% of covered payroll for police and \$246,090 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.

NOTE 11 – COMPENSATED ABSENCES

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. Accrued employee benefits for governmental funds not currently due and payable at year end are recorded in the General Long-Term Obligations Account Group. At December 31, 2000, the total accumulated unpaid sick leave time recorded in the General Long-Term Obligations Account Group was:

	<u>Hours</u>	<u>Amount</u>
Sick Leave	140,034	\$939,897
Vacation Time	51,958	934,176
Compensation Time	11,569	208,736
Total	<u>203,561</u>	<u>\$2,082,809</u>

The portion attributable to the enterprise funds has been recorded within the respective fund and is not included in the figures presented above.

NOTE 12 - 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 that would have been required if the bonds had been issued at the expiration of the initial five year period. Bond anticipation notes may be retired at maturity from the proceeds of the sale of renewal notes or of the bonds anticipated by the notes, or from available funds of the City or a combination of these sources. The City has purchased its own Note Payable for the Deo Drive Extension. This is recorded as an investment in the fund loaning the money.

	Balance January 1, 2000	Issued (Retired)	Balance December 31, 2000
Capital Projects Notes Payable:			
3.50% Fire Truck	\$430,000	(\$430,000)	\$0
4.50% Fire Truck	0	380,000	380,000
4.50% Medic Unit	0	130,000	130,000
3.50% North Fork Flood Control	155,000	(155,000)	0
4.50% North Fork Flood Control	0	105,000	105,000
3.50% Cedar Hill Cemetery Expansion	130,000	(130,000)	0
4.50% Cedar Hill Cemetery Expansion	0	80,000	80,000
4.00% Deo Drive Extension	100,000	(100,000)	0
4.00% Deo Drive Extension	0	100,000	100,000
4.00% City Building Improvement	75,000	(75,000)	0
Total Capital Projects Notes Payable	\$890,000	(\$95,000)	\$795,000

NOTE 13 - 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:

		Balance December 31, 1999	Issued (Retired)	Balance December 31, 2000
Enterprise Funds:				
General Obligation Bonds:				
1993 Water System Improvement	2018	\$4,208,661	(\$655,000)	
			9,374	\$3,563,035
1998 Water System Improvement Refundi	2018	12,498,825	(405,000)	12,093,825
Total General Obligation Bonds		16,707,486	(1,050,626)	15,656,860
Ohio Water Development Authority Loan (OWDA):				
1986 Loan # 782	2013	8,980,516	(403,335)	8,577,181
Total Enterprise Long-Term Debt		<u>\$25,688,002</u>	<u>(\$1,453,961)</u>	<u>\$24,234,041</u>
General Long-Term Debt:				
General Obligation Bond:				
1999 East Main Street Improvement	2019	\$3,200,000	(\$100,000)	\$3,100,000
Special Assessment Bonds:				
1992 Yorkshire/Willrich Sanitary Sewer	2001	16,188	(8,093)	8,095
1997 Hudson Avenue Street Lighting	2007	150,000	(15,000)	135,000
Total Special Assessment Bonds (with Governmental Commitment)		<u>166,188</u>	<u>(23,093)</u>	<u>143,095</u>
Other Long-Term Obligations:				
Compensated Absences		1,962,986	119,823	2,082,809
Capital Leases		557,382	(184,759)	372,623
Accrued Pension Liability		2,279,000	(28,442)	2,250,558
Total Other Long-Term Obligations		<u>4,799,368</u>	<u>(93,378)</u>	<u>4,705,990</u>
Total General Long-Term Debt and Other Long-Term Obligations		<u>\$8,165,556</u>	<u>(\$216,471)</u>	<u>\$7,949,085</u>

The principal amount of the City's special assessment debt outstanding at December 31, 2000, \$143,095, 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. A portion of the fund balance of \$72,182 in the Debt Service Fund at December 31, 2000 is available for the retirement of outstanding special assessment bonds.

NOTE 13 - LONG-TERM DEBT AND OTHER LONG-TERM OBLIGATIONS (Continued)

A. Accrued Liability for Police and Firemen's Pension Fund

The City's liability for past service costs relating to the Police and Firemen's Pension Fund at December 31, 2000 was \$4,306,874 in principal and interest payments through the year 2035. Only the principal amount of \$2,250,558 is included in the Long-Term Obligations Account Group.

B. 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		Special Assessment Bonds		OWDA Loan	
	Principal	Interest	Principal	Interest	Principal	Interest
2001	\$1,206,036	\$548,120	\$23,095	\$7,311	\$434,191	\$656,154
2002	1,266,470	517,224	15,000	5,963	467,406	622,938
2003	1,321,924	426,926	20,000	5,220	503,163	587,183
2004	984,520	763,611	20,000	4,230	541,654	548,691
2005	992,141	765,612	20,000	3,240	583,092	507,254
2006-2010	6,062,919	2,734,870	45,000	3,500	3,656,842	1,794,884
2011-2015	4,361,124	4,420,915	0	0	2,390,833	335,030
2016-2020	2,561,726	2,967,169	0	0	0	0
2021-2035	0	0	0	0	0	0
Totals	<u>\$18,756,860</u>	<u>\$13,144,447</u>	<u>\$143,095</u>	<u>\$29,464</u>	<u>\$8,577,181</u>	<u>\$5,052,134</u>

Years	Accrued Pension Liability		Capital Leases		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest
2001	\$29,664	\$95,336	\$63,001	\$20,682	\$1,755,987	\$1,327,603
2002	30,938	94,062	66,471	17,212	1,846,285	1,257,399
2003	32,266	92,734	70,132	13,552	1,947,485	1,125,615
2004	33,652	91,348	39,786	9,689	1,619,612	1,417,569
2005	35,098	89,902	42,014	7,461	1,672,345	1,373,469
2006-2010	199,434	425,566	91,219	7,733	10,055,414	4,966,553
2011-2015	246,106	378,894	0	0	6,998,063	5,134,839
2016-2020	303,702	321,298	0	0	2,865,428	3,288,467
2021-2035	1,339,698	467,176	0	0	1,339,698	467,176
Totals	<u>\$2,250,558</u>	<u>\$2,056,316</u>	<u>\$372,623</u>	<u>\$76,329</u>	<u>\$30,100,317</u>	<u>\$20,358,690</u>

NOTE 13 - LONG-TERM DEBT AND OTHER LONG-TERM OBLIGATIONS (Continued)

C. Defeasance of General Obligation Debt

In December 1998, the City defeased \$12,045,000 of Water System Improvement Bonds for Water Improvements dated June 1, 1993 (the "1993 Bond") through the issuance of \$13,093,825 of Water System Improvement Refunding Bonds (the "1998 Bonds"). The net proceeds of the 1998 Bonds have been invested in obligations guaranteed as to both principal and interest by the United States and placed in irrevocable escrow accounts which, including interest earned, will be used to pay the principal and interest on the refunded bonds. The refunded bonds, which have an outstanding balance of \$12,045,000 at December 31, 2000 are not included in the City's outstanding debt since the City has in-substance satisfied its obligations through the advance refunding.

NOTE 14 - CAPITALIZED LEASES

The City leases two street cleaners, a storage building, and a medic unit under capital leases. The original cost of the equipment, \$677,447, obtained under the capital lease is included in the General Fixed Assets Account Group and the related liability in the General Long-Term Obligations Account Group.

The following is a schedule of future minimum lease payments under the capital lease together with the present value of the net minimum lease payments as of December 31, 2000:

<u>Year Ending December 31,</u>	<u>Capital Leases</u>
2001	\$83,684
2002	83,684
2003	83,684
2004	49,475
2005	49,475
2006-2007	<u>98,950</u>
Minimum Lease Payments	448,952
Less amount representing interest at the City's incremental borrowing rate of interest	<u>(76,329)</u>
Present value of minimum lease payments	<u><u>\$372,623</u></u>

NOTE 15 - INSURANCE AND RISK MANAGEMENT

The City is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees and natural disasters.

A. Ohio Municipal League Joint Self-Insurance Pool

The City of Newark is a participant in the Ohio Municipal League Joint Self-Insurance Pool (the "Pool"). The Pool was established in 1987 and is administered under contract by the Ohio Municipal League to provide a program of property and casualty insurance for its member organizations throughout the State of Ohio.

The Pool's general objectives are to formulate, develop and administer a program of insurance, to obtain lower costs for that coverage, and to develop a comprehensive loss control program on behalf of the member political subdivisions. Political subdivisions joining the Pool may withdraw at the end of any coverage period upon 60 days prior written notice to the Pool. Under agreement, members who terminate participation in the Pool, as well as current members, are subject to a supplemental assessment or a refund, at the discretion of the Board of Trustees, depending on the ultimate loss experience of all the entities it insures for each coverage year. To date there have been no assessments or refunds due to the limited period of time that the Pool has been in existence and the nature of the coverage that is afforded to the participants.

The City of Newark obtained insurance coverage from the Pool for years 1999 and 2000 for losses relating to general liability, law enforcement liability, public officials liability, emergency medical services liability and garage keepers coverage.

The City of Newark carried commercial insurance coverage for the years 1999 through 2000 for all other risks, including property, boiler and machinery, and crime and auto. 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.

Each participant makes an annual "contribution" to the Pool for the coverage they are provided based on rates established by the Pool using anticipated and actual results of operation for the various coverages provided. Participants are also charged a "surplus contribution" used to build the Pools retained earnings account to fund the activities of the Pool.

In the ordinary course of business, the Pool cedes a portion of its exposure to other insurers. These arrangements limit the Pool's maximum net loss on individual risks.

Treaty basis casualty excess of loss contracts in force at December 31, 2000 generally protects the Pool against individual losses over \$150,000. For the preceding two year period, the Pool was reinsured for casualty losses as follows:

<u>Policy Period</u>	<u>Stop Loss Amount</u>
November 1, 1998 to October 31, 1999	\$150,000
November 1, 1999 to October 31, 2000	150,000

NOTE 15 - INSURANCE AND RISK MANAGEMENT (Continued)

A. Ohio Municipal League Joint Self-Insurance Pool (Continued)

Additionally, treaty basis property coverage protects the Pool against losses subject to a deductible of the lesser of \$50,000 per location or \$100,000 per occurrence. Since November 1, 1990, the Pool is limited to an annual aggregate loss of \$300,000 (\$150,000) prior to November 1, 1990 under this treaty.

The Pool is, and the participants are, contingently liable should any reinsurer become unable to meet its obligations under the reinsurance agreements.

B. Workers' Compensation

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

NOTE 16 - CONTRIBUTED CAPITAL

A schedule of changes in contributed capital is presented below:

	<u>Enterprise</u>		
	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
Balance at Beginning of Year	\$1,621,640	\$15,749,545	\$17,371,185
Additions:			
Contributions from other Funds	<u>343,904</u>	<u>0</u>	<u>343,904</u>
Balance at End of Year	<u>\$1,965,544</u>	<u>\$15,749,545</u>	<u>\$17,715,089</u>

NOTE 17 - CONSTRUCTION COMMITMENTS

During 2000 the City had the following commitment with respect to capital projects:

<u>Contract</u>	<u>Remaining Construction Commitment</u>	<u>Expected Date of Completion</u>
Screen Building Modification and Improvement	\$53,000	June 2001

NOTE 18 - SEGMENT INFORMATION

Included in the services provided by the City financed primarily by user charges are water treatment and distribution and wastewater collection and treatment. The key financial information for the year ended December 31, 2000 for these enterprise activities is as follows:

	Water	Sewer	Total
Operating Revenues	\$5,839,903	\$4,963,991	\$10,803,894
Depreciation	1,251,469	1,657,760	2,909,229
Operating Income	1,051,983	861,270	1,913,253
Operating Transfers In	589,598	10,849	600,447
Operating Transfers Out	(127,874)	(706,623)	(834,497)
Net Income (Loss)	1,103,376	(464,989)	638,387
Property, Plant and Equipment:			
Additions	1,721,826	1,445,329	3,167,155
Deletions	(6,048)	0	(6,048)
Total Assets	27,646,929	22,704,625	50,351,554
Net Working Capital	6,162,955	3,798,825	9,961,780
Bonds and Loans Payable	15,656,860	8,577,181	24,234,041
Total Equity	11,296,930	13,409,884	24,706,814

NOTE 19 - 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 20 - SUBSEQUENT EVENTS

The following events have occurred subsequent to year end:

- A. In March of 2001, the City issued \$30,000 of bond anticipation renewal notes in anticipation of the issuance of bonds to provide funds for Cedar Hill Cemetery expansion.
- B. In March of 2001, the City issued \$330,000 of bond anticipation notes in anticipation of the issuance of bonds for the purpose of acquiring fire equipment.
- C. In March of 2001, the City issued \$55,000 of bond anticipation notes in anticipation of the issuance of bonds for the purpose of land acquisition for the North Fork Flood Control Project.
- D. In March of 2001, the City issued \$80,000 of bond anticipation notes in anticipation of the issuance of bonds for the purpose of acquiring a medic unit.
- E. In March of 2001, the City issued \$100,000 of bond anticipation notes in anticipation of the issuance of bonds to provide funds for the Deo Drive Extension.

***C*OMBINING AND *I*NDIVIDUAL *F*UND AND *A*CCOUNT *G*ROUP
*S*TATEMENTS AND *S*CHEDULES**

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



GENERAL FUND

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 NEWARK, 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)
Revenues:			
Taxes	\$1,805,645	\$1,984,242	\$178,597
Intergovernmental Revenues	3,439,593	5,231,691	1,792,098
Charges for Services	43,150	241,065	197,915
Licenses, Permits and Fees	1,161,386	1,285,486	124,100
Investment Earnings	883,500	1,058,411	174,911
Fines and Forfeitures	1,440,000	1,533,389	93,389
All Other Revenues	67,360	193,679	126,319
Total Revenues	8,840,634	11,527,963	2,687,329
Expenditures:			
Security of Persons and Property:			
Flood Control:			
Contractual Services	26,102	18,622	7,480
Materials and Supplies	550	60	490
Total Flood Control	26,652	18,682	7,970
Police:			
Personal Services	5,595,498	5,551,428	44,070
Contractual Services	482,510	410,237	72,273
Materials and Supplies	198,796	182,473	16,323
Capital Outlay	1,920	1,920	0
Total Police	6,278,724	6,146,058	132,666
Fire:			
Personal Services	5,118,891	4,987,771	131,120
Contractual Services	514,911	429,607	85,304
Materials and Supplies	159,777	122,581	37,196
Capital Outlay	18,481	18,481	0
Total Fire	5,812,060	5,558,440	253,620
Total Security of Persons and Property	12,117,436	11,723,180	394,256
Public Health and Welfare Services:			
Health Department:			
Personal Services	287,827	276,498	11,329
Contractual Services	74,957	55,684	19,273
Materials and Supplies	8,688	7,853	835
Capital Outlay	3,921	3,821	100
Total Health Department	375,393	343,856	31,537

(Continued)

THE CITY OF NEWARK, 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)
Sanitation:			
Personal Services	222,161	182,979	39,182
Contractual Services	41,232	27,144	14,088
Materials and Supplies	<u>12,344</u>	<u>10,709</u>	<u>1,635</u>
Total Sanitation	275,737	220,832	54,905
Nursing:			
Personal Services	419,267	375,915	43,352
Contractual Services	50,968	37,692	13,276
Materials and Supplies	<u>58,076</u>	<u>47,087</u>	<u>10,989</u>
Total Nursing	528,311	460,694	67,617
Plumbing:			
Personal Services	57,350	51,624	5,726
Contractual Services	5,767	3,797	1,970
Materials and Supplies	<u>1,725</u>	<u>1,433</u>	<u>292</u>
Total Plumbing	64,842	56,854	7,988
Dental Sealant:			
Personal Services	44,924	33,409	11,515
Contractual Services	10,603	6,910	3,693
Materials and Supplies	<u>6,460</u>	<u>4,074</u>	<u>2,386</u>
Total Dental Sealant	61,987	44,393	17,594
Pool and Spa:			
Contractual Services	2,170	1,434	736
Materials and Supplies	<u>1,395</u>	<u>406</u>	<u>989</u>
Total Pool and Spa	3,565	1,840	1,725
Solid Waste:			
Personal Services	62,250	56,218	6,032
Contractual Services	26,471	18,216	8,255
Materials and Supplies	3,867	3,087	780
Capital Outlay	<u>1,299</u>	<u>748</u>	<u>551</u>
Total Solid Waste	93,887	78,269	15,618
AIDS Grant:			
Personal Services	46,335	45,203	1,132
Contractual Services	5,558	2,333	3,225
Materials and Supplies	<u>4,609</u>	<u>1,376</u>	<u>3,233</u>
Total AIDS Grant	56,502	48,912	7,590

(Continued)

THE CITY OF NEWARK, 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)
Miller Dental:			
Contractual Services	1,951	346	1,605
Materials and Supplies	600	0	600
Total Miller Dental	2,551	346	2,205
Immunization Plan:			
Personal Services	27,000	23,333	3,667
Contractual Services	12,540	12,098	442
Materials and Supplies	1,500	1,500	0
Capital Outlay	800	535	265
Total Immunization Plan	41,840	37,466	4,374
Welcome Home Grant:			
Personal Services	57,097	53,349	3,748
Contractual Services	5,609	2,395	3,214
Materials and Supplies	9,904	5,701	4,203
Total Welcome Home Grant	72,610	61,445	11,165
Early Start Grant:			
Personal Services	179,300	161,869	17,431
Contractual Services	63,605	31,442	32,163
Materials and Supplies	45,100	39,028	6,072
Total Early Start Grant	288,005	232,339	55,666
Total Public Health and Welfare Services	1,865,230	1,587,246	277,984
Community Environment:			
Litter Control:			
Materials and Supplies	47	0	47
Total Litter Control	47	0	47
Code Administration:			
Personal Services	910,106	896,983	13,123
Contractual Services	85,533	72,152	13,381
Materials and Supplies	31,710	25,915	5,795
Total Code Administration	1,027,349	995,050	32,299
Total Community Environment	1,027,396	995,050	32,346

(Continued)

THE CITY OF NEWARK, 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)
Transportation:			
Taxi-Subsidy Program:			
Contractual Services	162	0	162
Materials and Supplies	66	0	66
Total Taxi-Subsidy Program	228	0	228
Total Transportation	228	0	228
General Government:			
City Council:			
Personal Services	99,152	98,432	720
Total City Council	99,152	98,432	720
Clerk of Council:			
Personal Services	41,665	40,941	724
Contractual Services	36,433	27,463	8,970
Materials and Supplies	981	613	368
Total Clerk of Council	79,079	69,017	10,062
Mayor:			
Personal Services	114,376	113,415	961
Contractual Services	57,399	33,276	24,123
Materials and Supplies	3,464	2,556	908
Total Mayor	175,239	149,247	25,992
Auditor:			
Personal Services	354,700	328,162	26,538
Contractual Services	166,478	146,166	20,312
Materials and Supplies	11,318	9,140	2,178
Total Auditor	532,496	483,468	49,028
Treasurer:			
Personal Services	74,112	73,302	810
Contractual Services	15,339	11,163	4,176
Materials and Supplies	2,465	655	1,810
Total Treasurer	91,916	85,120	6,796
Law Director:			
Personal Services	572,137	523,623	48,514
Contractual Services	37,974	21,112	16,862
Materials and Supplies	11,211	6,987	4,224
Total Law Director	621,322	551,722	69,600

(Continued)

THE CITY OF NEWARK, 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)
Clerk of Courts:			
Personal Services	707,575	675,162	32,413
Contractual Services	133,973	112,430	21,543
Materials and Supplies	<u>19,298</u>	<u>10,815</u>	<u>8,483</u>
Total Clerk of Courts	860,846	798,407	62,439
Civil Service:			
Contractual Services	76,598	43,744	32,854
Materials and Supplies	<u>264</u>	<u>50</u>	<u>214</u>
Total Civil Service	76,862	43,794	33,068
Contingency-Reserve:			
Claims and Judgments	<u>70,794</u>	<u>61,667</u>	<u>9,127</u>
Total Contingency-Reserve	70,794	61,667	9,127
Judiciary:			
Personal Services	486,529	466,329	20,200
Contractual Services	85,148	62,765	22,383
Material and Supplies	<u>15,517</u>	<u>10,524</u>	<u>4,993</u>
Total Judiciary	587,194	539,618	47,576
Probation:			
Contractual Services	<u>183</u>	<u>0</u>	<u>183</u>
Total Probation	183	0	183
Personnel:			
Personal Services	161,211	154,852	6,359
Contractual Services	32,285	18,809	13,476
Materials and Supplies	<u>7,128</u>	<u>3,787</u>	<u>3,341</u>
Total Personnel	200,624	177,448	23,176
Adult Probation:			
Personal Services	179,295	175,420	3,875
Contractual Services	54,041	40,096	13,945
Materials and Supplies	<u>17,049</u>	<u>12,938</u>	<u>4,111</u>
Total Adult Probation	250,385	228,454	21,931
Probation Officer:			
Personal Services	286,168	268,408	17,760
Contractual Services	21,867	13,109	8,758
Materials and Supplies	<u>28,461</u>	<u>9,996</u>	<u>18,465</u>
Total Probation Officer	336,496	291,513	44,983

(Continued)

THE CITY OF NEWARK, 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)
Night Prosecutor:			
Personal Services	11,330	8,157	3,173
Contractual Services	11,232	85	11,147
Materials and Supplies	<u>50</u>	<u>0</u>	<u>50</u>
Total Night Prosecutor	22,612	8,242	14,370
Service Department:			
Personal Services	221,806	207,554	14,252
Contractual Services	653,747	620,128	33,619
Materials and Supplies	<u>9,951</u>	<u>3,899</u>	<u>6,052</u>
Total Service Department	885,504	831,581	53,923
Engineer Department:			
Personal Services	337,314	332,049	5,265
Contractual Services	34,998	20,244	14,754
Materials and Supplies	9,469	4,737	4,732
Capital Outlay	<u>2,200</u>	<u>2,183</u>	<u>17</u>
Total Engineer Department	383,981	359,213	24,768
Information Systems:			
Personal Services	106,870	99,354	7,516
Contractual Services	122,965	81,105	41,860
Materials and Supplies	<u>2,885</u>	<u>511</u>	<u>2,374</u>
Total Information Systems	232,720	180,970	51,750
Custodial:			
Personal Services	105,315	102,239	3,076
Contractual Services	243,805	199,339	44,466
Materials and Supplies	<u>57,008</u>	<u>45,841</u>	<u>11,167</u>
Total Custodial	406,128	347,419	58,709
Economic Development:			
Personal Services	56,262	54,908	1,354
Contractual Services	12,900	5,870	7,030
Materials and Supplies	2,695	436	2,259
Capital Outlay	<u>1,134</u>	<u>1,134</u>	<u>0</u>
Total Economic Development	72,991	62,348	10,643

(Continued)

THE CITY OF NEWARK, 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)
Special Projects Coordinator:			
Contractual Services	9,327	7,214	2,113
Materials and Supplies	100	0	100
Total Special Projects Coordinator	9,427	7,214	2,213
Safety Director:			
Personal Services	190,926	176,303	14,623
Contractual Services	20,199	16,056	4,143
Materials and Supplies	8,842	5,469	3,373
Total Safety Director	219,967	197,828	22,139
Total General Government	6,215,918	5,572,722	643,196
Total Expenditures	21,226,208	19,878,198	1,348,010
Excess (Deficiency) of Revenues Over (Under) Expenditures	(12,385,574)	(8,350,235)	4,035,339
Other Financing Sources (Uses):			
Operating Transfers In	10,070,563	10,089,535	18,972
Operating Transfers Out	(2,506,608)	(1,294,935)	1,211,673
Advances In	42,939	42,939	0
Advances Out	(127,298)	(127,298)	0
Total Other Financing Sources (Uses)	7,479,596	8,710,241	1,230,645
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(4,905,978)	360,006	5,265,984
Fund Balance at Beginning of Year	2,538,622	2,538,622	0
Prior Year Encumbrances	486,830	486,830	0
Fund Balance at End of Year	(\$1,880,526)	\$3,385,458	\$5,265,984

SPECIAL REVENUE FUNDS

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 Department Fund

To account for revenues derived from the regular motor vehicle license fee and 92.55% of the fuel taxes. Expenditures are used for street construction, maintenance and repair.

Cemetery Fund

To account for monies received from the sale of lots and performance of any other service in or about the cemeteries operated by the City.

Parks and Recreation Fund

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

Traffic Control Fund

To account for revenues and expenditures related to traffic control services throughout the City.

Compost Facility Fund

To account for monies collected from composting fees.

Income Tax 1/4% Fund

To account for one quarter percent of the municipal income tax collections as required by City Ordinance Number 75-8.

Income Tax 1% Fund

To account for one percent of the municipal income tax collections as required by City Ordinance Number 69-150.

Community Development Fund

To account for Federal grants administered through the State which are designated for community and environmental improvements.

(Continued)

SPECIAL REVENUE FUNDS

Police Grant Fund

To account for expenses of the 1996 Local Law Enforcement Block Grant funds.

Police/Fire Pension Fund

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

Cemetery Rental Fund

To account for monies received and expenditures incurred for the rental properties located on Manning and Buena Vista Streets.

State Highway Fund

To account for the portion of the state gasoline tax designated for construction, maintenance and repair of streets and highway.

Law Enforcement Fund

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

Court Computerization Fund

To account for revenues from fines to be used for computers and upgrading court computer functions.

Permissive License Tax Fund

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

Probation Grant Fund

To account for funds from State Justice Grants used to operate the Adult Probation Department. The Probation Department is an instrument whose purpose is to aid in the elimination of overcrowding problems in the county jail.

Impound Fund

To account for revenues from the fees charged for impounding of vehicles. Those vehicles where the owners choose not to recover the vehicle are then auctioned. The proceeds from such an auction are deposited and used to operate the impound lot.

(Continued)

SPECIAL REVENUE FUNDS

Victims of Crime Act (VOCA) Grant Fund

To account for funds disbursed through the State to provide assistance for victims of crime.

Federal Transit Administration (FTA) Fund

To account for grants providing funding for the Taxi Token Program. This program provides discounted transportation for citizens. Additional programs include a handicap accessible bus as well as other public transit application.

Litter Grant Fund

To account for funds from grants for environmental education training as well as annual clean-up along the Licking River.

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

	Street Department	Cemetery	Parks and Recreation	Traffic Control	Compost Facility
<u>Assets:</u>					
Cash and Cash Equivalents	\$58,914	\$22,136	\$56,413	\$38,468	\$5,751
Investments	60,966	0	57,679	0	0
Receivables (net of allowances for doubtful accounts):					
Taxes	0	0	0	0	0
Accounts	0	303,705	29,453	1,187	0
Loans	0	0	0	0	0
Interest	0	0	0	0	0
Intergovernmental Receivables	61,978	0	0	0	0
Inventory of Supplies at Cost	96,326	0	0	104,602	0
Prepaid Items	2,690	283	1,401	828	0
Restricted Assets:					
Cash With Fiscal Agent	0	0	0	0	0
Total Assets	<u>\$280,874</u>	<u>\$326,124</u>	<u>\$144,946</u>	<u>\$145,085</u>	<u>\$5,751</u>
<u>Liabilities and Fund Equity:</u>					
Liabilities:					
Accounts Payable	\$57,682	\$19,721	\$36,887	\$15,027	\$1,048
Accrued Wages and Benefits	73,721	48,133	27,118	25,437	685
Interfund Loans Payable	0	0	0	0	0
Intergovernmental Payable	0	0	99	0	0
Deferred Revenue	0	303,705	0	0	0
Total Liabilities	<u>131,403</u>	<u>371,559</u>	<u>64,104</u>	<u>40,464</u>	<u>1,733</u>
Fund Equity:					
Reserved for Encumbrances	62,213	3,165	77,264	23,804	133
Reserved for Supplies Inventory	96,326	0	0	104,602	0
Reserved for Prepaid Items	2,690	283	1,401	828	0
Reserved for Loans Receivable	0	0	0	0	0
Unreserved	(11,758)	(48,883)	2,177	(24,613)	3,885
Total Fund Equity	<u>149,471</u>	<u>(45,435)</u>	<u>80,842</u>	<u>104,621</u>	<u>4,018</u>
Total Liabilities and Fund Equity	<u>\$280,874</u>	<u>\$326,124</u>	<u>\$144,946</u>	<u>\$145,085</u>	<u>\$5,751</u>

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

Income Tax 1/4 %	Income Tax 1%	Community Development	Police Grant	Police / Fire Pension	Cemetery Rental
\$40,696	\$176,134	\$156,828	\$41,592	\$35,516	\$9,230
41,610	180,089	160,350	0	0	0
424,432	1,341,827	0	0	411,498	0
0	0	3,093	0	0	0
0	0	3,181,077	0	0	0
0	0	1,107	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	46	0	0	0
0	0	0	0	0	0
<u>\$506,738</u>	<u>\$1,698,050</u>	<u>\$3,502,501</u>	<u>\$41,592</u>	<u>\$447,014</u>	<u>\$9,230</u>
\$0	\$2,739	\$18,829	\$0	\$0	\$60
0	25,677	25,508	0	0	0
0	0	0	0	0	0
0	647	3,357	0	0	771
135,004	426,811	3,181,077	0	411,498	0
135,004	455,874	3,228,771	0	411,498	831
0	20,018	278,763	96	0	40
0	0	0	0	0	0
0	0	46	0	0	0
0	0	3,181,077	0	0	0
371,734	1,222,158	(3,186,156)	41,496	35,516	8,359
371,734	1,242,176	273,730	41,592	35,516	8,399
<u>\$506,738</u>	<u>\$1,698,050</u>	<u>\$3,502,501</u>	<u>\$41,592</u>	<u>\$447,014</u>	<u>\$9,230</u>

(Continued)

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

	State Highway	Law Enforcement	Court Computerization	Permissive License Tax
<u>Assets:</u>				
Cash and Cash Equivalents	\$0	\$25,388	\$48,569	\$430,797
Investments	0	25,958	49,659	440,473
Receivables (net of allowances for doubtful accounts):				
Taxes	0	0	0	0
Accounts	0	1,554	4,604	0
Loans	0	0	0	0
Interest	0	308	0	0
Intergovernmental Receivables	5,836	0	0	0
Inventory of Supplies at Cost	0	0	0	0
Prepaid Items	0	0	0	0
Restricted Assets:				
Cash With Fiscal Agent	0	0	0	192,739
Total Assets	<u>\$5,836</u>	<u>\$53,208</u>	<u>\$102,832</u>	<u>\$1,064,009</u>
<u>Liabilities and Fund Equity:</u>				
Liabilities:				
Accounts Payable	\$0	\$5,820	\$0	\$21,723
Accrued Wages and Benefits	0	1,360	0	0
Interfund Loans Payable	0	0	0	0
Intergovernmental Payable	0	0	0	0
Deferred Revenue	0	0	0	192,739
Total Liabilities	<u>0</u>	<u>7,180</u>	<u>0</u>	<u>214,462</u>
Fund Equity:				
Reserved for Encumbrances	0	33,494	7,520	849,547
Reserved for Supplies Inventory	0	0	0	0
Reserved for Prepaid Items	0	0	0	0
Reserved for Loans Receivable	0	0	0	0
Unreserved	5,836	12,534	95,312	0
Total Fund Equity	<u>5,836</u>	<u>46,028</u>	<u>102,832</u>	<u>849,547</u>
Total Liabilities and Fund Equity	<u>\$5,836</u>	<u>\$53,208</u>	<u>\$102,832</u>	<u>\$1,064,009</u>

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

Probation Grant	Impound	VOCA Grant	Federal Transit Administration	Litter Grant	Totals
\$46,960	\$26,372	\$16,059	\$0	\$40,991	\$1,276,814
0	26,965	0	0	0	1,043,749
0	0	0	0	0	2,177,757
0	3,724	0	0	0	347,320
0	0	0	0	0	3,181,077
0	0	0	0	0	1,415
0	0	0	96,857	0	164,671
0	0	0	0	0	200,928
0	309	0	167	0	5,724
0	0	0	0	0	192,739
<u>\$46,960</u>	<u>\$57,370</u>	<u>\$16,059</u>	<u>\$97,024</u>	<u>\$40,991</u>	<u>\$8,592,194</u>
\$0	\$7,712	\$0	\$23,206	\$5,756	\$216,210
0	0	2,807	3,375	5,414	239,235
0	0	0	99,316	0	99,316
0	0	0	10,483	0	15,357
0	0	0	0	0	4,650,834
0	7,712	2,807	136,380	11,170	5,220,952
0	19,847	32	84,620	6,462	1,467,018
0	0	0	0	0	200,928
0	309	0	167	0	5,724
0	0	0	0	0	3,181,077
46,960	29,502	13,220	(124,143)	23,359	(1,483,505)
<u>46,960</u>	<u>49,658</u>	<u>13,252</u>	<u>(39,356)</u>	<u>29,821</u>	<u>3,371,242</u>
<u>\$46,960</u>	<u>\$57,370</u>	<u>\$16,059</u>	<u>\$97,024</u>	<u>\$40,991</u>	<u>\$8,592,194</u>

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

	Street Department	Cemetery	Parks and Recreation	Traffic Control	Compost Facility
Revenues:					
Taxes	\$0	\$11,104	\$2,175	\$0	\$0
Intergovernmental Revenues	1,321,613	0	0	0	0
Charges for Services	0	296,885	162,973	48,003	15,056
Licenses, Permits and Fees	0	0	137,782	0	0
Investment Earnings	278	30,517	0	0	0
Fines and Forfeitures	0	0	0	0	0
All Other Revenues	483	19,503	3,021	10,656	0
Total Revenues	<u>1,322,374</u>	<u>358,009</u>	<u>305,951</u>	<u>58,659</u>	<u>15,056</u>
Expenditures:					
Current:					
Security of Persons and Property	0	0	0	613,642	0
Public Health and Welfare Services	0	526,922	0	0	0
Leisure Time Activities	0	0	774,609	0	0
Community Environment	0	0	0	0	19,171
Transportation	1,452,442	0	0	0	0
General Government	0	0	0	0	0
Total Expenditures	<u>1,452,442</u>	<u>526,922</u>	<u>774,609</u>	<u>613,642</u>	<u>19,171</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(130,068)	(168,913)	(468,658)	(554,983)	(4,115)
Other Financing Sources (Uses):					
Proceeds from Sale of Fixed Assets	0	0	0	0	0
Operating Transfers In	391,030	125,448	498,207	608,562	2,713
Operating Transfers Out	(299,342)	0	0	0	0
Total Other Financing Sources (Uses)	<u>91,688</u>	<u>125,448</u>	<u>498,207</u>	<u>608,562</u>	<u>2,713</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(38,380)	(43,465)	29,549	53,579	(1,402)
Fund Balance (Deficit) at Beginning of Year	207,052	(1,970)	51,293	56,811	5,420
Decrease in Inventory Reserve	(19,201)	0	0	(5,769)	0
Fund Balance (Deficit) at End of Year	<u>\$149,471</u>	<u>(\$45,435)</u>	<u>\$80,842</u>	<u>\$104,621</u>	<u>\$4,018</u>

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

Income Tax 1/4 %	Income Tax 1%	Community Development	Police Grant	Police / Fire Pension	Cemetery Rental
\$2,850,771	\$9,238,979	\$0	\$0	\$373,491	\$0
0	0	1,310,058	77,271	42,845	0
0	0	0	0	0	9,900
0	0	0	0	0	0
0	0	9,839	319	0	0
0	0	0	0	0	0
954	3,651	214,691	0	0	0
<u>2,851,725</u>	<u>9,242,630</u>	<u>1,534,588</u>	<u>77,590</u>	<u>416,336</u>	<u>9,900</u>
0	0	0	32,849	0	0
0	0	0	0	0	3,421
0	0	0	0	0	0
0	0	1,391,180	0	0	0
0	0	0	0	0	0
59,652	712,816	0	0	0	0
<u>59,652</u>	<u>712,816</u>	<u>1,391,180</u>	<u>32,849</u>	<u>0</u>	<u>3,421</u>
2,792,073	8,529,814	143,408	44,741	416,336	6,479
0	0	0	0	0	0
25,000	0	699	5,424	0	0
<u>(2,924,253)</u>	<u>(8,574,780)</u>	<u>(6,127)</u>	<u>(2,773)</u>	<u>(395,111)</u>	<u>(1,200)</u>
<u>(2,899,253)</u>	<u>(8,574,780)</u>	<u>(5,428)</u>	<u>2,651</u>	<u>(395,111)</u>	<u>(1,200)</u>
(107,180)	(44,966)	137,980	47,392	21,225	5,279
478,914	1,287,142	135,750	(5,800)	14,291	3,120
0	0	0	0	0	0
<u>\$371,734</u>	<u>\$1,242,176</u>	<u>\$273,730</u>	<u>\$41,592</u>	<u>\$35,516</u>	<u>\$8,399</u>

(Continued)

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

	State Highway	Law Enforcement	Court Computerization	Permissive License Tax	Probation Grant
Revenues:					
Taxes	\$0	\$0	\$0	\$0	\$0
Intergovernmental Revenues	107,898	89,918	0	985,000	133,530
Charges for Services	0	0	0	0	0
Licenses, Permits and Fees	0	0	0	0	0
Investment Earnings	0	1,878	0	0	0
Fines and Forfeitures	0	7,195	87,249	0	0
All Other Revenues	0	900	0	0	0
Total Revenues	107,898	99,891	87,249	985,000	133,530
Expenditures:					
Current:					
Security of Persons and Property	0	78,709	0	0	66,971
Public Health and Welfare Services	0	0	0	0	0
Leisure Time Activities	0	0	0	0	0
Community Environment	0	0	0	0	0
Transportation	0	0	0	275,240	0
General Government	0	0	51,444	0	0
Total Expenditures	0	78,709	51,444	275,240	66,971
Excess (Deficiency) of Revenues Over (Under) Expenditures	107,898	21,182	35,805	709,760	66,559
Other Financing Sources (Uses):					
Proceeds from Sale of Fixed Assets	0	0	0	0	0
Operating Transfers In	0	8,992	0	0	5,611
Operating Transfers Out	(107,879)	0	0	0	0
Total Other Financing Sources (Uses)	(107,879)	8,992	0	0	5,611
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	19	30,174	35,805	709,760	72,170
Fund Balance (Deficit) at Beginning of Year	5,817	15,854	67,027	139,787	(25,210)
Decrease in Inventory Reserve	0	0	0	0	0
Fund Balance (Deficit) at End of Year	\$5,836	\$46,028	\$102,832	\$849,547	\$46,960

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

<u>Impound</u>	<u>VOCA Grant</u>	<u>Federal Transit Administration</u>	<u>Litter Grant</u>	<u>Totals</u>
\$0	\$0	\$0	\$0	\$12,476,520
0	61,100	484,615	161,496	4,775,344
65,931	0	390,787	0	989,535
0	0	0	0	137,782
0	0	0	0	42,831
0	0	0	0	94,444
100	0	3,712	7,653	265,324
<u>66,031</u>	<u>61,100</u>	<u>879,114</u>	<u>169,149</u>	<u>18,781,780</u>
75,583	0	0	0	867,754
0	0	0	0	530,343
0	0	0	0	774,609
0	0	0	145,403	1,555,754
0	0	983,542	0	2,711,224
0	36,050	0	0	859,962
<u>75,583</u>	<u>36,050</u>	<u>983,542</u>	<u>145,403</u>	<u>7,299,646</u>
(9,552)	25,050	(104,428)	23,746	11,482,134
34,578	0	0	0	34,578
0	0	1,350	2,646	1,675,682
(20,000)	0	0	(699)	(12,332,164)
<u>14,578</u>	<u>0</u>	<u>1,350</u>	<u>1,947</u>	<u>(10,621,904)</u>
5,026	25,050	(103,078)	25,693	860,230
44,632	(11,798)	63,722	4,128	2,535,982
0	0	0	0	(24,970)
<u>\$49,658</u>	<u>\$13,252</u>	<u>(\$39,356)</u>	<u>\$29,821</u>	<u>\$3,371,242</u>

THE CITY OF NEWARK, 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 DEPARTMENT FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental Revenues	\$1,368,000	\$1,331,378	(36,622)
All Other Revenues	0	483	483
Total Revenues	1,368,000	1,331,861	(36,139)
<u>Expenditures:</u>			
Transportation:			
Personal Services	1,168,647	1,128,669	39,978
Contractual Services	146,867	101,200	45,667
Materials and Supplies	375,149	305,459	69,690
Capital Outlay	6,000	4,993	1,007
Total Expenditures	1,696,663	1,540,321	156,342
Excess (Deficiency) of Revenues Over (Under) Expenditures	(328,663)	(208,460)	120,203
<u>Other Financing Sources (Uses):</u>			
Operating Transfers In	642,091	391,030	(251,061)
Operating Transfers Out	(318,170)	(299,342)	18,828
Total Other Financing Sources (Uses)	323,921	91,688	(232,233)
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(4,742)	(116,772)	(112,030)
Fund Balance at Beginning of Year	41,048	41,048	0
Prior Year Encumbrances	75,724	75,724	0
Fund Balance at End of Year	\$112,030	\$0	(\$112,030)

THE CITY OF NEWARK, 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

CEMETERY FUND

	<u>Revised Budget</u>	<u>Actual</u>	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Taxes	\$5,000	\$11,104	\$6,104
Charges for Services	326,000	312,339	(13,661)
Investment Earnings	28,000	31,429	3,429
All Other Revenues	<u>25,000</u>	<u>19,503</u>	<u>(5,497)</u>
Total Revenues	<u>384,000</u>	<u>374,375</u>	<u>(9,625)</u>
<u>Expenditures:</u>			
Public Health and Welfare Services:			
Personal Services	341,520	329,438	12,082
Contractual Services	152,988	140,147	12,841
Materials and Supplies	<u>48,052</u>	<u>40,604</u>	<u>7,448</u>
Total Expenditures	<u>542,560</u>	<u>510,189</u>	<u>32,371</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(158,560)	(135,814)	22,746
<u>Other Financing Sources (Uses):</u>			
Operating Transfers In	<u>148,194</u>	<u>125,448</u>	<u>(22,746)</u>
Total Other Financing Sources (Uses)	<u>148,194</u>	<u>125,448</u>	<u>(22,746)</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(10,366)	(10,366)	0
Fund Balance at Beginning of Year	0	0	0
Prior Year Encumbrances	<u>10,366</u>	<u>10,366</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

THE CITY OF NEWARK, 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

PARKS AND RECREATION FUND

	<u>Revised Budget</u>	<u>Actual</u>	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Taxes	\$14,950	\$2,175	(\$12,775)
Charges for Services	198,400	161,630	(36,770)
Licenses, Permits and Fees	202,000	135,640	(66,360)
All Other Revenues	6,000	3,021	(2,979)
Total Revenues	<u>421,350</u>	<u>302,466</u>	<u>(118,884)</u>
<u>Expenditures:</u>			
Leisure Time Activities:			
Parks and Recreation:			
Personal Services	498,847	456,950	41,897
Contractual Services	104,076	82,605	21,471
Materials and Supplies	67,877	56,473	11,404
Total Parks and Recreation	<u>670,800</u>	<u>596,028</u>	<u>74,772</u>
Pools and Concessions:			
Contractual Services	79,375	73,470	5,905
Materials and Supplies	42,797	34,586	8,211
Total Pools and Concessions	<u>122,172</u>	<u>108,056</u>	<u>14,116</u>
Summer Recreation Program:			
Contractual Services	31,046	22,371	8,675
Materials and Supplies	6,407	4,431	1,976
Total Summer Recreation Program	<u>37,453</u>	<u>26,802</u>	<u>10,651</u>
Youth Services:			
Contractual Services	3,935	2,434	1,501
Materials and Supplies	1,125	241	884
Total Youth Services	<u>5,060</u>	<u>2,675</u>	<u>2,385</u>
Ice Skating Rink/Concession Trailer:			
Contractual Services	181,112	117,925	63,187
Materials and Supplies	46,608	27,224	19,384
Capital Outlay	265	75	190
Total Ice Skating Rink/Concession Trailer	<u>227,985</u>	<u>145,224</u>	<u>82,761</u>
Total Expenditures	<u>1,063,470</u>	<u>878,785</u>	<u>184,685</u>

(Continued)

THE CITY OF NEWARK, 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

PARKS AND RECREATION FUND

	<u>Revised Budget</u>	<u>Actual</u>	Variance: Favorable (Unfavorable)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(642,120)	(576,319)	65,801
<u>Other Financing Sources (Uses):</u>			
Operating Transfers In	<u>564,008</u>	<u>498,207</u>	<u>(65,801)</u>
Total Other Financing Sources (Uses)	<u>564,008</u>	<u>498,207</u>	<u>(65,801)</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(78,112)	(78,112)	0
Fund Balance at Beginning of Year	0	0	0
Prior Year Encumbrances	<u>78,112</u>	<u>78,112</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

THE CITY OF NEWARK, 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

TRAFFIC CONTROL FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Charges for Services	\$58,000	\$47,694	(\$10,306)
All Other Revenues	0	9,868	9,868
Total Revenues	58,000	57,562	(438)
<u>Expenditures:</u>			
Security of Persons and Property:			
Parking:			
Personal Services	50,041	46,265	3,776
Contractual Services	11,341	7,613	3,728
Materials and Supplies	3,415	2,886	529
Total Parking	64,797	56,764	8,033
Traffic Sign:			
Personal Services	198,365	180,191	18,174
Contractual Services	50,921	43,394	7,527
Materials and Supplies	92,488	90,940	1,548
Total Traffic Sign	341,774	314,525	27,249
Lights:			
Personal Services	233,264	206,434	26,830
Contractual Services	68,747	60,709	8,038
Materials and Supplies	52,471	51,894	577
Total Lights	354,482	319,037	35,445
Total Expenditures	761,053	690,326	70,727
Excess (Deficiency) of Revenues Over (Under) Expenditures	(703,053)	(632,764)	70,289
<u>Other Financing Sources (Uses):</u>			
Operating Transfers In	678,851	608,562	(70,289)
Total Other Financing Sources (Uses)	678,851	608,562	(70,289)
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(24,202)	(24,202)	0
Fund Balance at Beginning of Year	0	0	0
Prior Year Encumbrances	24,202	24,202	0
Fund Balance at End of Year	\$0	\$0	\$0

THE CITY OF NEWARK, 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

COMPOST FACILITY FUND

	<u>Revised Budget</u>	<u>Actual</u>	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Charges for Services	\$14,000	\$15,056	\$1,056
Total Revenues	<u>14,000</u>	<u>15,056</u>	<u>1,056</u>
<u>Expenditures:</u>			
Community Environment:			
Personal Services	11,750	10,576	1,174
Contractual Services	9,998	7,456	2,542
Materials and Supplies	<u>1,265</u>	<u>1,029</u>	<u>236</u>
Total Expenditures	<u>23,013</u>	<u>19,061</u>	<u>3,952</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(9,013)	(4,005)	5,008
<u>Other Financing Sources (Uses):</u>			
Operating Transfers In	<u>4,019</u>	<u>2,713</u>	<u>(1,306)</u>
Total Other Financing Sources (Uses)	<u>4,019</u>	<u>2,713</u>	<u>(1,306)</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(4,994)	(1,292)	3,702
Fund Balance at Beginning of Year	5,350	5,350	0
Prior Year Encumbrances	<u>512</u>	<u>512</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$868</u></u>	<u><u>\$4,570</u></u>	<u><u>\$3,702</u></u>

THE CITY OF NEWARK, 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

INCOME TAX 1/4% FUND

	<u>Revised Budget</u>	<u>Actual</u>	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Taxes	\$2,840,000	\$2,828,004	(\$11,996)
All Other Revenues	0	954	954
Total Revenues	<u>2,840,000</u>	<u>2,828,958</u>	<u>(11,042)</u>
<u>Expenditures:</u>			
General Government:			
Contractual Services	<u>63,000</u>	<u>59,652</u>	<u>3,348</u>
Total Expenditures	<u>63,000</u>	<u>59,652</u>	<u>3,348</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,777,000	2,769,306	(7,694)
<u>Other Financing Sources (Uses):</u>			
Operating Transfers In	0	25,000	25,000
Operating Transfers Out	<u>(2,924,253)</u>	<u>(2,924,253)</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>(2,924,253)</u>	<u>(2,899,253)</u>	<u>25,000</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(147,253)	(129,947)	17,306
Fund Balance at Beginning of Year	<u>212,253</u>	<u>212,253</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$65,000</u></u>	<u><u>\$82,306</u></u>	<u><u>\$17,306</u></u>

THE CITY OF NEWARK, 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

INCOME TAX 1% FUND

	<u>Revised Budget</u>	<u>Actual</u>	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Taxes	\$9,025,000	\$9,167,002	\$142,002
All Other Revenues	0	3,651	3,651
Total Revenues	<u>9,025,000</u>	<u>9,170,653</u>	<u>145,653</u>
<u>Expenditures:</u>			
General Government:			
Personal Services	489,319	456,947	32,372
Contractual Services	310,821	259,810	51,011
Materials and Supplies	39,186	24,391	14,795
Capital Outlay	<u>2,000</u>	<u>0</u>	<u>2,000</u>
Total Expenditures	<u>841,326</u>	<u>741,148</u>	<u>100,178</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	8,183,674	8,429,505	245,831
<u>Other Financing Sources (Uses):</u>			
Operating Transfers In	65,000	0	(65,000)
Operating Transfers Out	<u>(8,588,281)</u>	<u>(8,574,780)</u>	<u>13,501</u>
Total Other Financing Sources (Uses)	<u>(8,523,281)</u>	<u>(8,574,780)</u>	<u>(51,499)</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(339,607)	(145,275)	194,332
Fund Balance at Beginning of Year	456,734	456,734	0
Prior Year Encumbrances	<u>22,007</u>	<u>22,007</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$139,134</u></u>	<u><u>\$333,466</u></u>	<u><u>\$194,332</u></u>

THE CITY OF NEWARK, 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

COMMUNITY DEVELOPMENT FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental Revenues	\$1,138,000	\$1,306,965	\$168,965
Investment Earnings	11,000	9,280	(\$1,720)
All Other Revenues	239,000	214,691	(24,309)
Total Revenues	1,388,000	1,530,936	142,936
<u>Expenditures:</u>			
Community Environment:			
Personal Services	410,247	376,991	33,256
Contractual Services	1,969,782	1,163,204	806,578
Materials and Supplies	80,646	44,492	36,154
Capital Outlay	173,764	173,756	8
Total Expenditures	2,634,439	1,758,443	875,996
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,246,439)	(227,507)	1,018,932
<u>Other Financing Sources (Uses):</u>			
Operating Transfers In	0	699	699
Operating Transfers Out	(12,138)	(6,127)	6,011
Advances Out	(5,032)	(5,032)	0
Total Other Financing Sources (Uses)	(17,170)	(10,460)	6,710
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(1,263,609)	(237,967)	1,025,642
Fund Balance at Beginning of Year	20,257	20,257	0
Prior Year Encumbrances	234,041	234,041	0
Fund Balance at End of Year	(\$1,009,311)	\$16,331	\$1,025,642

THE CITY OF NEWARK, 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 GRANT FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental Revenue	\$91,607	\$77,271	(\$14,336)
Investment Earnings	153	382	229
Total Revenues	91,760	77,653	(14,107)
<u>Expenditures:</u>			
Security of Persons and Property:			
Personal Services	10,000	6,845	3,155
Contractual Services	225	100	125
Materials and Supplies	4,900	0	4,900
Capital Outlay	26,000	26,000	0
Total Expenditures	41,125	32,945	8,180
Excess (Deficiency) of Revenues Over (Under) Expenditures	50,635	44,708	(5,927)
<u>Other Financing Sources (Uses):</u>			
Operating Transfers In	4,500	5,424	924
Operating Transfers Out	(2,773)	(2,773)	0
Advances Out	(8,636)	(8,636)	0
Total Other Financing Sources (Uses)	(6,909)	(5,985)	924
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	43,726	38,723	(5,003)
Fund Balance at Beginning of Year	2,773	2,773	0
Fund Balance at End of Year	\$46,499	\$41,496	(\$5,003)

THE CITY OF NEWARK, 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 / FIRE PENSION FUND

	<u>Revised Budget</u>	<u>Actual</u>	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Taxes	\$365,720	\$373,491	\$7,771
Intergovernmental Revenue	<u>57,000</u>	<u>42,845</u>	<u>(14,155)</u>
Total Revenues	<u>422,720</u>	<u>416,336</u>	<u>(6,384)</u>
<u>Expenditures:</u>			
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	422,720	416,336	(6,384)
<u>Other Financing Sources (Uses):</u>			
Operating Transfers Out	<u>(395,111)</u>	<u>(395,111)</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>(395,111)</u>	<u>(395,111)</u>	<u>0</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	27,609	21,225	(6,384)
Fund Balance at Beginning of Year	<u>14,291</u>	<u>14,291</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$41,900</u></u>	<u><u>\$35,516</u></u>	<u><u>(\$6,384)</u></u>

THE CITY OF NEWARK, 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

CEMETERY RENTAL FUND

	<u>Revised Budget</u>	<u>Actual</u>	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Charges for Services	\$10,000	\$9,900	(\$100)
Total Revenues	<u>10,000</u>	<u>9,900</u>	<u>(100)</u>
<u>Expenditures:</u>			
Public Health and Welfare Services:			
Contractual Services	7,050	3,462	3,588
Materials and Supplies	<u>2,005</u>	<u>0</u>	<u>2,005</u>
Total Expenditures	<u>9,055</u>	<u>3,462</u>	<u>5,593</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	945	6,438	5,493
<u>Other Financing Sources (Uses):</u>			
Operating Transfers Out	<u>(1,200)</u>	<u>(1,200)</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>(1,200)</u>	<u>(1,200)</u>	<u>0</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(255)	5,238	5,493
Fund Balance at Beginning of Year	3,887	3,887	0
Prior Year Encumbrances	<u>5</u>	<u>5</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$3,637</u></u>	<u><u>\$9,130</u></u>	<u><u>\$5,493</u></u>

THE CITY OF NEWARK, 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 FUND

	<u>Revised Budget</u>	<u>Actual</u>	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental Revenues	\$114,000	\$107,879	(\$6,121)
Total Revenues	<u>114,000</u>	<u>107,879</u>	<u>(6,121)</u>
<u>Expenditures:</u>			
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	114,000	107,879	(6,121)
<u>Other Financing Sources (Uses):</u>			
Operating Transfers Out	<u>(114,000)</u>	<u>(107,879)</u>	<u>6,121</u>
Total Other Financing Sources (Uses)	<u>(114,000)</u>	<u>(107,879)</u>	<u>6,121</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	0	0	0
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

THE CITY OF NEWARK, 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 FUND

	<u>Revised Budget</u>	<u>Actual</u>	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental Revenues	\$112,605	\$89,918	(\$22,687)
Investment Earnings	0	1,570	1,570
Fines and Forfeitures	13,000	5,641	(7,359)
All Other Revenues	0	900	900
Total Revenues	<u>125,605</u>	<u>98,029</u>	<u>(27,576)</u>
<u>Expenditures:</u>			
Security of Persons and Property:			
Personal Services	39,128	33,671	5,457
Contractual Services	3,026	33,584	(30,558)
Materials and Supplies	16,017	15,303	714
Capital Outlay	<u>32,866</u>	<u>26,402</u>	<u>6,464</u>
Total Expenditures	<u>91,037</u>	<u>108,960</u>	<u>(17,923)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	34,568	(10,931)	(45,499)
<u>Other Financing Sources (Uses):</u>			
Operating Transfers In	<u>0</u>	<u>8,992</u>	<u>8,992</u>
Total Other Financing Sources (Uses)	<u>0</u>	<u>8,992</u>	<u>8,992</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	34,568	(1,939)	(36,507)
Fund Balance at Beginning of Year	15,309	15,309	0
Prior Year Encumbrances	<u>1,662</u>	<u>1,662</u>	<u>0</u>
Fund Balance (Deficit) at End of Year	<u><u>\$51,539</u></u>	<u><u>\$15,032</u></u>	<u><u>(\$36,507)</u></u>

THE CITY OF NEWARK, 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

	<u>Revised Budget</u>	<u>Actual</u>	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Fines and Forfeitures	\$65,000	\$82,645	\$17,645
Total Revenues	<u>65,000</u>	<u>82,645</u>	<u>17,645</u>
<u>Expenditures:</u>			
General Government:			
Contractual Services	18,119	17,119	1,000
Materials and Supplies	12,240	6,321	5,919
Capital Outlay	<u>93,724</u>	<u>50,374</u>	<u>43,350</u>
Total Expenditures	<u>124,083</u>	<u>73,814</u>	<u>50,269</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(59,083)	8,831	67,914
Fund Balance at Beginning of Year	61,016	61,016	0
Prior Year Encumbrances	<u>20,861</u>	<u>20,861</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$22,794</u></u>	<u><u>\$90,708</u></u>	<u><u>\$67,914</u></u>

THE CITY OF NEWARK, 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

PERMISSIVE LICENSE TAX FUND

	<u>Revised Budget</u>	<u>Actual</u>	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental Revenues	\$1,004,000	\$985,000	(\$19,000)
Total Revenues	<u>1,004,000</u>	<u>985,000</u>	<u>(19,000)</u>
<u>Expenditures:</u>			
Transportation:			
Contractual Services	<u>1,163,532</u>	<u>1,145,110</u>	<u>18,422</u>
Total Expenditures	<u>1,163,532</u>	<u>1,145,110</u>	<u>18,422</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(159,532)	(160,110)	(578)
Fund Balance at Beginning of Year	71,770	71,770	0
Prior Year Encumbrances	<u>88,340</u>	<u>88,340</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$578</u></u>	<u><u>\$0</u></u>	<u><u>(\$578)</u></u>

THE CITY OF NEWARK, 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 GRANT FUND

	<u>Revised Budget</u>	<u>Actual</u>	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental Revenue	\$139,617	\$133,530	(\$6,087)
Total Revenues	<u>139,617</u>	<u>133,530</u>	<u>(6,087)</u>
<u>Expenditures:</u>			
Security of Persons and Property:			
Personal Services	77,634	64,943	12,691
Contractual Services	8,680	3,146	5,534
Materials and Supplies	4,885	3,685	1,200
Capital Outlay	<u>1,650</u>	<u>0</u>	<u>1,650</u>
Total Expenditures	<u>92,849</u>	<u>71,774</u>	<u>21,075</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	46,768	61,756	14,988
<u>Other Financing Sources (Uses):</u>			
Operating Transfers In	0	5,611	5,611
Advances Out	<u>(20,407)</u>	<u>(20,407)</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>(20,407)</u>	<u>(14,796)</u>	<u>5,611</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	26,361	46,960	20,599
Fund Balance at Beginning of Year	(270)	(270)	0
Prior Year Encumbrances	<u>270</u>	<u>270</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$26,361</u></u>	<u><u>\$46,960</u></u>	<u><u>\$20,599</u></u>

THE CITY OF NEWARK, 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

IMPOUND FUND

	<u>Revised Budget</u>	<u>Actual</u>	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Charges for Services	\$66,000	\$62,267	(\$3,733)
All Other Revenue	0	100	100
Total Revenues	<u>66,000</u>	<u>62,367</u>	<u>(3,633)</u>
<u>Expenditures:</u>			
Security of Persons and Property:			
Personal Services	21,595	21,593	2
Contractual Services	76,510	74,543	1,967
Materials and Supplies	2,930	1,189	1,741
Total Expenditures	<u>101,035</u>	<u>97,325</u>	<u>3,710</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(35,035)	(34,958)	77
<u>Other Financing Sources (Uses):</u>			
Proceeds from Sale of Fixed Assets	30,000	34,578	4,578
Operating Transfers Out	<u>(20,000)</u>	<u>(20,000)</u>	0
Total Other Financing Sources (Uses)	<u>10,000</u>	<u>14,578</u>	<u>4,578</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(25,035)	(20,380)	4,655
Fund Balance at Beginning of Year	43,915	43,915	0
Prior Year Encumbrances	5,085	5,085	0
Fund Balance at End of Year	<u><u>\$23,965</u></u>	<u><u>\$28,620</u></u>	<u><u>\$4,655</u></u>

THE CITY OF NEWARK, 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

VOCA GRANT FUND

	<u>Revised Budget</u>	<u>Actual</u>	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental Revenues	\$61,100	\$61,100	\$0
Total Revenues	<u>61,100</u>	<u>61,100</u>	<u>0</u>
<u>Expenditures:</u>			
General Government:			
Personal Services	36,091	35,909	182
Contractual Services	2,374	300	2,074
Materials and Supplies	<u>2,086</u>	<u>0</u>	<u>2,086</u>
Total Expenditures	<u>40,551</u>	<u>36,209</u>	<u>4,342</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	20,549	24,891	4,342
<u>Other Financing Sources (Uses):</u>			
Advances Out	<u>(8,864)</u>	<u>(8,864)</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>(8,864)</u>	<u>(8,864)</u>	<u>0</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	11,685	16,027	4,342
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$11,685</u></u>	<u><u>\$16,027</u></u>	<u><u>\$4,342</u></u>

THE CITY OF NEWARK, 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

FEDERAL TRANSIT ADMINISTRATION FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental Revenues	\$770,822	\$398,259	(\$372,563)
Charges For Services	446,571	383,903	(62,668)
All Other Revenue	0	3,712	3,712
Total Revenues	1,217,393	785,874	(431,519)
<u>Expenditures:</u>			
Transportation:			
Personal Services	55,849	55,458	391
Contractual Services	1,053,533	978,647	74,886
Materials and Supplies	14,447	12,974	1,473
Capital Outlay	140,000	40,000	100,000
Total Expenditures	1,263,829	1,087,079	176,750
Excess (Deficiency) of Revenues Over (Under) Expenditures	(46,436)	(301,205)	(254,769)
<u>Other Financing Sources (Uses):</u>			
Operating Transfers In	0	1,350	1,350
Advances In	99,316	99,316	0
Total Other Financing Sources (Uses)	99,316	100,666	1,350
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	52,880	(200,539)	(253,419)
Fund Balance at Beginning of Year	9,231	9,231	0
Prior Year Encumbrances	79,255	79,255	0
Fund Balance at End of Year	\$141,366	(\$112,053)	(\$253,419)

THE CITY OF NEWARK, 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

LITTER GRANT FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental Revenues	\$160,645	\$161,496	\$851
All Other Revenue	3,000	7,653	4,653
Total Revenues	163,645	169,149	5,504
<u>Expenditures:</u>			
Community Environment			
Personal Services	86,801	85,604	1,197
Contractual Services	49,445	41,953	7,492
Materials and Supplies	44,146	35,593	8,553
Capital Outlay	5,744	4,779	965
Total Expenditures	186,136	167,929	18,207
Excess (Deficiency) of Revenues Over (Under) Expenditures	(22,491)	1,220	23,711
<u>Other Financing Sources (Uses):</u>			
Operating Transfers In	0	2,646	2,646
Operating Transfers Out	(699)	(699)	0
Total Other Financing Sources (Uses)	(699)	1,947	2,646
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(23,190)	3,167	26,357
Fund Balance at Beginning of Year	5,027	5,027	0
Prior Year Encumbrances	20,579	20,579	0
Fund Balance at End of Year	\$2,416	\$28,773	\$26,357

CAPITAL PROJECTS FUNDS

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.

North Fork Flood Control Fund

To account for the financial resources used for the construction of the North Fork Flood Control project.

Cedar Hill Expansion Fund

To account for the financial resources used for the development and expansion of the Cedar Hill Cemetery.

City Hall Upgrade Fund

To account for the costs related to the City Hall improvement project.

Deo Drive Improvement Fund

To account for the costs related to the Deo Drive improvement project.

Capital Improvement Fund

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

Bikeway Upgrade Fund

To account for the costs related to the bikeway upgrade project.

East Main Street Bridge Replacement Fund

To account for the replacement costs related to the East Main Street Bridge project.

Court Capital Improvement Fund

To account for the revenues and expenditures designated for the capital improvements made to Municipal Court facilities.

Tax Increment Financing (TIF) Fund

To account for the construction of the East Main Street Improvement Project by implementing the tax increment equivalent fund for the Longaberger Company.

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

	North Fork Flood Control	Cedar Hill Expansion	City Hall Upgrade	Deo Drive Improvement
<u>Assets:</u>				
Cash and Cash Equivalents	\$0	\$0	\$3,800	\$56,000
Investments	0	0	0	0
Receivables (net of allowances for doubtful accounts):				
Accounts	0	0	0	0
Intergovernmental Receivables	0	0	0	0
Total Assets	<u>\$0</u>	<u>\$0</u>	<u>\$3,800</u>	<u>\$56,000</u>
<u>Liabilities and Fund Equity:</u>				
Liabilities:				
Accounts Payable	\$0	\$0	\$0	\$11,000
Interfund Loans Payable	0	0	0	0
Intergovernmental Payable	0	0	0	0
Accrued Interest Payable	3,806	2,900	0	3,222
General Obligation Notes Payable	105,000	80,000	0	100,000
Total Liabilities	<u>108,806</u>	<u>82,900</u>	<u>0</u>	<u>114,222</u>
Fund Equity:				
Reserved for Encumbrances	0	0	0	0
Unreserved	(108,806)	(82,900)	3,800	(58,222)
Total Fund Equity	<u>(108,806)</u>	<u>(82,900)</u>	<u>3,800</u>	<u>(58,222)</u>
Total Liabilities and Fund Equity	<u>\$0</u>	<u>\$0</u>	<u>\$3,800</u>	<u>\$56,000</u>

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

<u>Capital Improvement</u>	<u>Bikeway Upgrade</u>	<u>East Main Street Bridge Replacement</u>	<u>Court Capital Improvement</u>	<u>Tax Increment Financing</u>	<u>Totals</u>
\$741,532	\$0	\$48,419	\$47,926	\$85,901	\$983,578
960,432	0	0	0	87,830	1,048,262
0	0	0	1,787	0	1,787
0	27,982	0	0	0	27,982
<u>\$1,701,964</u>	<u>\$27,982</u>	<u>\$48,419</u>	<u>\$49,713</u>	<u>\$173,731</u>	<u>\$2,061,609</u>
\$212,253	\$121,744	\$0	\$0	\$0	\$344,997
0	27,982	0	0	0	27,982
29,577	0	0	0	0	29,577
18,488	0	0	0	0	28,416
510,000	0	0	0	0	795,000
<u>770,318</u>	<u>149,726</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,225,972</u>
860,298	1,352,622	0	0	842	2,213,762
71,348	(1,474,366)	48,419	49,713	172,889	(1,378,125)
931,646	(121,744)	48,419	49,713	173,731	835,637
<u>\$1,701,964</u>	<u>\$27,982</u>	<u>\$48,419</u>	<u>\$49,713</u>	<u>\$173,731</u>	<u>\$2,061,609</u>

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

	North Fork Flood Control	Cedar Hill Expansion	City Hall Upgrade	Deo Drive Improvement
<u>Revenues:</u>				
Intergovernmental Revenues	\$0	\$0	\$0	\$0
Fines and Forfeitures	0	0	0	0
All Other Revenue	0	0	0	0
Total Revenues	0	0	0	0
<u>Expenditures:</u>				
Capital Outlay	0	0	35,600	55,000
Debt Service:				
Principal Retirement	0	0	0	0
Interest and Fiscal Charges	4,876	3,810	583	4,000
Total Expenditures	4,876	3,810	36,183	59,000
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,876)	(3,810)	(36,183)	(59,000)
<u>Other Financing Sources (Uses):</u>				
Operating Transfers In	55,425	54,550	76,183	1,578
Operating Transfers Out	0	0	0	0
Total Other Financing Sources (Uses)	55,425	54,550	76,183	1,578
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	50,549	50,740	40,000	(57,422)
Fund Balance (Deficit) at Beginning of Year	(159,355)	(133,640)	(36,200)	(800)
Fund Balance (Deficit) at End of Year	(\$108,806)	(\$82,900)	\$3,800	(\$58,222)

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

<u>Capital Improvement</u>	<u>Bikeway Upgrade</u>	<u>East Main Street Bridge Replacement</u>	<u>Court Capital Improvement</u>	<u>Tax Increment Financing</u>	<u>Totals</u>
\$68,638	\$97,400	\$0	\$0	\$355,400	\$521,438
0	0	0	33,592	0	33,592
<u>10,681</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>10,681</u>
79,319	97,400	0	33,592	355,400	565,711
<hr/>					
1,845,627	219,144	0	0	89,233	2,244,604
15,000	0	0	0	100,000	115,000
<u>28,795</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>204,609</u>	<u>246,673</u>
1,889,422	219,144	0	0	393,842	2,606,277
<hr/>					
(1,810,103)	(121,744)	0	33,592	(38,442)	(2,040,566)
2,083,868	0	0	0	0	2,271,604
<u>(187,736)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(187,736)</u>
1,896,132	0	0	0	0	2,083,868
<hr/>					
86,029	(121,744)	0	33,592	(38,442)	43,302
<u>845,617</u>	<u>0</u>	<u>48,419</u>	<u>16,121</u>	<u>212,173</u>	<u>792,335</u>
<u><u>\$931,646</u></u>	<u><u>(\$121,744)</u></u>	<u><u>\$48,419</u></u>	<u><u>\$49,713</u></u>	<u><u>\$173,731</u></u>	<u><u>\$835,637</u></u>

THE CITY OF NEWARK, 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

NORTH FORK FLOOD CONTROL FUND

	<u>Revised Budget</u>	<u>Actual</u>	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Total Revenues	\$0	\$0	\$0
<u>Expenditures:</u>			
Debt Service:			
Principal Retirement	155,000	155,000	0
Interest and Fiscal Charges	5,425	5,425	0
Total Expenditures	<u>160,425</u>	<u>160,425</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(160,425)	(160,425)	0
<u>Other Financing Sources (Uses):</u>			
Proceeds from General Obligation Notes	105,000	105,000	0
Operating Transfers In	<u>55,425</u>	<u>55,425</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>160,425</u>	<u>160,425</u>	<u>0</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	0	0	0
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

THE CITY OF NEWARK, 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

CEDAR HILL EXPANSION FUND

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
<u>Revenues:</u>			
Total Revenues	\$0	\$0	\$0
<u>Expenditures:</u>			
Debt Service:			
Principal Retirement	130,000	130,000	0
Interest and Fiscal Charges	4,550	4,550	0
Total Expenditures	<u>134,550</u>	<u>134,550</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(134,550)	(134,550)	0
<u>Other Financing Sources (Uses):</u>			
Proceeds from General Obligation Notes	80,000	80,000	0
Operating Transfers In	<u>54,550</u>	<u>54,550</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>134,550</u>	<u>134,550</u>	<u>0</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	0	0	0
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

THE CITY OF NEWARK, 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

CITY HALL UPGRADE FUND

	<u>Revised Budget</u>	<u>Actual</u>	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Total Revenues	\$0	\$0	\$0
<u>Expenditures:</u>			
Capital Outlay	64,080	64,080	0
Debt Service:			
Principal Retirement	75,000	75,000	0
Interest and Fiscal Charges	3,000	1,183	1,817
Total Expenditures	<u>142,080</u>	<u>140,263</u>	<u>1,817</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(142,080)	(140,263)	(1,817)
<u>Other Financing Sources (Uses):</u>			
Proceeds from General Obligation Notes	175,000	0	(175,000)
Transfers In	75,000	76,183	1,183
Total Other Financing Sources (Uses)	<u>250,000</u>	<u>76,183</u>	<u>(173,817)</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	107,920	(64,080)	(172,000)
Fund Balance at Beginning of Year	3,800	3,800	0
Prior Year Encumbrances	64,080	64,080	0
Fund Balance at End of Year	<u>\$175,800</u>	<u>\$3,800</u>	<u>(\$172,000)</u>

THE CITY OF NEWARK, 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

DEO DRIVE IMPROVEMENT FUND

	<u>Revised Budget</u>	<u>Actual</u>	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Total Revenues	\$0	\$0	\$0
<u>Expenditures:</u>			
Capital Outlay	100,000	55,000	45,000
Debt Service:			
Principal Retirement	100,000	100,000	0
Interest and Fiscal Charges	4,000	1,578	2,422
Total Expenditures	<u>204,000</u>	<u>156,578</u>	<u>47,422</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(204,000)	(156,578)	0
<u>Other Financing Sources (Uses):</u>			
Proceeds from General Obligation Notes	100,000	100,000	0
Operating Transfers In	4,000	1,578	(2,422)
Total Other Financing Sources (Uses)	<u>104,000</u>	<u>101,578</u>	<u>(2,422)</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(100,000)	(55,000)	45,000
Fund Balance at Beginning of Year	<u>100,000</u>	<u>100,000</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$0</u></u>	<u><u>\$45,000</u></u>	<u><u>\$45,000</u></u>

THE CITY OF NEWARK, 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	\$57,286	\$68,638	\$11,352
All Other Revenues	0	10,681	10,681
Total Revenues	<u>57,286</u>	<u>79,319</u>	<u>22,033</u>
<u>Expenditures:</u>			
Capital Outlay	3,164,819	2,743,324	421,495
Debt Service:			
Principal Retirement	445,000	445,000	0
Interest and Fiscal Charges	22,347	22,347	0
Total Expenditures	<u>3,632,166</u>	<u>3,210,671</u>	<u>421,495</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,574,880)	(3,131,352)	443,528
<u>Other Financing Sources (Uses):</u>			
Proceeds from General Obligation Notes	510,000	510,000	0
Operating Transfers In	2,083,868	2,083,868	0
Operating Transfers Out	(201,689)	(187,736)	13,953
Total Other Financing Sources (Uses)	<u>2,392,179</u>	<u>2,406,132</u>	<u>13,953</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(1,182,701)	(725,220)	457,481
Fund Balance at Beginning of Year	789,682	789,682	0
Prior Year Encumbrances	535,374	535,374	0
Fund Balance at End of Year	<u>\$142,355</u>	<u>\$599,836</u>	<u>\$457,481</u>

THE CITY OF NEWARK, 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

BIKEWAY UPGRADE FUND

	<u>Revised Budget</u>	<u>Actual</u>	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental Revenues	\$1,575,800	\$69,418	(\$1,506,382)
Total Revenues	<u>1,575,800</u>	<u>69,418</u>	<u>(1,506,382)</u>
<u>Expenditures:</u>			
Capital Outlay	1,575,800	1,571,766	4,034
Total Expenditures	<u>1,575,800</u>	<u>1,571,766</u>	<u>4,034</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	(1,502,348)	(1,502,348)
<u>Other Financing Sources (Uses):</u>			
Advances In	0	27,982	27,982
Total Other Financing Sources (Uses)	<u>0</u>	<u>27,982</u>	<u>27,982</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	0	(1,474,366)	(1,474,366)
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u>\$0</u>	<u>(\$1,474,366)</u>	<u>(\$1,474,366)</u>

THE CITY OF NEWARK, 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

EAST MAIN STREET BRIDGE REPLACEMENT FUND

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
<u>Revenues:</u>			
Total Revenues	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>Expenditures:</u>			
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	0
Fund Balance at Beginning of Year	<u>48,419</u>	<u>48,419</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$48,419</u></u>	<u><u>\$48,419</u></u>	<u><u>\$0</u></u>

THE CITY OF NEWARK, 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

COURT CAPITAL IMPROVEMENT FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Fines and Forfeitures	\$32,000	\$31,805	(\$195)
Total Revenues	32,000	31,805	(195)
 <u>Expenditures:</u>			
Total Expenditures	0	0	0
 Excess (Deficiency) of Revenues Over (Under) Expenditures	32,000	31,805	(195)
 Fund Balance at Beginning of Year	16,121	16,121	0
Fund Balance at End of Year	\$48,121	\$47,926	(\$195)

THE CITY OF NEWARK, 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

TAX INCREMENT FINANCING FUND

	<u>Revised Budget</u>	<u>Actual</u>	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental Revenue	\$350,558	\$355,400	\$4,842
Total Revenues	<u>350,558</u>	<u>355,400</u>	<u>4,842</u>
<u>Expenditures:</u>			
Capital Outlay	130,676	90,075	40,601
Debt Service:			
Principal Retirement	111,000	100,000	11,000
Interest and Fiscal Charges	248,695	204,609	44,086
Total Expenditures	<u>490,371</u>	<u>394,684</u>	<u>95,687</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(139,813)	(39,284)	100,529
Fund Balance at Beginning of Year	206,497	206,497	0
Prior Year Encumbrances	5,676	5,676	0
Fund Balance at End of Year	<u><u>\$72,360</u></u>	<u><u>\$172,889</u></u>	<u><u>\$100,529</u></u>

ENTERPRISE FUNDS

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.

Water Fund

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

Sewer Fund

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

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

	Water	Sewer	Totals
<u>Assets:</u>			
Cash and Cash Equivalents	\$2,793,985	\$3,544,349	\$6,338,334
Investments	2,856,736	0	2,856,736
Receivables (net of allowances for doubtful accounts):			
Accounts	603,553	603,803	1,207,356
Interest	7,458	3,305	10,763
Inventory of Supplies at Cost	213,236	146,331	359,567
Prepaid Items	2,132	1,932	4,064
Restricted Assets:			
Cash with Fiscal Agent	352	14,380	14,732
Deferred Charge	175,876	0	175,876
Deferred Loss on Early Retirement of Bonds	866,834	0	866,834
Property, Plant and Equipment	29,067,479	36,207,356	65,274,835
Less Accumulated Depreciation	(9,232,707)	(18,878,792)	(28,111,499)
Net Fixed Assets	19,834,772	17,328,564	37,163,336
Construction in Progress	291,995	1,061,961	1,353,956
Total Assets	<u>\$27,646,929</u>	<u>\$22,704,625</u>	<u>\$50,351,554</u>
<u>Liabilities and Fund Equity:</u>			
Liabilities:			
Accounts Payable	\$108,650	\$97,408	\$206,058
Accrued Wages and Benefits	171,512	57,062	228,574
Intergovernmental Payable	1,626	10,350	11,976
Matured Bonds and Interest Payable	352	14,380	14,732
Accrued Interest Payable	32,357	336,075	368,432
Compensated Absences Payable	378,642	202,285	580,927
General Obligation Bonds Payable	15,656,860	0	15,656,860
Ohio Water Development Authority Loan Payable	0	8,577,181	8,577,181
Total Liabilities	<u>16,349,999</u>	<u>9,294,741</u>	<u>25,644,740</u>
Fund Equity:			
Contributed Capital	1,965,544	15,749,545	17,715,089
Retained Earnings/(Accumulated Deficit):			
Unreserved	9,331,386	(2,339,661)	6,991,725
Total Fund Equity	<u>11,296,930</u>	<u>13,409,884</u>	<u>24,706,814</u>
Total Liabilities and Fund Equity	<u>\$27,646,929</u>	<u>\$22,704,625</u>	<u>\$50,351,554</u>

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

	<u>Water</u>	<u>Sewer</u>	<u>Totals</u>
<u>Operating Revenues:</u>			
Charges for Services	\$5,829,660	\$4,936,165	\$10,765,825
Other Operating Revenues	10,243	27,826	38,069
Total Operating Revenues	<u>5,839,903</u>	<u>4,963,991</u>	<u>10,803,894</u>
<u>Operating Expenses:</u>			
Personal Services	2,448,675	1,090,110	3,538,785
Materials and Supplies	563,658	307,965	871,623
Contractual Services	524,118	1,046,886	1,571,004
Depreciation	1,251,469	1,657,760	2,909,229
Total Operating Expenses	<u>4,787,920</u>	<u>4,102,721</u>	<u>8,890,641</u>
Operating Income	1,051,983	861,270	1,913,253
<u>Nonoperating Revenues (Expenses):</u>			
Investment Earnings	56,877	41,666	98,543
Interest and Fiscal Charges	(467,208)	(672,151)	(1,139,359)
Total Nonoperating Revenues (Expenses)	<u>(410,331)</u>	<u>(630,485)</u>	<u>(1,040,816)</u>
Income Before Operating Transfers	641,652	230,785	872,437
<u>Operating Transfers:</u>			
Operating Transfers In	589,598	10,849	600,447
Operating Transfers Out	(127,874)	(706,623)	(834,497)
Total Operating Transfers	<u>461,724</u>	<u>(695,774)</u>	<u>(234,050)</u>
Net Income (Loss)	1,103,376	(464,989)	638,387
Retained Earnings/Accumulated Deficit at Beginning of Year (Restated)	8,228,010	(1,874,672)	6,353,338
Retained Earnings/Accumulated Deficit at End of Year	<u>\$9,331,386</u>	<u>(\$2,339,661)</u>	<u>\$6,991,725</u>

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

	Water	Sewer	Totals
<u>Cash Flows from Operating Activities:</u>			
Cash Received from Customers	\$5,686,283	\$4,810,121	\$10,496,404
Cash Payments for Goods and Services	(1,148,855)	(1,469,497)	(2,618,352)
Cash Payments to Employees	(2,171,148)	(1,303,866)	(3,475,014)
Net Cash Provided by Operating Activities	<u>2,366,280</u>	<u>2,036,758</u>	<u>4,403,038</u>
<u>Cash Flows from Noncapital Financing Activities:</u>			
Transfers In from Other Funds	589,598	10,849	600,447
Transfers Out to Other Funds	(127,874)	(706,623)	(834,497)
Net Cash Provided (Used) by Noncapital Financing Activities	<u>461,724</u>	<u>(695,774)</u>	<u>(234,050)</u>
<u>Cash Flows from Capital and Related Financing Activities:</u>			
Acquisition and Construction of Assets	(1,489,194)	(1,481,288)	(2,970,482)
Principal Paid on General Obligation Bonds	(1,060,000)	0	(1,060,000)
Principal Paid on Ohio Water Development Authority Loan	0	(403,335)	(403,335)
Interest Paid on All Debt	(438,215)	(687,010)	(1,125,225)
Net Cash Used for Capital and Related Financing Activities	<u>(2,987,409)</u>	<u>(2,571,633)</u>	<u>(5,559,042)</u>
<u>Cash Flows from Investing Activities:</u>			
Sale of Investments	203,245	0	203,245
Receipts of Interest	51,553	39,396	90,949
Net Cash Provided by Investing Activities	<u>254,798</u>	<u>39,396</u>	<u>294,194</u>
Net Increase (Decrease) in Cash and Cash Equivalents	95,393	(1,191,253)	(1,095,860)
Cash and Cash Equivalents at Beginning of Year	2,698,944	4,749,982	7,448,926
Cash and Cash Equivalents at End of Year	<u>\$2,794,337</u>	<u>\$3,558,729</u>	<u>\$6,353,066</u>
<u>Reconciliation of Cash and</u>			
<u>Cash Equivalents per the Balance Sheet:</u>			
Cash and Cash Equivalents	\$2,793,985	\$3,544,349	\$6,338,334
Restricted Cash with Fiscal Agent	352	14,380	14,732
Cash and Cash Equivalents at End of Year	<u>\$2,794,337</u>	<u>\$3,558,729</u>	<u>\$6,353,066</u>

(Continued)

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

	<u>Water</u>	<u>Sewer</u>	<u>Totals</u>
<u>Reconciliation of Operating Income to Net Cash</u>			
<u>Provided by Operating Activities:</u>			
Operating Income	\$1,051,983	\$861,270	\$1,913,253
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:			
Depreciation Expense	1,251,469	1,657,760	2,909,229
Changes in Assets and Liabilities:			
Increase in Accounts Receivable	(153,620)	(153,870)	(307,490)
(Increase) Decrease in Inventory	19,243	(5,830)	13,413
Decrease in Prepaid Items	3,439	3,812	7,251
Decrease in Accounts Payable	(72,116)	(113,978)	(186,094)
Increase (Decrease) in Accrued Wages and Benefits	5,683	(44,257)	(38,574)
Increase (Decrease) in Intergovernmental Payable	(11,645)	1,350	(10,295)
Increase (Decrease) in Compensated Absences	271,844	(169,499)	102,345
Total Adjustments	<u>1,314,297</u>	<u>1,175,488</u>	<u>2,489,785</u>
Net Cash Provided by Operating Activities	<u>\$2,366,280</u>	<u>\$2,036,758</u>	<u>\$4,403,038</u>

Schedule of Noncash Investing, Capital and Financing Activities:

At December 31, 2000, the Water and Sewer Funds had outstanding liabilities of \$9,374 and \$19,500, respectively for the purchase of certain capital assets. The Water Fund received \$343,904 of capital assets contributed from other funds.

INTERNAL SERVICE FUNDS

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

Insurance Fund

To account for the accumulation and allocation of costs associated with insurance costs incurred by the City.

Workers' Compensation Fund

To account for the accumulation and allocation of costs associated with workers' compensation costs incurred by the City.

THE CITY OF NEWARK, OHIO
COMBINING BALANCE SHEET
INTERNAL SERVICE FUNDS
DECEMBER 31, 2000

	Insurance	Workers' Compensation	Totals
<u>Assets:</u>			
Cash and Cash Equivalents	\$1,063,845	\$1,433,178	\$2,497,023
Receivables (net of allowance for doubtful accounts):			
Accounts	0	147,635	147,635
Total Assets	\$1,063,845	\$1,580,813	\$2,644,658
<u>Liabilities and Fund Equity:</u>			
<u>Liabilities:</u>			
Accounts Payable	\$4,663	\$0	\$4,663
Accrued Wages and Benefits	0	349,722	349,722
Total Liabilities	4,663	349,722	354,385
<u>Fund Equity:</u>			
<u>Retained Earnings:</u>			
Unreserved	1,059,182	1,231,091	2,290,273
Total Fund Equity	1,059,182	1,231,091	2,290,273
Total Liabilities and Fund Equity	\$1,063,845	\$1,580,813	\$2,644,658

THE CITY OF NEWARK, OHIO
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2000

	<u>Insurance</u>	<u>Workers' Compensation</u>	<u>Totals</u>
<u>Operating Revenues:</u>			
Charges for Services	\$2,354,755	\$350,941	\$2,705,696
Other Operating Revenues	43,478	159,769	203,247
Total Operating Revenues	<u>2,398,233</u>	<u>510,710</u>	<u>2,908,943</u>
<u>Operating Expenses:</u>			
Personal Services	2,372,716	358,810	2,731,526
Contractual Services	0	13,894	13,894
Total Operating Expenses	<u>2,372,716</u>	<u>372,704</u>	<u>2,745,420</u>
Net Income	25,517	138,006	163,523
Retained Earnings at Beginning of Year	<u>1,033,665</u>	<u>1,093,085</u>	<u>2,126,750</u>
Retained Earnings at End of Year	<u><u>\$1,059,182</u></u>	<u><u>\$1,231,091</u></u>	<u><u>\$2,290,273</u></u>

THE CITY OF NEWARK, OHIO
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2000

	<u>Insurance</u>	<u>Workers' Compensation</u>	<u>Totals</u>
<u>Cash Flows from Operating Activities:</u>			
Cash Received from Quasi-External Operating Transactions From Other Funds	\$2,398,403	\$363,075	\$2,761,478
Cash Payments for Goods and Services	<u>(2,419,761)</u>	<u>(102,221)</u>	<u>(2,521,982)</u>
Net Cash Provided (Used) by Operating Activities	<u>(21,358)</u>	<u>260,854</u>	<u>239,496</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(21,358)	260,854	239,496
Cash and Cash Equivalents at Beginning of Year	<u>1,085,203</u>	<u>1,172,324</u>	<u>2,257,527</u>
Cash and Cash Equivalents at End of Year	<u><u>\$1,063,845</u></u>	<u><u>\$1,433,178</u></u>	<u><u>\$2,497,023</u></u>
<u>Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:</u>			
Operating Income	\$25,517	\$138,006	\$163,523
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities			
Changes in Assets and Liabilities:			
(Increase) Decrease in Accounts Receivable	170	(147,635)	(147,465)
Decrease in Accounts Payable	(47,045)	(79,239)	(126,284)
Increase in Accrued Wages and Benefits	0	349,722	349,722
Total Adjustments	<u>(46,875)</u>	<u>122,848</u>	<u>75,973</u>
Net Cash Provided (Used) by Operating Activities	<u><u>(\$21,358)</u></u>	<u><u>\$260,854</u></u>	<u><u>\$239,496</u></u>

FIDUCIARY FUND TYPES

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.

EXPENDABLE TRUST FUNDS

Parking Lot Fund

To account for funds paid by employees for parking in the City parking lot which is paid to the owner of the lot as rent.

Liability Insurance Trust Fund

To account for funds on deposit for self insurance costs related to elected and appointed officials.

Law Library Fund

To account for funds collected for the remittance of fines and forfeitures to the County Law Library.

Cemetery Open and Close Fund

To account for funds collected and expended in conjunction with the pre-sale of the opening and closing of grave site sales program at Cedar Hill Cemetery.

Cemetery Vault Fund

To account for funds collected and expended in conjunction with the burial vault sales program at Cedar Hill Cemetery.

Veterans Memorial Sidewalk Fund

To account for funds collected for the construction of the Veteran's Sidewalk. The public purchases a brick, has it engraved with the veteran's name and the war in which they served. These bricks are then ceremoniously placed in the Veterans Memorial Sidewalk.

Mary E. Barnes Trust Fund

To account for the funds and investment earnings as stipulated in the bequest. Monies must be used for the Fire Department.

(Continued)

NONEXPENDABLE TRUST FUND

Cemetery Endowment Fund

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

AGENCY FUNDS

Municipal Court Fund

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

Fire Code Fund

To account for funds for insurance payments received and disbursed as agent relative to fire damages incurred by City property owners.

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

Expendable Trust Funds

	Parking Lot	Liability Insurance Trust	Law Library	Cemetery Open and Close	Cemetery Vault
<u>Assets:</u>					
Cash and Cash Equivalents	\$1,568	\$67,322	\$5,602	\$107,020	\$91,055
Investments	0	0	0	0	0
Receivables (net of allowance for doubtful accounts):					
Accounts	196	0	4,793	0	0
Interest	0	0	0	607	461
Restricted Assets:					
Cash and Cash Equivalents	0	0	0	0	0
Investments	0	0	0	0	0
Total Assets	<u>\$1,764</u>	<u>\$67,322</u>	<u>\$10,395</u>	<u>\$107,627</u>	<u>\$91,516</u>
<u>Liabilities and Fund Equity:</u>					
Liabilities:					
Accounts Payable	\$0	\$0	\$4,793	\$0	\$0
Intergovernmental Payables	0	0	0	0	0
Due to Others	0	0	0	0	0
Total Liabilities	<u>0</u>	<u>0</u>	<u>4,793</u>	<u>0</u>	<u>0</u>
Fund Equity:					
Reserved for Encumbrances	0	0	0	0	0
Reserved for Endowments	0	0	0	0	0
Unreserved	1,764	67,322	5,602	107,627	91,516
Total Fund Equity	<u>1,764</u>	<u>67,322</u>	<u>5,602</u>	<u>107,627</u>	<u>91,516</u>
Total Liabilities and Fund Equity	<u>\$1,764</u>	<u>\$67,322</u>	<u>\$10,395</u>	<u>\$107,627</u>	<u>\$91,516</u>

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

		<i>Nonexpendable Trust Fund</i>	<i>Agency Funds</i>		
Veterans Memorial Sidewalk	Mary E. Barnes Trust	Cemetery Endowment	Municipal Court	Fire Code	Totals
\$76,839	\$42,438	\$0	\$0	\$0	\$391,844
0	80,621	0	0	0	80,621
100	0	0	0	0	5,089
384	0	5,774	0	0	7,226
0	0	177,558	301,906	8,010	487,474
0	0	380,460	0	0	380,460
<u>\$77,323</u>	<u>\$123,059</u>	<u>\$563,792</u>	<u>\$301,906</u>	<u>\$8,010</u>	<u>\$1,352,714</u>
\$0	\$0	\$0	\$0	\$0	\$4,793
0	0	0	156,668	0	156,668
0	0	0	145,238	8,010	153,248
0	0	0	301,906	8,010	314,709
1,910	0	0	0	0	1,910
0	0	563,792	0	0	563,792
75,413	123,059	0	0	0	472,303
<u>77,323</u>	<u>123,059</u>	<u>563,792</u>	<u>0</u>	<u>0</u>	<u>1,038,005</u>
<u>\$77,323</u>	<u>\$123,059</u>	<u>\$563,792</u>	<u>\$301,906</u>	<u>\$8,010</u>	<u>\$1,352,714</u>

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

	<i>Expendable Trust Funds</i>			
	Parking Lot	Liability Insurance Trust	Law Library	Cemetery Open and Close
<u>Revenues:</u>				
Charges for Services	\$2,600	\$0	\$116,747	\$21,583
Investment Earnings	0	0	0	6,355
All Other Revenues	0	0	0	0
Total Revenues	<u>2,600</u>	<u>0</u>	<u>116,747</u>	<u>27,938</u>
<u>Expenditures:</u>				
Security of Persons and Property	0	0	0	0
Leisure Time Activities	0	0	0	0
General Government	2,400	20,493	106,574	0
Total Expenditures	<u>2,400</u>	<u>20,493</u>	<u>106,574</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	200	(20,493)	10,173	27,938
<u>Other Financing Sources (Uses):</u>				
Transfers In	0	50,000	0	0
Transfers Out	0	0	0	(7,000)
Total Expenditures	<u>0</u>	<u>50,000</u>	<u>0</u>	<u>(7,000)</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	200	29,507	10,173	20,938
Fund Balance (Deficit) at Beginning of Year	1,564	37,815	(4,571)	86,689
Fund Balance at End of Year	<u>\$1,764</u>	<u>\$67,322</u>	<u>\$5,602</u>	<u>\$107,627</u>

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

<i>Expendable Trust Funds</i>			
Cemetery Vault	Veterans Memorial Sidewalk	Mary E. Barnes Trust	Totals
\$24,677	\$0	\$0	\$165,607
4,507	4,140	6,377	21,379
0	8,895	0	8,895
29,184	13,035	6,377	195,881
0	0	640	640
0	7,405	0	7,405
0	0	0	129,467
0	7,405	640	137,512
29,184	5,630	5,737	58,369
0	0	0	50,000
(8,500)	0	0	(15,500)
(8,500)	0	0	34,500
20,684	5,630	5,737	92,869
70,832	71,693	117,322	381,344
<u>\$91,516</u>	<u>\$77,323</u>	<u>\$123,059</u>	<u>\$474,213</u>

THE CITY OF NEWARK, 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
<u>Municipal Court</u>				
Restricted Assets:				
Cash and Cash Equivalents	\$319,450	\$3,871,893	(\$3,889,437)	\$301,906
Total Assets	<u>\$319,450</u>	<u>\$3,871,893</u>	<u>(\$3,889,437)</u>	<u>\$301,906</u>
Liabilities:				
Intergovernmental Payables	\$259,680	\$2,860,728	(\$2,963,740)	\$156,668
Due to Others	59,770	1,011,165	(925,697)	145,238
Total Liabilities	<u>\$319,450</u>	<u>\$3,871,893</u>	<u>(\$3,889,437)</u>	<u>\$301,906</u>
<u>Fire Code Fund</u>				
Restricted Assets:				
Cash and Cash Equivalents	\$14,468	\$12,000	(\$18,458)	\$8,010
Total Assets	<u>\$14,468</u>	<u>\$12,000</u>	<u>(\$18,458)</u>	<u>\$8,010</u>
Liabilities:				
Due to Others	\$14,468	\$12,000	(\$18,458)	\$8,010
Total Liabilities	<u>\$14,468</u>	<u>\$12,000</u>	<u>(\$18,458)</u>	<u>\$8,010</u>
<u>Totals - All Agency Funds</u>				
Restricted Assets:				
Cash and Cash Equivalents	\$333,918	\$3,883,893	(\$3,907,895)	\$309,916
Total Assets	<u>\$333,918</u>	<u>\$3,883,893</u>	<u>(\$3,907,895)</u>	<u>\$309,916</u>
Liabilities:				
Intergovernmental Payables	\$259,680	\$2,860,728	(\$2,963,740)	\$156,668
Due to Others	74,238	1,023,165	(944,155)	153,248
Total Liabilities	<u>\$333,918</u>	<u>\$3,883,893</u>	<u>(\$3,907,895)</u>	<u>\$309,916</u>

GENERAL FIXED ASSETS ACCOUNT GROUP

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

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

General Fixed Assets

Land	\$621,267
Buildings and Improvements	7,182,929
Land Improvements	3,663,816
Machinery and Equipment	12,726,312
Construction in Progress	<u>178,305</u>
Total General Fixed Assets	<u><u>\$24,372,629</u></u>

Investment in General Fixed Assets

General Fund	\$6,339,004
Special Revenue Funds	5,007,871
Capital Projects Funds	11,478,445
Enterprise Funds	46,483
Bonds	982,580
Grants	369,626
Donated	<u>148,620</u>
Total Investment in General Fixed Assets	<u><u>\$24,372,629</u></u>

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

<u>Function and Activity</u>	<u>Land</u>	<u>Buildings and Improvements</u>	<u>Land Improvements</u>	<u>Machinery and Equipment</u>	<u>Construction in Progress</u>	<u>Total</u>
<u>General Government:</u>						
Mayor	\$0	\$0	\$0	\$8,409	\$0	\$8,409
Auditor	0	0	0	76,240	0	76,240
Treasurer	0	0	0	4,555	0	4,555
Law	0	0	0	103,421	0	103,421
General Administration	471,437	2,171,307	0	593,668	0	3,236,412
Personnel Administration	0	0	0	13,876	0	13,876
Service	0	1,489,965	305,324	197,651	10,162	2,003,102
Engineer	0	0	0	221,932	0	221,932
Information System	0	0	0	208,566	72,812	281,378
Public Safety	0	0	21,608	145,875	0	167,483
Income Tax	0	0	0	126,716	0	126,716
Code Administration	0	0	0	380,653	0	380,653
Council/Clerk	0	0	3,987	10,684	0	14,671
Municipal Court	0	0	3,800	146,330	0	150,130
Clerk of Court	0	0	4,607	118,344	0	122,951
General Storage	0	0	0	9,224	0	9,224
Total	<u>471,437</u>	<u>3,661,272</u>	<u>339,326</u>	<u>2,366,144</u>	<u>82,974</u>	<u>6,921,153</u>
<u>Security of Persons and Property:</u>						
Police	0	201,889	0	1,863,550	5,100	2,070,539
Fire	0	395,385	0	3,508,387	0	3,903,772
Animal Control	0	0	0	33,645	0	33,645
Total	<u>0</u>	<u>597,274</u>	<u>0</u>	<u>5,405,582</u>	<u>5,100</u>	<u>6,007,956</u>
<u>Transportation:</u>						
Street	0	1,427,281	1,270,148	2,097,793	0	4,795,222
Traffic Control	0	180,475	14,023	1,257,267	0	1,451,765
Total	<u>0</u>	<u>1,607,756</u>	<u>1,284,171</u>	<u>3,355,060</u>	<u>0</u>	<u>6,246,987</u>
<u>Public Health and Welfare:</u>						
Health	0	0	0	248,404	0	248,404
Cemetery	0	564,173	579,353	244,851	0	1,388,377
Total	<u>0</u>	<u>564,173</u>	<u>579,353</u>	<u>493,255</u>	<u>0</u>	<u>1,636,781</u>
<u>Leisure Time Activities:</u>						
Recreation/Seniors	0	743,753	1,026,849	667,772	90,231	2,528,605
<u>Community Environment:</u>						
Economic and Community Development	149,830	8,701	434,117	438,499	0	1,031,147
Total General Fixed Assets	<u>\$621,267</u>	<u>\$7,182,929</u>	<u>\$3,663,816</u>	<u>\$12,726,312</u>	<u>\$178,305</u>	<u>\$24,372,629</u>

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

Function and Activity	Restated December 31, 1999	Transfers	Additions	Deletions	December 31, 2000
General Government:					
Mayor	\$6,828	\$0	\$1,581	\$0	\$8,409
Auditor	63,576	0	12,664	0	76,240
Treasurer	4,555	0	0	0	4,555
Law	82,717	0	20,704	0	103,421
General Administration	3,236,412	0	0	0	3,236,412
Personnel Administration	11,051	0	2,825	0	13,876
Service	1,641,947	11,500	349,655	0	2,003,102
Engineer	205,602	0	16,330	0	221,932
Information System	144,915	0	136,463	0	281,378
Public Safety	167,483	0	0	0	167,483
Income Tax	113,022	0	13,694	0	126,716
Code Administration	366,592	(34,500)	48,561	0	380,653
Council/Clerk	13,090	0	1,581	0	14,671
Municipal Court	122,920	0	27,210	0	150,130
Clerk of Court	91,315	0	31,636	0	122,951
General Storage	9,224	0	0	0	9,224
Total	<u>6,281,249</u>	<u>(23,000)</u>	<u>662,904</u>	<u>0</u>	<u>6,921,153</u>
Security of Persons and Property:					
Police	1,929,583	(10,415)	151,371	0	2,070,539
Fire	3,778,176	21,915	109,681	(6,000)	3,903,772
Animal Control	33,645	0	0	0	33,645
Total	<u>5,741,404</u>	<u>11,500</u>	<u>261,052</u>	<u>(6,000)</u>	<u>6,007,956</u>
Transportation:					
Street	4,713,124	0	82,098	0	4,795,222
Traffic Control	1,363,084	0	88,681	0	1,451,765
Total	<u>6,076,208</u>	<u>0</u>	<u>170,779</u>	<u>0</u>	<u>6,246,987</u>
Public Health and Welfare:					
Health	227,905	0	20,499	0	248,404
Cemetery	1,360,442	0	27,935	0	1,388,377
Total	<u>1,588,347</u>	<u>0</u>	<u>48,434</u>	<u>0</u>	<u>1,636,781</u>
Leisure Time Activities:					
Recreation/Seniors	2,444,727	0	83,878	0	2,528,605
Community Environment:					
Economic and Community Development	855,242	11,500	164,405	0	1,031,147
Total General Fixed Assets	<u>\$22,987,177</u>	<u>\$0</u>	<u>\$1,391,452</u>	<u>(\$6,000)</u>	<u>\$24,372,629</u>

STATISTICAL SECTION

STATISTICAL TABLES

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

THE CITY HAS HAD NO GENERAL OBLIGATION DEBT SUPPORTED BY PROPERTY TAXES IN THE LAST TEN YEARS.

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

Year	Security of Persons and Property	Public Health and Welfare	Leisure Time Activities	Community Environment	Trans- portation	General Government	Capital Outlay	Debt Service	Other	Total
1991	\$5,838,556	\$795,870	\$347,793	\$491,734	\$1,676,569	\$3,219,171	\$2,653,641	\$1,280,188	\$898	\$16,304,420
1992	6,332,044	853,583	350,192	1,298,101	1,854,481	3,288,181	1,105,083	48,988	16,262	15,146,915
1993	7,713,385	1,099,367	426,933	1,533,631	1,893,073	3,804,762	1,054,286	105,466	4,361	17,635,264
1994	8,492,541	1,282,929	531,287	1,957,799	2,176,313	4,177,519	1,991,830	66,648	0	20,676,866
1995	9,431,101	1,421,765	605,105	2,334,463	2,253,170	4,385,345	1,793,577	77,114	0	22,301,640
1996	9,966,142	1,426,893	663,154	2,113,796	2,562,421	4,780,328	3,040,874	68,617	0	24,622,225
1997	10,713,937	1,530,374	719,179	2,927,923	2,851,409	5,486,454	2,203,024	97,534	0	26,529,834
1998	11,633,701	1,553,417	741,535	2,676,503	3,354,548	5,813,884	3,770,552	243,060	0	29,787,200
1999	12,060,959	1,987,846	781,835	2,496,316	3,009,431	6,136,903	3,054,466	220,659	0	29,748,415
2000	12,401,045	2,028,556	774,609	2,518,321	2,711,224	6,150,877	2,244,604	370,938	0	29,200,174

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

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

Year	Taxes	Inter-Governmental Revenues	Charges for Services	Licenses Permits and Fees	Investment Earnings	Fines and Forfeitures	All Other (2)	Total
1991	\$9,821,940	\$3,936,242	\$324,157	\$301,200	\$515,697	\$811,657	\$545,695	\$16,256,588
1992	10,308,754	3,706,906	974,041	370,047	341,163	879,661	228,299	16,808,871
1993	10,600,658	4,181,369	862,587	742,995	345,950	974,474	265,253	17,973,286
1994	11,835,621	5,141,325	814,898	908,492	522,855	1,174,435	327,426	20,725,052
1995	12,684,928	5,235,576	860,328	939,535	899,859	1,151,498	429,529	22,201,253
1996	13,355,337	5,472,602	930,694	1,117,447	890,480	1,123,630	755,538	23,645,728
1997	a 12,443,486	9,346,877	1,036,442	1,097,596	998,319	1,130,498	547,107	26,600,325
1998	a 13,445,961	8,801,081	1,161,337	1,127,598	1,203,931	1,138,238	425,535	27,303,681
1999	a 13,672,911	8,718,932	1,137,543	1,395,993	941,367	1,393,728	517,833	27,778,307
2000	a 14,460,762	10,529,901	1,230,212	1,422,641	1,139,430	1,686,475	511,222	30,980,643

a - Includes State Levied Shared Taxes Reclassified to Intergovernmental Revenue

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

(2) Includes Special Assessment Revenue

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

<u>Collection Year</u>	<u>Total Tax Levy</u>	<u>Current Tax Collections</u>	<u>Delinquent Tax Collections</u>	<u>Total Tax Collections</u>	<u>Percent of Total Tax Collections To Tax Levy</u>	<u>Accumulated Outstanding Delinquent Taxes</u>	<u>Percentage of Accumulated Delinquent Taxes To Total Tax Levy</u>
1991	\$1,457,598	\$1,413,097	\$52,063	\$1,465,160	100.52%	\$107,200	7.35%
1992	1,598,538	1,460,776	47,051	1,507,827	94.33%	90,711	5.67%
1993	1,669,638	1,508,011	37,688	1,545,699	92.58%	92,843	5.56%
1994	1,795,406	1,664,873	21,863	1,686,736	93.95%	108,670	6.05%
1995	1,875,192	1,720,975	61,681	1,782,656	95.07%	92,536	4.93%
1996	1,901,242	1,743,776	44,140	1,787,916	94.04%	113,326	5.96%
1997	2,095,194	1,853,950	76,066	1,930,016	92.12%	165,178	7.88%
1998	2,186,175	2,000,609	113,781	2,114,390	96.72%	71,785	3.28%
1999	2,206,090	2,047,102	63,525	2,110,627	95.67%	95,463	4.33%
2000	2,550,578	2,301,964	68,661	2,370,625	92.94%	179,453	7.04%

Source: Licking County Auditor

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

<u>Year Paid</u>	<u>Amount</u>
1991	\$191,250
1992	219,595
1993	190,937
1994	224,000
1995	225,349
1996	224,837
1997	196,866
1998	307,741
1999	265,716
2000	223,432

Source: Licking County Auditor

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

Tax Year	Real Property		Public Utility Personal		Tangible Personal Property		Total		Assessed Value as a Percent of Actual Value
	Assessed	Actual	Assessed	Actual	Assessed	Actual	Assessed	Actual	
1991	\$316,892,620	\$905,407,490	\$32,299,970	\$32,299,970	\$52,798,890	\$203,072,654	\$401,991,480	\$1,140,780,114	35.24%
1992	323,825,780	925,216,514	32,700,390	32,700,390	56,796,600	218,448,461	413,322,770	1,176,365,365	35.14%
1993	365,153,660	1,043,296,171	33,655,540	33,655,540	53,261,460	213,045,840	452,070,660	1,289,997,551	35.04%
1994	379,045,450	1,082,987,000	34,130,590	34,130,590	59,550,790	238,203,160	472,726,830	1,355,320,750	34.88%
1995	388,820,020	1,110,914,340	33,824,680	33,824,680	61,258,690	245,034,760	483,903,390	1,389,773,780	34.82%
1996	436,671,260	1,247,632,171	32,818,540	32,818,540	62,237,040	248,948,160	531,726,840	1,529,398,871	34.77%
1997	447,201,930	1,277,719,800	32,416,900	32,416,900	61,655,510	246,622,040	541,274,340	1,556,758,740	34.77%
1998	466,676,380	1,333,361,086	32,510,910	32,510,910	63,618,490	254,473,960	562,805,780	1,620,345,956	34.73%
1999	545,493,340	1,558,522,400	29,461,150	29,461,150	59,564,470	238,257,888	634,518,960	1,826,241,438	34.74%
2000	554,376,620	1,583,933,200	31,010,390	31,010,390	69,314,670	277,258,680	654,701,680	1,892,202,270	34.60%

Source: Licking County Auditor

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

Collection Year	General Fund	Police Pension	Fire Pension	Total City	Newark City School District	Vo-Ed School	Licking County	Total
1991	3.10	0.30	0.30	3.70	36.10	2.80	7.00	49.60
1992	2.60	0.30	0.30	3.20	35.90	2.80	7.20	49.10
1993	3.10	0.30	0.30	3.70	47.80	2.00	7.20	60.70
1994	3.10	0.30	0.30	3.70	48.00	2.00	7.20	60.90
1995	3.10	0.30	0.30	3.70	48.00	2.00	6.70	60.40
1996	3.10	0.30	0.30	3.70	48.00	2.00	7.20	60.90
1997	3.10	0.30	0.30	3.70	49.00	2.00	7.20	61.90
1998	3.10	0.30	0.30	3.70	49.00	2.00	7.20	61.90
1999	3.10	0.30	0.30	3.70	49.00	2.00	7.20	61.90
2000	3.10	0.30	0.30	3.70	49.00	2.00	7.20	61.90

Source: Licking County Auditor

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

<u>Collection Year</u>	<u>Amount Billed</u>	<u>Amount Collected</u>	<u>Percent Collected</u>
1991	\$23,939	\$19,456	81.27%
1992	40,214	28,253	70.26%
1993	118,002	30,298	25.68%
1994	116,730	34,993	29.98%
1995	106,797	20,858	19.53%
1996	120,684	19,104	15.83%
1997	132,623	15,615	11.77%
1998	64,257	50,379	78.40%
1999	175,546	51,610	29.40%
2000	157,845	49,680	31.47%

Source: Licking County Auditor

This table reflects only those special assessments collected through the County Auditor's office. It does not reflect lump sum payments received by the City.

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

	<u>Total Debt</u>	<u>Unvoted Debt</u>
Net Assessed Valuation	\$654,701,680	\$654,701,680
Legal Debt Limitation (%) (1)	10.50%	5.50%
Legal Debt Limitation (\$) (1)	68,743,676	36,008,592
City Debt Outstanding (2)	795,000	795,000
Less: Applicable Debt Service Fund Amounts	<u>(72,182)</u>	<u>(72,182)</u>
Net Indebtedness Subject to Limitation	<u>722,818</u>	<u>722,818</u>
Legal Debt Margin	<u><u>\$68,020,858</u></u>	<u><u>\$35,285,774</u></u>

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

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

THE CITY OF NEWARK, OHIO
COMPUTATION OF ALL DIRECT AND OVERLAPPING
GENERAL OBLIGATION BONDED DEBT
DECEMBER 31, 2000

<u>Jurisdiction</u>	<u>Net Debt Outstanding (1)</u>	<u>Percentage Applicable to City of Newark (2)</u>	<u>Amount Applicable to City of Newark</u>
Direct			
City of Newark	\$0	100.00%	\$0
Overlapping Subdivisions			
Licking County	15,282,138	24.95%	<u>3,812,893</u>
		Subtotal	<u>3,812,893</u>
		Total	<u><u>\$3,812,893</u></u>

(1) Does not include G.O. Notes or Self-Supporting General Obligation Bonds and Notes

(2) The percentage of gross indebtedness of the City's overlapping political subdivisions was determined by dividing each overlapping subdivision's assessed value within the City by its total assessed value

THE CITY OF NEWARK, OHIO
REVENUE BOND COVERAGE - WATER MORTGAGE BONDS
LAST TEN YEARS

<u>Year</u>	<u>Gross Revenues (1)</u>	<u>Direct Operating Expenses (2)</u>	<u>Net Revenue Available For Debt Service</u>	<u>Debt Service Requirement (3)</u>	<u>Coverage</u>
1991	\$2,379,143	\$1,700,240	\$678,903	\$189,344	3.59
1992	2,391,124	1,967,568	423,556	185,759	2.28
1993	4,350,458	2,725,573	1,624,885	186,919	8.69
1994	4,705,358	2,421,716	2,283,642	0	0.00
1995	5,617,933	2,719,011	2,898,922	0	0.00
1996	5,298,452	5,127,848	170,604	0	0.00
1997	5,291,336	2,953,772	2,337,564	0	0.00
1998	5,234,003	3,580,942	1,653,061	0	0.00
1999	5,147,493	3,873,057	1,274,436	0	0.00
2000	5,896,780	3,536,451	2,360,329	0	0.00

- (1) Gross revenues include total operating revenues plus investment earnings
- (2) Direct operating expenses include total operating expenses less depreciation
- (3) 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

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

<u>Year</u>	<u>Population (1)</u>		<u>School Enrollment (2)</u>	<u>Unemployment Rate (3)</u>
1991	44,274	(a)	7,903	7.2%
1992	44,389	(b)	8,998	6.9%
1993	44,489	(b)	9,098	5.7%
1994	45,000	(b)	9,083	4.8%
1995	45,200	(b)	8,958	4.4%
1996	47,450	(b)	8,800	3.6%
1997	47,450	(b)	8,796	3.6%
1998	47,450	(b)	8,561	3.5%
1999	47,450	(b)	8,553	3.6%
2000	47,450	(b)	8,605	3.6%

(1) Source: U.S. Bureau of Census of Population:
(a) Federal 1990 Census; (b) Estimated

(2) Source: Newark School District, Board of Education and Newark Catholic Schools

(3) Source: Chamber of Commerce

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

<u>Year</u>	<u>Residential (1)</u>		<u>Commercial (1)</u>	
	<u>Number of Permits</u>	<u>Property Value</u>	<u>Number of Permits</u>	<u>Property Value</u>
1991	110	\$12,301,924	5	\$12,610,000
1992	114	12,787,353	23	8,037,276
1993 (1)	429	31,444,936	95	30,151,432
1994 (1)	697	60,845,498	109	71,726,798
1995 (1)	1,043	72,176,209	261	39,344,585
1996 (1)	1,221	95,728,246	303	80,200,535
1997	99	13,055,561	79	38,499,362
1998	92	11,672,688	70	20,806,181
1999 (1)	309	10,406,592	220	12,426,605
2000	341	20,026,283	225	27,740,302

Source: City of Newark Building Department
(1) Includes all of Licking County

THE CITY OF NEWARK, OHIO
PRINCIPAL TAXPAYERS (PROPERTY TAX)
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. Ohio Power Company	Public Utility	\$16,147,640	2.47%
2. Alltel Ohio, Inc.	Public Utility	6,446,870	0.98%
3. State Farm Mutual Auto Insurance	Insurance	5,593,430	0.85%
4. The Energy Cooperative	Public Utility	5,017,300	0.77%
5. Southgate Limited Partnership	Real Estate	2,424,370	0.37%
6. Owens Corning, Inc.	Manufacturing	3,311,000	0.51%
7. Columbia Gas of Ohio	Public Utility	3,198,890	0.49%
8. Health Care Property Investors, Inc.	Real Estate	2,266,430	0.34%
9. Holophane, Inc	Manufacturing	1,747,550	0.27%
10. Two Holdings, Inc.	Real Estate	1,609,510	0.25%
	Sub-Total	47,762,990	7.30%
	All Others	606,938,690	92.70%
	Total	<u>\$654,701,680</u>	<u>100.00%</u>

Source: Licking County, Ohio: County Auditor and Treasurer

THE CITY OF NEWARK, OHIO
PRINCIPAL EMPLOYERS
DECEMBER 31, 2000

<u>Employer</u>	<u>Number of Employees</u>
1. Owens Corning Fiberglas	1,620
2. Licking County	1,150
3. Licking Memorial Hospital	1,128
4. Anomatic Corporation	959
5. Newark Board of Education	949
6. Central Ohio Technical College / OSU - Newark Branch	903
7. State Farm Insurance	900
8. Meijer, Inc.	702
9. Holophane, Inc.	520
10. Longaberger Corporation	520

Source: City of Newark Income Tax Department

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

Date of Incorporation	1826	Police Services:		Water System:	
Form of Government	Charter	Number of Stations	5	Number of Purification Plants	1
Area (square miles)	19.04	Number of Police Personnel and Officers	91	Miles of Water Mains	193
Facilities and Services:		Number of Patrol Units	20	Number of Fire Hydrants	1,630
Miles of Streets	204	Number of Law Violations: Criminal Juvenile Citations and Charges	1,421	Number of Service Connections	17,268
Number of Street Lights (per American Electric Power and Licking Rural Electric)	3,322	Traffic Citations Issued	1,872	Average Daily Consumption (Gallons)	8.1M
Recreation and Culture:		Parking Tickets Written	1,716	Maximum Daily Capacity of Plant (Gallons)	15M
Number of Parks	34	Fire/Emergency Medical Services:		Sewerage System:	
Park Area (acres)	1,324	Number of Stations	4	Number of Treatment Plants	1
Number of Ball Fields:		Number of Fire Personnel and Officers	77	Miles of Sanitary Sewers	177
Lighted	2	Number of Calls Answered	10,111	Miles of Storm Sewers	86
Unlighted	8	Number of Inspections	1,070	Number of Service Connections	15,017
Number of Libraries (Operated by Licking County)	2	Parking Facilities:		Average Daily Treatment (Gallons)	8.02M
Number of Cemeteries	1	Off-Street Parking Garages	1	Maximum Daily Capacity of Treatment (Gallons)	26M
Cemetery Area (Acres)	118	Parking Levels	2	Education: *	
Hospitals:		Parking Spaces	184	Elementary Schools	21
Number of Hospitals	1	Off-Street Parking Lots	3	Elementary School Students	6,196
Number of Patient Beds	185	Parking Spaces	1,379	Elementary School Instructors	407
Number of Bassinets	25	On-Street Parking Meters	373	Secondary Schools	2
		Average Daily Cars Parked	1,286	Secondary School Students	2,396
				Secondary School Instructors	162
				Colleges	2
				College Students	3,220

* Total School District data provided by the Newark School District, Newark Catholic Schools and other private schools

**CITY OF NEWARK
LICKING COUNTY
SCHEDULE OF FEDERAL AWARDS EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2000**

Federal Grantor/ Sub-Grantor Program Title	Pass Through Entity Number	Federal CFDA Number	Receipts	Non-Cash Receipts	Disbursements	Non-Cash Disbursements
<u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT:</u>						
(Direct Award)						
Community Development Block Grant	B00-MC-39-0024	14.218	\$ 1,153,270	\$ -	\$ 1,013,131	\$ -
HOME Investment Partnership Program	A-C-00-293-2	14.239	<u>119,007</u>	-	<u>265,539</u>	-
Total U.S. Department of Housing and Urban Development			1,272,277	-	1,278,670	-
<u>U.S. DEPARTMENT OF TRANSPORTATION:</u>						
Pass through Ohio Department of Transportation						
Highway Planning and Construction	LPA 9743/9118	20.205	78,856	-	106,838	-
Federal Transit Capital/Operating Grant	OH-90-X358-00	20.507	285,721	-	285,721	-
State and Community Highway Safety	45032AD0	20.600	<u>62,319</u>	-	<u>58,540</u>	-
Total U.S. Department of Transportation			426,896	-	451,099	-
<u>U.S. DEPARTMENT OF JUSTICE:</u>						
(Direct Award)						
Local Law Enforcement Block Grant	2000-LB-BX-0365	16.592	91,850	-	40,448	-
Public Safety Partnership/Policing Grants	96CMWX0760	16.710	91,708	-	96,487	-
Bulletproof Vest Partnership		16.607	1,198	-	1,198	-
Pass through Ohio Department of Justice						
Edward Bryne Memorial Grant	00-06-B01-719C	16.58	<u>34,618</u>	-	<u>47,171</u>	-
Total U.S. Department of Justice			219,374	-	185,304	-
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES:</u>						
Pass through Ohio Department of Health						
Immunization Action Plan	45201PAZ392	93.268	41,225	-	34,735	-
Dental Sealant Plan	45201FAJ320	93.994	<u>53,989</u>	-	<u>43,019</u>	-
Total U.S. Department of Health and Human Services			<u>95,214</u>	-	<u>77,754</u>	-
Total Federal Awards Expenditures			<u>\$ 2,013,761</u>	<u>\$ -</u>	<u>\$ 1,992,827</u>	<u>\$ -</u>

See notes to Schedule of Federal Awards Expenditures.

**CITY OF NEWARK
LICKING COUNTY**

NOTES TO SCHEDULE OF FEDERAL AWARDS EXPENDITURES

NOTE A – Significant Account Policies

The accompanying schedule of federal awards expenditures is a summary of the activity of the City's federal awards programs. The schedule has been prepared on the cash basis of accounting.

**WOLFE, WILSON, & PHILLIPS, INC.
37 SOUTH SEVENTH STREET
ZANESVILLE, OHIO 43701**

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

Honorable Mayor and Members of City Council
City of Newark
Newark, Ohio 43055

We have audited the general-purpose financial statements of City of Newark as of and for the year ended December 31, 2000, and have issued our report thereon dated May 17, 2001. 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.

Compliance

As part of obtaining reasonable assurance about whether City of Newark's general-purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*. However, we noted certain immaterial instances of noncompliance which we have reported to management of the City of Newark in a separate letter dated May 17, 2001.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered City of Newark's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general-purpose financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the 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.

This report is intended for the information of the Mayor, City Council, the Auditor of State, federal award agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

**Wolfe, Wilson, & Phillips, Inc.
Zanesville, Ohio
May 17, 2001**

**WOLFE, WILSON, & PHILLIPS, INC.
37 SOUTH SEVENTH STREET
ZANESVILLE, OHIO 43701**

**REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL
CONTROL OVER COMPLIANCE IN
ACCORDANCE WITH *OMB CIRCULAR A-133***

Honorable Mayor and Members of City Council
City of Newark
Newark, Ohio 43055

Compliance

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

We conducted our audit of compliance in accordance with generally accepted auditing standards; 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 with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Newark 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 Newark compliance with those requirements.

In our opinion, Newark complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended December 31, 2000.

Internal Control Over Compliance

The management of Newark 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 Newark'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*.

Internal Control Over Compliance (Continued)

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 internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended for the information of the Mayor, City Council, the Auditor of State, federal award agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Wolfe, Wilson, & Phillips, Inc.
Zanesville, Ohio
May 17, 2001

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A – 133 SECTION .505**

**FINANCIAL CONDITION
CITY OF NEWARK
DECEMBER 31, 2000**

1. AUDITOR’S RESULTS

<i>(d)(1)(I)</i>	Type of Financial Statement Opinion	Unqualified
<i>(d)(1)(ii)</i>	Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	NO
<i>(d)(1)(II)</i>	Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?	NO
<i>(d)(1)(iii)</i>	Was there any reported non-compliance at the financial statement level (GAGAS)?	NO
<i>(d)(1)(iv)</i>	Were there any material internal control weakness conditions reported for major federal programs?	NO
<i>(d)(1)(iv)</i>	Were there any other reportable internal control weakness conditions reported for major federal programs?	NO
<i>(d)(1)(v)</i>	Type of Major Programs’ Compliance Opinion	Unqualified
<i>(d)(1)(vi)</i>	Are there any reportable findings under section .510?	NO
<i>(d)(1)(vii)</i>	Major Programs (List):	Community Development Block Grant CFDA #14.218
<i>(d)(1)(viii)</i>	Dollar Threshold: Type A\B	Type A: >\$300,000 Type B: all others
<i>(d)(1)(ix)</i>	Low Risk Auditee?	Yes

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

NONE

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

NONE



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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

CITY OF NEWARK

LICKING 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 31, 2001**