

City Of Norwood, Ohio

Comprehensive Annual Financial Report

For the year Ended December 31, 1999



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Prepared by
Donnie R. Jones, CPA
City Auditor

**CITY OF NORWOOD
COMPREHENSIVE ANNUAL FINANCIAL REPORT
YEAR ENDED DECEMBER 31, 1999**

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Introductory Section



Donnie R. Jones, CPA
City Auditor

Janet Kennedy
Deputy Auditor

4645 Montgomery Road
Norwood, Ohio 45212
Ph. 513-458-4570
Fax 513-458-4571

May 19, 2000

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

Dear Citizens:

We are pleased to submit the Comprehensive Annual Financial Report (CAFR) for the City of Norwood for the year ended December 31, 1999. This is the sixth CAFR issued by the City of Norwood. This report is prepared by the City's Auditor's Office, which is responsible for both the accuracy of the data and the completeness and fairness of its presentation, including disclosures. We believe that the information presented is accurate in all material respects and reported in a manner designed to show the financial position and operating results of the City.

Norwood's 1999 CAFR is presented in three sections: Introductory, Financial, and Statistical. The Introductory section, which provides information on the general contents of the report, contains this letter of transmittal, a list of public officials, and an organization chart of the City government. The financial section is comprised of the auditor's report, the general purpose financial statements, the combining financial statements and the schedules. The Statistical section provides various economic and demographic data about the City, generally on a multi-year basis.

The City is the only governmental unit in the reporting entity. The entity contains one blended-component unit - The Norwood Retirees C-9 Trust. In determining what constitutes the City reporting entity, the criteria established by the Governmental Accounting Standards Board were used. Under these criteria the Norwood Retirees C-9 Trust was considered a blended-component unit. We did not find the City to be financially accountable for any other potential component units. The Norwood City School District is not a part of the reporting entity as it is a separate governmental jurisdiction that overlaps the City's boundaries. This entity is not included in the City's financial reports.

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

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"Gem of The Highlands"

ECONOMIC CONDITION AND OUTLOOK

The City of Norwood is completely surrounded by the City of Cincinnati and is considered part of the "Greater Cincinnati Area". According to the Greater Cincinnati Chamber of Commerce in its 1999 Growth Report, "Greater Cincinnati is fortunate to have a diverse economy - it's like a smart investor having a diverse investment portfolio," said Bill Robinson, chairman for Greater Cincinnati. "With growth throughout varying industries, and with an influx of investment from foreign-owned firms, our economy stands poised for strong development for many years to come." According to the Greater Cincinnati Chamber of Commerce in its 2000 Economic Outlook, "as has been the case over the past year, consumer spending continues to be the engine propelling the economy. Retail sales growth has been quite strong." Outstanding air service with the Cincinnati/Northern Kentucky international airport and Lunken Airport along with several small airports in the greater Cincinnati area and extraordinary quality of life are strong factors in positioning the region for solid economic growth into 2000 and beyond. Norwood is home to one of the areas most successful retail shopping centers. The Greater Cincinnati economy continues to grow at a steady pace. The unemployment is projected to be approximately 3.3% for the greater Cincinnati area which is lower than the National employment rate of 4.3%. Employment growth is projected to be slightly lower than national average. However, the employment outlook is still expected to grow in 2000 at a rate of 1.8%. Greater Cincinnati's diversified economy, competitive cost structure, international airport, and access to national markets provide the right environment for attracting new businesses as well as a strong foundation for future growth. In 1999, the greatest employment gains have been occurring in the following sectors; Wholesale Trade (2.8%); Finance, Insurance and Real Estate (2.9%); Retail Trade (3.0%) and Service (3.6%). Non-Agricultural Employment in the 13-county Greater Cincinnati area grew 2.3% in 1999. In a comparison with eleven other Metropolitan Statistical Areas in Ohio, using information provided by the Ohio Bureau of Employment Services, Greater Cincinnati's 1999 average unemployment rate of 3.3% was the second lowest in the state of Ohio. The State and National rates in 1999 were 4.2% and 4.3% respectively.

Norwood's solid employment growth should continue in 2000. Creation of new jobs by increased commercial and retail development and continued stability of existing employers are expected to lead to an increase in total wages at a rate more than double the rate of inflation. Total wages earned in Norwood are expected to experience an overall growth rate of 5% in 2000 as newly constructed commercial properties are fully leased and several large local employers add new jobs to their local facilities. Greater Cincinnati's Economic outlook is positive and Norwood's strategic central location and the availability of a large undeveloped tract of prime commercial land will assure no slow down in the already high levels of commercial construction and development. Located along the Norwood Lateral which links Interstates 71 and & 75, the City continues to be a desirable location for business relocation and continued commercial and retail development.

MAJOR INITIATIVES

During 1999, the City has continued the significant changes to the administration of City programs instituted in 1996. By building closer ties to the neighborhoods, and emphasizing the long term improvement of City services and infrastructure the City has focused on improving the quality of life for all of its Citizens. Programs for Economic Development, Safety, Public Health, infrastructure improvements and other critical issues have contributed to the improvement of the City's condition and outlook. While it is not possible to describe all the major initiatives and accomplishments that have occurred during 1999, the following areas are of particular interest.

Auditor's Office - During 1999 for the fifth consecutive year the City Auditor was awarded "The Auditor's Award" by State of Ohio Auditor Jim Petro. This award recognizes the City Auditor's office "outstanding commitment to the highest standards of financial reporting". The Auditor's office is committed to continue efforts to provide unbiased, timely and accurate financial information to Norwood

Citizens, City Administration and City Council in order to help assure a prosperous and fiscally solvent future for our City.

The "Year 2000 Issue" was one of the most serious challenges in recent history facing both the public and private sectors. Because of concern for the possibility of computer program failures and loss of valuable data stored on computers, many steps were taken to ensure that there would be no "Y2K" glitches. The objective was to ensure that all software and hardware used by the City Auditor's office was fully tested to be "Y2K Compliant" well before the year 2000 in order to insure uninterrupted service to the citizens of Norwood well past the year 2000. The Auditor's office had no problems when the year changed from 1999 to 2000. All systems worked and there were no computer failures. All valuable data has been preserved.

Law Department - The most important duties of the Law Department are to advise the various City officials, departments and boards in a way that assists them in complying with both Ohio and Federal law. To the extent that the Law Department provides sound legal advice, and the City officials, departments, and boards follow that advice, fewer claims and law suits tend to be made and filed against the City of Norwood. For example, the Law Department has focused on the way in which public contracts are let for bid and entered into by the City of Norwood. Cooperation from all City of Norwood departments has resulted in far fewer claims being made against the City of Norwood for alleged irregularities in the bid process and fewer claims for breach of contract. The Law Department continues to draft most of the contracts that the City of Norwood enters into, and gladly reviews any proposed contracts.

The Law Department has continued to participate in the Rapid Response Program which was initiated in 1996 involving any employee discipline, sexual harassment allegations, etc. This Rapid Response Program has been coordinated well with the ongoing implementation and enforcement of the City's Sexual Harassment Policy.

The Law Department was headed by City Law Director Mr. Timothy A. Garry, Jr. and assisted by Attorney Stacy M. Wall. Both the Law Director and the Assistant Law Director look forward to another year of progress for the City of Norwood in 2000. During 1999 Mr. Garry, Jr. decided not to run for re-election. Mrs. Victoria Garry did successfully win the election in November 1999 and became the City Law Director as of January 1, 2000.

Economic Development - In 1999, Norwood's economic revitalization continued as construction was begun on the Rookwood Commons project. Rookwood Commons is being developed as a 450,000 square foot mixed-use complex comprised of a 300,000 square foot upscale lifestyle retail center and 150,000 square foot Class-A office building. The Rookwood Commons project is expected to open in the second half of 2000. The completed project is expected to generate in excess of \$500,000 annually in earnings tax revenue to the City of Norwood and in excess of \$250,000 annually in property tax revenue to the Norwood School District.

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

In 1999, the City of Norwood applied for and received Community Development Block Grant (CDBG) funds for the 2000-2002 funding cycle. The approved three year CDBG project funding totals consist of \$44,000 in assistance to the Norwood Service League (\$14,667 per year), \$30,000 for youth dental service (\$10,000 per year) \$100,000 for improvements to the Duck Creek Road/Avilla Place Alley (FY 2000), \$50,000 for the purchase of a handicapped-accessible Senior Center transport vehicle (FY2001),

and \$325,000 for street improvements (FY2002).

Fire Department - During 1999, through its Fire Suppression Forces, Emergency Medical Services, Bureau of Fire Safety, Arson Investigation, Training Division and Public Education Programs the Norwood Fire Department continued its dedication to the preservation of life, property, and the reduction of injuries.

This commitment is carried out with the help and cooperation of all who serve the Norwood Fire Department. The dedication of the people who serve is unquestionable, as these people, day in and day out, provide service and take care of the needs of all the citizens and visitors who pass through the boundaries of the City of Norwood. The Norwood Fire Department is dauntless in their efforts to find new and improved ways to better serve our community and provide the service that the City desires and deserves.

Training and educating the public continue to be a very intergral part of the safety plan developed by the Fire Department for the protection of life and property in the City of Norwood. Ongoing schools, seminars and continuing education are a major factor in keeping pace with safer and more efficient fire fighting and emergency medical services.

During 1999, the Bureau of Fire Safety, Health and Building Departments worked as a team to provide the City and its citizens a safer place to do business and live. The Fire Department in cooperation with the Bureau continued its effort in block inspecting to identify potential hazards in multifamily residences and small business.

In 1999, Mayor Joseph J Hochbein and Norwood City Council showed their commitment to the Fire Department and citizens by signing a contract that ordered a new Paramedic Unit that will greatly improve the capabilities of the paramedic. Also, some of the other major purchases were new rescue equipment, and a new "intercom/firecom system" which will help in locating either/or civilian and/or fire personnel in a burning building.

Many other improvements were made to the living quarters of the Fire Department as the City provided new furniture and carpet, that was in need of replacement. The future looks very bright for the Fire Department as the City has shown a commitment to purchase new and improved equipment and increase manpower to provide a safer work environment for all who serve.

The spirit of dedication to service and cooperation that exists between the City Administration, Norwood City Council and all the members of the Norwood Fire Department will continue to improve the working and living environment for all of our citizens (Commercial and Residential) in the City of Norwood.

Police Department - 1999 saw the continuation and improvement of projects and programs which began in prior years. They are intended to continue to build strong ties between the City of Norwood Police Division and the community.

The continuation and improvement of Norwood's E-911 communications center continues Norwood's ability to receive, process and dispatch all emergency calls "in-house" providing Norwood citizens emergency response times second to none in the county. The new E-911 system that was installed during 1998 and 1999 is up and running. This new system greatly improved Norwood's ability to handle the ever increasing call volume. In the year 2000 the City intends to expand the E-911 system. This will enable Norwood to handle calls for other communities.

The Police Bike Patrol which began in mid 1996 and expanded in 1997 is a great way to personalize police officers with children in the schools and neighborhood parks, and also, police visibility to the Central Business District. Initially, three (3) officers manned the Bike Patrol and by the end of 1997 this was increased to nine (9) Certified Bike Officers. The Bike Patrol operates from April 1 through October 31. Except for inclement weather, a Bike Officer was on the street nearly every weekday.

The Drug Task Force Unit (which was reinstated in mid 1996) is responsible for a wide range of drug enforcement activities, including cooperative efforts with D.A.R.T and other outside drug enforcement agencies, both inside and outside of Norwood. Norwood's D.A.R.E. program began in late 1996 and has shown substantial growth and results. Through the efforts of Norwood's own D.A.R.E. officer, during 1999, every 5th grade student in participating schools was educated in the D.A.R.E program. A specially marked "D.A.R.E. Police Vehicle" is still in use. This vehicle lends itself to reinforcing the idea of the D.A.R.E. Program.

The Department also administers the City School Crossing Guard Program and the Auxiliary Police Program. These personnel are continuing to receive updated training to better serve the citizens of Norwood. The Auxiliary Police Program was very successful in reducing the amount of vandalism in City parks and playgrounds while providing all parks with a greater sense of safety.

In 1999, City Council continued their commitment to provide the City's Police officers with top of the line equipment. Council approved the purchase of the four (4) new Police Cruisers which will go on line in 2000. Additionally the City has plans of building a new police department and jail facility.

Public Health - Several new programs were instituted in 1999 to expand our outreach into the community both in environmental and health related concerns. Norwood Health department also worked diligently to obtain various grants throughout the year to supplement city funds. We were quite successful in this regard.

In January, Norwood Health Department implemented an office paper-recycling program with funds provided by a grant from Hamilton County Department of Environmental Services. By the end of the year over 5 tons of mixed use office paper had been recycled and diverted from the solid waste land fill. With funds from this same grant Norwood Health Department purchased 25 picnic tables and 10 park benches made of 95% post-consumer recycled plastic. Public Works crews assembled the benches and picnic tables and installed them in various parks throughout the city. It was a welcomed addition to the already improving park equipment program.

With the use of the residential Recycling Incentive Grant, we purchased 10,000 brown paper bags for collection of leaves and yard waste. These bags are available to any Norwood resident free of charge. Proof of residency is required and there is a limit of ten (10) bags per visit. This program has assisted the Public Works Department in the collection of leaves in the fall. We are pleased to be working with the Public Works Department on this joint project.

In April and May 1999, Norwood Health Department once again conducted "Tobacco Compliance Checks" throughout Hamilton County for the second straight year. This was done in cooperation with the Norwood High School Key Club and Honor Society members who were trained in procedures and the conducted the checks on Saturday afternoons. The final results showed that 27% of all vendors surveyed sold to minors.

Food Safety Classes were offered for the first time in 1999. In response to several restaurants having difficulty in maintaining a clean environment, classes were held for employees to improve the food handling, preparation and storage skills. The classes received positive evaluations, and we continue to offer this service free of charge to any Norwood restaurant that wants to improve food-handling practices.

In April 1999, Health Commissioner Donna Laake became a certified child safety seat technician through the Children's Hospital Medical Center and AAA after completing a four day training and testing program. The certification allows Mrs. Laake to safely check car seats installations and offer consultation and advise to parents, grandparents and concerned citizens about the importance of proper car seat installation. Norwood Health Department sponsored the first "CHILD SAFETY DAY" in

Norwood in August 1999 where over 35 cars were checked for proper car seat installation. It was a huge success and had the support and cooperation of several other city departments.

We once again sponsored a Blood Drive with Hoxworth Blood Center in February where the city employees and their families donated on 50 units of blood. This continues to be a "February tradition" at Norwood Health Department, and we invite all concerned citizens to take part in this most important program.

The "Norwood Safe Return" program began in December 1999, as a way of registering Alzheimer's patients or mentally ill persons who might be prone to roam from home. Photographs and pertinent vital information is entered into a computer database where it is readily available should an Alzheimer's patient be found roaming the street. Identification bracelets or necklaces are purchased for the patient as well as clothing tags containing their name and address that can be ironed into their clothes providing another means of identification for a "safe return" to home. This program was made available by a grant from the Norwood Eagles, who consistently support our efforts at Norwood Health Department. We thank them for their continuing support.

Late in the year, we received notice of two outstanding grant awards: a school linked health services grant from the Health Foundation of greater Cincinnati, and a dental grant from Community Development Block Grant Funds to provide dental services in the schools for students preschool through grade 8.

Public Works - As it has been over the last several years, the City Administration has made a renewed emphasis on Public Works within the City of Norwood. As a result, several changes have taken place within the Public Works Department. These changes are aimed at maintaining and improving the City's infrastructure and visual appeal while building close relationships with the citizens of Norwood. The Department emphasizes preventive maintenance and customer service by responding to complaints made by citizens on a daily basis and addressing all complaints within 48 hours.

In 1999, the Public Works Department continued its aggressive campaign in the Street Department to fix the pot holes throughout the City. Several hand tools have been put to good use to provide better service when repairing the streets. The Street Department also began an aggressive cleaning policy aimed at not only cleaning the streets but also the sidewalks and gutter lines as well.

During 1999, the Water Department maintained its service commitments to the residents to make any disruptions in service as short and painless as possible. The Department has an ongoing program to ensure that all of the City's fire hydrants are in service and maintained in good working order. In 1999, the Water Department completed the project which tested and replaced, when necessary, water meters that measure water consumption for all commercial properties located in the City of Norwood. This program was so successful that it will be expanded into 2000 for all residential meters.

During 1999, the Paint Department continued to insure that all mandated street markings and line painting was systematically performed. All crosswalks, double yellows, school zones and other various street markings throughout the City are painted on an annual basis. This is done for the safety of Norwood's citizens.

The Park Department provided the necessary labor to make Norwood's Parks some of the best maintained parks in the general greater Cincinnati area. In 1999, the City continued to provide the equipment so that quality maintenance may be accomplished. Several new pieces of play ground equipment were added in various parks for the children's enjoyment, there were several improvements made in the parks during 1999 but two of the most noticeable improvements are the Gazebo at Victory Park and the improved gardens at Lindner Park. These major improvements along with various new pieces of equipment that have been purchased and the citizen's responses to these changes have been

overwhelming. Our citizens are proud to be able to use the parks for personal enrichment for both individuals and families .

Building Department - The Norwood Building Department is continuing to implement and expand its customer service programs for the Citizens of Norwood. The building department typically is able to review plans submitted within a few days, with a majority of permits able to be issued the same day. Applications, permits, specifications, and other handouts are available at the Building Department Office. All Building Property Maintenance inspectors are available in the office to meet with citizens 8am to 9am and again from 4pm to 5pm, Monday through Friday. In 1999, the Norwood Building Department issued more than 1,500 permits.

The Property Maintenance Division has two certified inspectors, for a total of three full time Property Maintenance Inspectors. Property Maintenance Inspectors endeavor to work cooperatively with other departments and agencies within the City, Hamilton County and the State of Ohio to provide the maximum service to the citizens of Norwood. The Property Maintenance Inspectors through citizen referrals and required block inspections have inspected nearly 2100 properties in 1999. Citizens with questions, concerns, and referrals can call the Building Department's Property Maintenance Division 8am to 5pm, Monday through Friday.

The computer system was upgraded at the end of 1999 and is used for tracking complaints, inspections, permits and order continues to be refined and upgraded. This allows for a quicker and more comprehensive retrieval of records on activities within the City of Norwood.

The Building and Property Maintenance Inspectors continue to advance their knowledge by attending educational seminars to learn of the latest in construction techniques and code enforcement procedures.

The Building Department's goal is always to serve the citizens of Norwood with efficient plan reviews and inspections in order to maintain and improve the structures and properties throughout the City. Achieving this goal will promote fine housing, exceptional recreational facilities and a pleasing work environment, thus increasing the economic and social benefits for all the citizens of Norwood.

Planning Department - The City of Norwood established a Planning Department in June of 1999, with the hiring of a Planning Director. The Planning Director supports the Planning Commission as well as the Board of Zoning Appeals in reviewing applications and proposals for changes in the City of Norwood. The Planning Department also coordinates with the Economic Development Department on some projects. In addition, along with this new department have come a variety of new projects, focusing on the City of Norwood taking an active role in planning for its future.

First, a new comprehensive plan is underway to replace the City of Norwood's 1969 plan. This project began in the Fall of 1999, and will likely continue into 2001. Key components of the plan are data pooling from most City departments as well as outside sources, analysis of this data along with trends at the local and regional levels, and public involvement. Community members have completed a written survey with a 15% response rate (quite respectable for this type of survey), and a series of public meeting are planned as the process continues. The goal of the plan is a review of where the City of Norwood is currently and to map out a path to its desired future.

Second, the City has been able to become more involved in regional planning issues, including a potential light rail line, watershed protection (storm water drainage), and a countywide planning partnership. Given Norwood's strategic location within the region, it is important to be an active participant in these discussions.

Third, the City has begun efforts to revitalize its central commercial corridor, particularly along Montgomery Road. This will necessitate a great deal of private sector participation as well as public involvement and support. A community-based committee has been established, and this committee has begun a review of the issues.

Some updates to the City's zoning code are also under consideration. These are needed to bring the 1985 code into line with current zoning practice. A full review of the zoning code will not be undertaken until completion of the new comprehensive plan, however.

Other activities and issues in which the Planning Department is involved include coordination with the Norwood City Schools in their strategic planning, brownfields (property with either a perceived or real environmental problems) review and redevelopment, housing rehabilitation and increasing home ownership, greenspace, traffic and access management, and response to development pressures in the residential and commercial area in the southwestern part of the City.

Earnings Tax Department - Earnings tax collections are the single largest source of revenue for the City. Total earnings tax collections increased 4.4% in 1999 from the previous year continuing the trend begun in 1990. This increase is attributable to the influx of new business and increased employment levels at existing businesses, as well as, the increased enforcement and collection efforts by the City's Tax Commissioner's office. These efforts have continued in 1999. Because approximately 80% of tax collections come from withholding tax, the City maximizes its enforcement efforts in this area to insure that all businesses doing business in Norwood are on our tax roles and accounted for. The increased emphasis on enforcement efforts for the current and prior years have increased compliance, thereby adding to the yearly revenue increases. Programs used for compliance purposes include: contacts with landlords for tenant lists, additional follow up with State Taxpayer lists provided by the State of Ohio, follow-ups with permits and payment information and contact of new water service applicants using Norwood water utilities and the building department.

Community/Senior Center - The Donald E. Prues Community/Senior Center, located on the corner of Courtland and Carter Avenues, is a multi-service facility which provides recreational, educational, social, and health related activities and services to senior residents, as well as the youth of our community. It also serves as a general meeting facility for many community groups.

The youth of our community have use of the gymnasium and game rooms during the evenings throughout the week, and on Saturday mornings. Several adult groups also use the gymnasium throughout the week.

Senior residents 55 years of age or older may participate in a variety of daily activities which include movies, parties, bingo, dances, speakers, and a congregate meal program which is served Monday through Friday at noon. Monthly blood pressure checks are scheduled in the Senior Lounge with the help of the nurses from the Norwood Health Department. Periodic free eye examination, free hearing screenings, mobile breast imaging, and annual "Senior Health Fair," and other various health screening provide senior residents with opportunities to receive information and services to help improve their general health and welfare.

Other activities for the seniors include an "Elderfitness" exercise class, planned free swimming during the summer and "Chair Volleyball."

The Senior Van is operated Monday through Friday. This provides transportation for the congregate meals program as well as periodic shopping trips to local stores and area shopping malls.

FINANCIAL INFORMATION

Internal Control

The City has established internal accounting controls that provide reasonable assurance that assets are safeguarded, transactions are recorded and reported appropriately, and policies are followed. The

concept of reasonable assurance recognizes that the cost of a control procedure should not exceed the expected benefit. It is our intention to review these controls in depth on an ongoing basis for continued refinements and improvements

Budgetary Control

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

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

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

GENERAL AND SPECIAL REVENUE FUNDS

GENERAL FUND

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

General Fund - Revenues

Income Tax

The 2% locally levied income tax applies to gross salaries, wages and other personal services compensation earned by City residents, and upon earnings of nonresidents earned while working in the City. Credits against the tax are granted for residents employed outside the City. The tax also applies to net income of business organizations derived from business activities conducted in the City. Income tax collections for 1999 were \$9,333,982 an increase of \$393,279 or 4.4% from 1998 levels. Receipts from this tax are directly related to employment levels and general economic conditions in the Greater Cincinnati area. This increase was due to a combination of employment growth within the City and increased collection efforts in 1999.

Property Taxes

Property tax revenues increased 22.1% in 1999 to \$3,353,767 an increase of \$606,367 from 1998 levels. This is based primarily on property reevaluations by the county as mandated by state law, increased business inventories and the addition of several properties onto the Norwood property tax roles.

Admission Tax

Admissions tax collections for 1999 was \$112,838. This is an increase of \$96,767 over 1998 collections. The reason for the large increase is due to one entertainment center paying several years of back taxes. In 2000 admission tax revenue will not be that high.

Intergovernmental Revenue

Included in this revenue category is \$345,910 of Estate Tax received in 1999. A second component of this revenue category is the State of Ohio's Local Government Fund distribution to political subdivisions in the State. The City's share of the 1998 Local Government Funds was \$792,025 compared to \$809,088 for 1999, which is \$17,063 higher in 1999. A third component of the revenue is Hotel and Lodging Tax which was \$22,326 in 1999.

Miscellaneous Revenue

Included in this revenue is \$305,199 of investment income earned on certificate of deposits and investments. This revenue increased \$123,139 as compared to 1998.

The revenues for 1999 compared to 1998 were as follows:

	<u>1999</u>	<u>1998</u>	<u>Increase (Decrease) Amount</u>	<u>Percent</u>
General Fund				
Revenues (Non-GAAP Budgetary Basis)				
Taxes	\$12,800,587	\$11,703,144	\$1,097,443	9.38%
Charges for Services	74,845	87,058	(12,213)	(14.03)%
Intergovernmental Revenues and				
Federal Grants or Aid	1,209,239	1,358,316	(149,077)	(10.98)%
State Grants or Aid	9,236	8,393	843	10.04%
Fines, Licenses & Permits	502,762	481,036	21,726	4.52%
Miscellaneous	<u>447,365</u>	<u>607,420</u>	<u>(160,055)</u>	<u>(26.35)%</u>
TOTAL	<u>\$15,044,034</u>	<u>\$14,245,367</u>	<u>\$798,667</u>	5.61%

General Fund - Expenditures

General Fund expenditures for 1999 increased in all categories except highways and streets and waste removal when compared to 1998. The decrease in expenditures in the area of highways and streets is a direct result of one less employee in the public works department for approximately three months. The decrease in the area of waste removal is a direct result of more efficient waste removal and better use of vendors resources. The increase in the other areas was a direct result of increased emphasis on expanding the programs and services which directly affect citizens. The largest increase in expenditures was in the public safety category. This was the result of increasing the number of police and fire personnel to full complement levels and raising the minimum manpower for the fire department. Additionally, higher wages and benefits of approximately 4% to 4.75% were realized in 1999, which resulted in an increase of \$250,000. It should also be noted that the Auxiliary Police program, which was started in 1997, was expanded in 1999. Total wages paid to them were approximately \$175,500 in 1998 as compared with approximately \$189,500 in 1999 for an increase of \$14,000 in 1999. Police overtime, which was \$266,000 in 1998 and \$305,700 in 1999, increased \$39,700. Fire overtime, which was \$237,900 in 1998 and \$499,700 in 1999, increased \$261,800. This is all in an effort to provide safety to the fire personnel and for the general public safety. The categories of General Government, Community Environment and Public Health, also increased as a result of increased emphasis on these areas within the City Administration. Additional personnel were hired and many new programs were established. Generally all departments saw increases in personnel costs as a result of pay increases that are incorporated in all of the City's union contracts in 1999. The expenditures for 1999 compared to 1998 were as follows:

	<u>1999</u>	<u>1998</u>	<u>Increase (Decrease) Amount</u>	<u>Percent</u>
Expenditures (Non-GAAP Budgetary Basis)				
General Government	\$3,573,900	\$3,266,318	\$307,582	9.42%
Public Safety	8,509,699	7,292,280	1,217,419	16.69%
Community Environment	563,433	499,641	63,792	12.77%
Highways and Streets	169,231	178,475	(9,244)	(5.18)%
Public Health	424,451	365,784	58,667	16.04%
Waste Removal	<u>864,521</u>	<u>874,208</u>	<u>(9,687)</u>	(1.11)%
TOTAL	<u>\$14,105,235</u>	<u>\$12,476,706</u>	<u>\$1,628,529</u>	13.05%

SPECIAL REVENUE FUNDS

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

Street Maintenance and Repair Fund
Permissive Tax Fund
Economic Development Fund
Paramedic Fund

State Highway Improvement Fund
 Cypress Way Nature Preserve Fund
 Senior Dental Fund
 Drug Law Enforcement Fund
 Urban Development Fund
 Pace Telecommunications Fund
 BJA Crime Prevention Fund
 Recreation Commission Fund
 D.A.R.E. Fund
 Lindner Park Flower Fund
 Police and Fire Pension Repayment Fund
 Bureau Of Crippled Children Safety Fund
 Separation Pay Fund
 Robert S. McCullough Garden Fund
 Alcohol Education and Enforcement Fund
 Building Code Assessment Fund
 Police Vehicle Replacement Fund
 Council on Aging Fund
 C.O.P.S. F.A.S.T, Grant Fund
 STEP Grant Fund
 Recycle Ohio! Grant Fund

Special Revenue Funds had Non - GAAP Basis revenues of \$1,571,980 and expenditures of \$2,309,287 in 1999.

ENTERPRISE OPERATIONS

The City's Enterprise Fund is used to finance and account for the acquisitions, operations and maintenance of City facilities and services designated to be entirely, or predominantly, self-supported from user charges. Operations are accounted for in such a manner to show a profit or loss on a basis comparable with industries in the private sector. The City's sole enterprise fund is the Water Fund. The Service Director can adjust the water rates with prior notice to council. The most recent rate of increase of 6% took effect on January 1, 1998 (the City of Norwood passed along the City of Cincinnati's rate increase to its customers.) This increase in water rates was needed in order to continue the process of upgrading the City's antiquated water system and just to keep even with the ever increasing cost of water. The current rate is sufficient to operate the system above break even assuming operations and expenditure levels remain consistent with current levels. However, this rate will not allow for the much needed extensive capital improvements to the system. Any significant increases in expenditures or rate increases from the City of Cincinnati not passed along to the City of Norwood customers would quickly have the water fund operating with an annual deficit necessitating additional subsidies from the General Fund. During 1998, the City implemented a water meter testing program. The test results showed that nearly 73% of those water meters that were tested ran slow. These meters are located in both residential and business buildings. As a direct result of this testing program, the City has implemented a water meter replacement program. During 1999, the City finished the testing and replacement program for all commercial business meters. These new meters are technologically improved as compared to the old meters. A result of replacing these older meters was an increase of revenues. This program will continue into 2000 for residential meters and will continue until all of the water meters in Norwood have been tested and possibly replaced. It is estimated that this residential program will be completed by 2002.

DEBT AND BONDS ISSUED

The City issued a bond of \$1,900,000 at an interest rate of 5.95% in 1999. The proceeds of this bond are for the purpose of paying the cost of acquiring, renovating and improving municipal buildings in the City of Norwood. A few of the major projects include the purchase of the "PNC" bank building and renovating it for use as a police department and renovating City Hall so that the interior space can be used more efficiently. The annual debt service requirements for the bond issue will be provided by the general fund through the escrow of a portion of the City's annual property tax collections.

CASH MANAGEMENT

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

RISK MANAGEMENT

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

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

The primary technique used for risk financing is the purchase of insurance policies from the Ohio Municipal League Joint Self Insurance Pool that includes large deductible amounts. The use of a large deductible clause and the City's participation with other Cities in the Self Insurance Pool reduces the cost of insurance. However, if losses occur, the portion of the uninsured losses is not expected to be significant with respect to the financial position of the City.

OTHER INFORMATION

Independent Audit

The firm of Deloitte & Touche LLP was selected in April 1995 to perform the City's audit for the five years 1995 to 1999. Deloitte & Touche LLP has audited the accompanying general purpose financial statements. Their report is included herein.

Certificate of Achievement

During 1999, the Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence In Financial Reporting to the City of Norwood for our Comprehensive Annual Financial Report for the fiscal year ended December 31, 1998. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards.

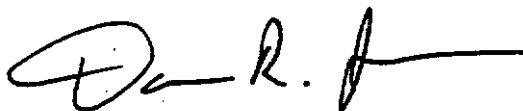
Such reports must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a one-year period.

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

ACKNOWLEDGMENTS

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

Respectfully,

A handwritten signature in black ink, appearing to read "D. R. Jones", with a long horizontal flourish extending to the right.

Donnie R. Jones, CPA
Auditor City Of Norwood

Certificate of Achievement for Excellence in Financial Reporting

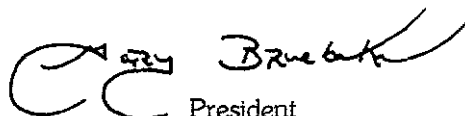
Presented to


City of Norwood,
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 1998

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.




Cary Brueck
President


Jeffrey L. Essler
Executive Director

CERTIFICATE OF ACHIEVEMENT

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Norwood, Ohio for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended December 31, 1998. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of a state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. The CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period on one year only. The City of Norwood has received a Certificate of Achievement for the last five consecutive years (fiscal years ended 1994, 1995, 1996, 1997 and 1998). We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

CITY OF NORWOOD, OHIO

PUBLIC OFFICIALS

MAYOR

JOSEPH H. HOCHBEIN

AUDITOR

DONNIE R. JONES

TREASURER

TIMOTHY MOLONY

LAW DIRECTOR

TIMOTHY A. GARRY

PRESIDENT OF COUNCIL

JANE GROTE

COUNCIL MEMBERS

GEORGE SCHAEFER III
COY FUGETT
CHARLES MARSHALL

RITA SMITH
MICHAEL FULMER
TINA ADAMS

HELEN GERACI
RUTH CAIN
SANDRA McMANUS

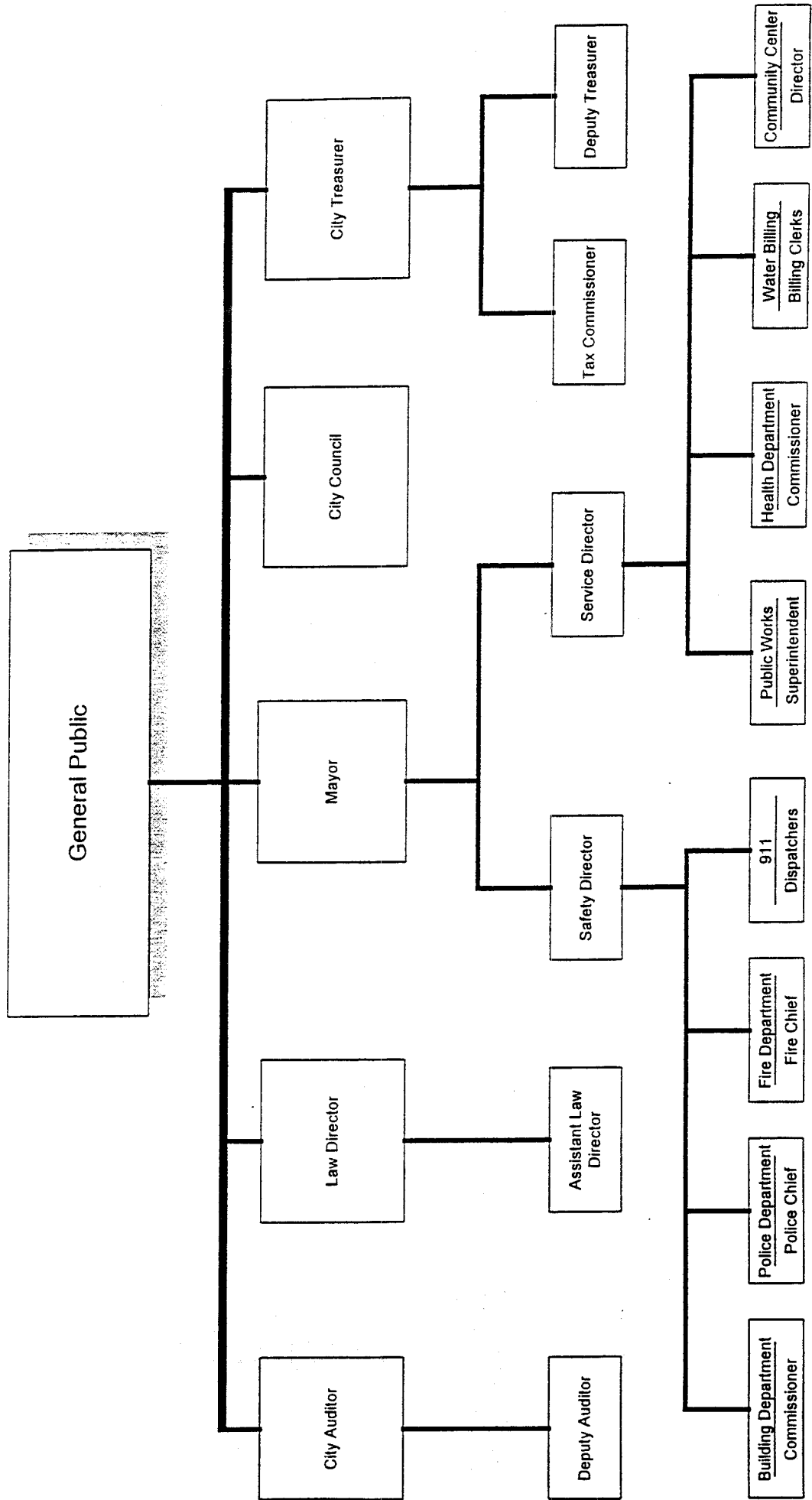
APPOINTED OFFICIALS

DIRECTOR PUBLIC SAFETY
DIRECTOR PUBLIC SERVICE
TAX COMMISSIONER
BUILDING COMMISSIONER
HEALTH COMMISSIONER
COMMUNITY DEVELOPMENT DIRECTOR
COMMUNITY CENTER DIRECTOR
DEPUTY AUDITOR
SUPERINTENDENT OF PUBLIC WORKS
ACTING POLICE CHIEF
FIRE CHIEF

CLIFF MILLER
GARY HUBBARD
JOHN HANRAHAN
DANIEL BLY
DONNA LAAKE
RICHARD DETTMER
JERRY OSTERMAN
JANET KENNEDY
KEVIN CROSS
JOHN MURPHY
CURT GOODMAN

City of Norwood, Ohio Chart of Organization

December 31, 1999



Financial Section




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

35 North Fourth Street, 1st Floor
Columbus, Ohio 43215
Telephone 614-466-4514
800-282-0370
Facsimile 614-728-7398

The Honorable Mayor and
Members of City Council
City of Norwood
Norwood, Ohio 45212

We have reviewed the Independent Auditor's Report of the City of Norwood, Hamilton County, prepared by *Deloitte & Touche LLP*, for the audit period January 1, 1999 through December 31, 1999. 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 Norwood is responsible for compliance with these laws and regulations.



JIM PETRO
Auditor of State

June 27, 2000

**INDEPENDENT AUDITORS' REPORT**

The Honorable Mayor and
Members of the City Council
City of Norwood, Ohio and
Jim Petro, Auditor of State

We have audited the accompanying general purpose financial statements of the City of Norwood, Ohio (the "City") as of December 31, 1999, and for the year then ended, listed in the foregoing table of contents. These general purpose financial statements are the responsibility of the management of the City of Norwood, Ohio. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

*We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and 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, such general purpose financial statements present fairly, in all material respects, the financial position of the City of Norwood, Ohio, as of December 31, 1999, and the results of its operations and the cash flows of its proprietary fund type for the year then ended in conformity with accounting principles generally accepted in the United States of America.

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

The statistical data on pages 117 through 125 is presented for the purpose of additional analysis and is not a required part of the general purpose financial statements of the City. Such additional

information has not been subjected to the auditing procedures applied in our audit of the general purpose financial statements and, accordingly, we express no opinion on it.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 19, 2000, on our consideration of City of Norwood's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Deloitte & Touche LLP
May 19, 2000

**GENERAL PURPOSE
FINANCIAL STATEMENTS**

CITY OF NORWOOD, OHIO
Combined Balance Sheet - All Fund Types and Account Groups
December 31, 1999

	Governmental Fund Types			
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>
Assets and Other Debits				
Cash and Cash Equivalents	\$ 1,137,387	\$ 882,717	\$ 635,624	\$ 1,174,775
Receivables:				
Taxes	3,466,643			
Accounts, Net	1,917	12,392		
Special Assessment Interest			5,917,578	
Investments		9,733		
Restricted Assets - Cash Equivalents		234,705		1,251,706
Fixed Assets:				
Land and Improvements				
Buildings				
Accumulated Depreciation				
Machinery and Equipment				
Accumulated Depreciation				
Licensed Vehicles				
Accumulated Depreciation				
Amount Available in the Debt Service Fund				
Amount to be Provided for Retirement of General Long-Term Obligations				
Total Assets and Other Debits	<u>\$ 4,605,947</u>	<u>\$ 1,139,547</u>	<u>\$ 6,553,202</u>	<u>\$ 2,426,481</u>
Liabilities, Equity and Other Credits				
Liabilities				
Accounts Payable	\$ 174,339	\$ 210,123		\$ 92,316
Accrued Wages and Benefits Payable	834,136	170,111		
Due to Others				
Deferred Revenue	2,273,573		5,917,578	
Estimated Liability for Compensated Absences				
Estimated Liability for Unpaid Claims				
Payable from Restricted Assets -				
Deposits Payable				
Loan Payable				
Obligations under Capital Leases				
General Obligation Bonds Payable				
Special Assessment Debt				
Police and Fire Pension Liability				
Total Liabilities	<u>3,282,048</u>	<u>380,234</u>	<u>5,917,578</u>	<u>92,316</u>
Equity and Other Credits				
Investments in General Fixed Assets				
Retained Earnings -				
Unreserved				
Fund Balances, Reserved for:				
Encumbrances	23,764	32,253		126,008
Designated for Debt Service			635,624	
Accordance with Trusts				
Fund Balances, Unreserved:				
Undesignated	1,300,135	727,060		2,208,157
Total Equity and Other Credits	<u>1,323,899</u>	<u>759,313</u>	<u>635,624</u>	<u>2,334,165</u>
Total Liabilities, Equity and Other Credits	<u>\$ 4,605,947</u>	<u>\$ 1,139,547</u>	<u>\$ 6,553,202</u>	<u>\$ 2,426,481</u>

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

Proprietary Fund Type	Fiduciary Fund Types	Account Groups		Totals (Memorandum Only)	
		General Fixed Assets	General Long-Term Obligations	1999	1998
Enterprise	Trust and Agency				
\$ 1,361,216	\$ 509,366	\$	\$	\$ 5,701,085	\$ 5,110,496
578,772	412,170			3,466,643	3,355,396
	1,244			1,005,251	994,223
	96,182			5,917,578	6,287,418
36,537				10,977	
				1,582,593	2,600,790
				36,537	33,764
		1,527,504		1,527,504	1,405,153
54,890		4,422,706		4,477,596	4,123,361
(54,890)				(54,890)	(54,890)
2,241,363		2,592,739		4,834,102	4,327,328
(965,356)				(965,356)	(933,945)
122,262		2,811,237		2,933,499	2,373,678
(54,554)				(54,554)	(40,362)
			635,624	635,624	131,120
			19,160,799	19,160,799	18,538,942
\$ <u>3,320,240</u>	\$ <u>1,018,962</u>	\$ <u>11,354,186</u>	\$ <u>19,796,423</u>	\$ <u>50,214,988</u>	\$ <u>48,252,472</u>
\$ 188,935	\$	\$	\$	\$ 665,713	\$ 883,208
19,930				1,024,177	847,723
	752,249			752,249	712,788
				8,191,151	8,570,844
16,340			3,210,816	3,227,156	3,568,620
			20,000	20,000	20,000
36,537				36,537	33,764
350,279				350,279	379,907
			1,138,543	1,138,543	827,864
			7,410,730	7,410,730	5,886,836
			3,171,575	3,171,575	3,263,985
			4,844,759	4,844,759	5,149,649
<u>612,021</u>	<u>752,249</u>		<u>19,796,423</u>	<u>30,832,869</u>	<u>30,145,188</u>
		11,354,186		11,354,186	9,880,583
2,708,219				2,708,219	2,406,449
				182,025	153,416
				635,624	131,120
	266,713			266,713	275,400
				4,235,352	5,260,316
<u>2,708,219</u>	<u>266,713</u>	<u>11,354,186</u>		<u>19,382,119</u>	<u>18,107,284</u>
\$ <u>3,320,240</u>	\$ <u>1,018,962</u>	\$ <u>11,354,186</u>	\$ <u>19,796,423</u>	\$ <u>50,214,988</u>	\$ <u>48,252,472</u>

CITY OF NORWOOD, OHIO

Combined Statement of Revenue, Expenditures and Changes in Fund Balances
All Governmental Fund Types and Expendable Trust Funds
 For the Year Ended December 31, 1999

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
Revenue				
Taxes	\$ 12,921,687	\$ 503,474	\$	\$
Charges for Services	74,995	382,772		
Intergovernmental Revenue	1,209,239	129,189		
Fines, Licenses and Permits	502,762	6,487		
Federal Grants or Aid		78,368		
State Grants or Aid	9,236	68,623		
Special Assessments			369,848	
Miscellaneous	447,365	386,182	108,092	64,922
Total Revenue	<u>15,165,284</u>	<u>1,555,095</u>	<u>477,940</u>	<u>64,922</u>
Expenditures				
Current:				
General Government	3,554,106	518,436		
Public Safety	8,529,017	322,573		
Community Environment	558,819	592,251		
Highways and Streets	167,035	593,611		
Public Health	420,731	14,406		
Waste Removal	855,717			
Capital Outlay		108,703		2,211,232
Debt Service:				
Principal Retirement		259,125	468,515	466,320
Interest		13,125	684,434	60,187
Miscellaneous				33,748
Total Expenditures	<u>14,085,425</u>	<u>2,422,230</u>	<u>1,152,949</u>	<u>2,771,487</u>
Other Financing Sources (Uses):				
Capital Leases				776,999
Bond Proceeds				1,900,000
Operating Transfers In	191,948	790,460	1,179,513	672,105
Operating Transfers (Out)	(1,462,565)	(191,948)		(1,179,513)
Total Other Financing Sources (Uses)	<u>(1,270,617)</u>	<u>598,512</u>	<u>1,179,513</u>	<u>2,169,591</u>
Excess (Deficiency) of Revenue and Other Financing Sources over (under) Expenditures and Other Uses	(190,758)	(268,623)	504,504	(536,974)
Fund Balances, January 1	<u>1,514,657</u>	<u>1,027,936</u>	<u>131,120</u>	<u>2,871,139</u>
Fund Balances, December 31	<u>\$ 1,323,899</u>	<u>\$ 759,313</u>	<u>\$ 635,624</u>	<u>\$ 2,334,165</u>

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

Fiduciary Fund Type Expendable Trust	Totals (Memorandum Only)	
	1999	1998
\$ 60,000	\$ 13,425,161	\$ 12,260,574
	517,767	694,024
	1,338,428	1,497,306
	509,249	487,585
	78,368	
	77,859	49,136
	369,848	369,847
9,432	1,015,993	1,173,787
<u>69,432</u>	<u>17,332,673</u>	<u>16,532,259</u>
78,119	4,150,661	3,721,492
	8,851,590	7,622,035
	1,151,070	963,509
	760,646	810,933
	435,137	379,380
	855,717	864,296
	2,319,935	1,810,958
	1,193,960	903,343
	757,746	451,602
	33,748	
<u>78,119</u>	<u>20,510,210</u>	<u>17,527,548</u>
	776,999	187,749
	1,900,000	4,750,000
	2,834,026	3,051,363
	(2,834,026)	(3,051,363)
	<u>2,676,999</u>	<u>4,937,749</u>
(8,687)	(500,538)	3,942,460
<u>275,400</u>	<u>5,820,252</u>	<u>1,877,792</u>
<u>\$ 266,713</u>	<u>\$ 5,319,714</u>	<u>\$ 5,820,252</u>

CITY OF NORWOOD, OHIO

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

For the Year Ended December 31, 1999

	General Fund		
	Budget	Actual	Variance Favorable (Unfavorable)
Revenue			
Taxes	\$ 12,523,956	\$ 12,800,587	\$ 276,631
Special Assessments			
Charges for Services	74,548	74,845	297
Intergovernmental Revenue	1,172,287	1,205,734	33,447
Fines, Licenses and Permits	500,110	502,762	2,652
Federal Grants or Aid	3,505	3,505	
State Grants or Aid	9,130	9,236	106
Miscellaneous	439,297	447,365	8,068
Total Revenue	14,722,833	15,044,034	321,201
Expenditures			
Current:			
General Government	3,688,230	3,573,900	114,330
Public Safety	8,524,931	8,509,699	15,232
Community Environment	566,826	563,433	3,393
Highways and Streets	170,438	169,231	1,207
Public Health	428,417	424,451	3,966
Waste Removal	870,469	864,521	5,948
Capital Outlay			
Debt Service:			
Principal Retirement			
Interest			
Total Expenditures	14,249,311	14,105,235	144,076
Excess of Revenue Over (Under) Expenditures	473,522	938,799	465,277
Other Financing Sources (Uses):			
Bond Proceeds			
Operating Transfers In	191,948	191,948	
Operating Transfers (Out)	(1,462,565)	(1,462,565)	
Total Other Financing Sources (Uses)	(1,270,617)	(1,270,617)	
Excess of Revenue over (under) Expenditures and Other Financing Uses	(797,095)	(331,818)	465,277
Cancellation of Prior Year Encumbrances	94,292	94,540	248
Fund Balances, January 1	702,803	702,803	
Fund Balances, December 31	\$	\$ 465,525	\$ 465,525

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

(Continued)

(Continued)

Special Revenue Funds			Debt Service Fund		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$ 484,448	\$ 503,474	\$ 19,026	\$ 369,848	\$ 369,848	\$
395,483	409,389	13,906			
133,635	133,703	68			
4,859	6,488	1,629			
78,368	78,368				
66,509	68,333	1,824			
349,992	372,225	22,233	108,092	108,092	
<u>1,513,294</u>	<u>1,571,980</u>	<u>58,686</u>	<u>477,940</u>	<u>477,940</u>	
471,283	413,118	58,165			
376,117	320,314	55,803			
1,069,067	583,253	485,814			
631,743	624,359	7,384			
43,583	14,744	28,839			
267,770	81,249	186,521			
272,250	272,250		726,810	468,515	258,295
			1,061,763	684,434	377,329
<u>3,131,813</u>	<u>2,309,287</u>	<u>822,526</u>	<u>1,788,573</u>	<u>1,152,949</u>	<u>635,624</u>
(1,618,519)	(737,307)	881,212	(1,310,633)	(675,009)	635,624
790,460	790,460		1,179,513	1,179,513	
(191,948)	(191,948)				
<u>598,512</u>	<u>598,512</u>		<u>1,179,513</u>	<u>1,179,513</u>	
(1,020,007)	(138,795)	881,212	(131,120)	504,504	635,624
50,443	50,194	(249)			
<u>969,564</u>	<u>969,564</u>		<u>131,120</u>	<u>131,120</u>	
<u>\$</u>	<u>\$ 880,963</u>	<u>\$ 880,963</u>	<u>\$</u>	<u>\$ 635,624</u>	<u>\$ 635,624</u>

(Continued)

CITY OF NORWOOD, OHIO
Combined Statement of Revenue, Expenditures and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) and Actual - Governmental Funds
For the Year Ended December 31, 1999

(Continued)

	Capital Project Funds		
	Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenue</u>			
Taxes	\$	\$	\$
Special Assessments			
Charges for Services			
Intergovernmental Revenue			
Fines, Licenses and Permits			
Federal Grants or Aid			
State Grants or Aid			
Miscellaneous	63,955	64,923	968
Total Revenue	<u>63,955</u>	<u>64,923</u>	<u>968</u>
<u>Expenditures</u>			
Current:			
General Government			
Public Safety			
Community Environment			
Highways and Streets			
Public Health			
Waste Removal			
Capital Outlay	4,227,879	2,038,291	2,189,588
Debt Service:			
Principal Retirement			
Interest			
Total Expenditures	<u>4,227,879</u>	<u>2,038,291</u>	<u>2,189,588</u>
Excess of Revenue Over (Under) Expenditures	(4,163,924)	(1,973,368)	2,190,556
Other Financing Sources (Uses):			
Bond Proceeds	1,900,000	1,900,000	
Operating Transfers In	664,743	672,105	7,362
Operating Transfers (Out)	(1,179,513)	(1,179,513)	
Total Other Financing Sources (Uses)	<u>1,385,230</u>	<u>1,392,592</u>	<u>7,362</u>
Excess of Revenue over (under) Expenditures and Other Financing Uses	(2,778,694)	(580,776)	2,197,918
Cancellation of Prior Year Encumbrances	33,407	33,407	
Fund Balances, January 1	<u>2,745,287</u>	<u>2,745,287</u>	
Fund Balances, December 31	<u>\$</u>	<u>\$ 2,197,918</u>	<u>\$ 2,197,918</u>

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

Totals (Memorandum Only)

Budget	Actual	Variance Favorable (Unfavorable)
\$ 13,008,404	\$ 13,304,061	\$ 295,657
369,848	369,848	
470,031	484,234	14,203
1,305,922	1,339,437	33,515
504,969	509,250	4,281
81,873	81,873	
75,639	77,569	1,930
961,336	992,605	31,269
<u>16,778,022</u>	<u>17,158,877</u>	<u>380,855</u>
4,159,513	3,987,018	172,495
8,901,048	8,830,013	71,035
1,635,893	1,146,686	489,207
802,181	793,590	8,591
472,000	439,195	32,805
870,469	864,521	5,948
4,495,649	2,119,540	2,376,109
999,060	740,765	258,295
1,061,763	684,434	377,329
<u>23,397,576</u>	<u>19,605,762</u>	<u>3,791,814</u>
(6,619,554)	(2,446,885)	4,172,669
1,900,000	1,900,000	
2,826,664	2,834,026	7,362
<u>(2,834,026)</u>	<u>(2,834,026)</u>	
<u>1,892,638</u>	<u>1,900,000</u>	<u>7,362</u>
(4,726,916)	(546,885)	4,180,031
178,142	178,141	(1)
<u>4,548,774</u>	<u>4,548,774</u>	
<u>\$</u>	<u>\$ 4,180,030</u>	<u>\$ 4,180,030</u>

CITY OF NORWOOD, OHIO
Statement of Revenue, Expenses and Changes in Retained Earnings
Proprietary Fund Type
For the Year Ended December 31, 1999
(With Comparative Totals For 1998)

	Total Enterprise Fund	
	1999	1998
<u>Operating Revenue:</u>		
Charges for Services	\$ 2,703,056	\$ 2,527,788
Total Operating Revenue	<u>2,703,056</u>	<u>2,527,788</u>
<u>Operating Expenses:</u>		
Personal Services	402,959	325,049
Contractual Services	1,844,239	1,919,171
Materials and Supplies	88,701	58,563
Depreciation	52,449	49,767
Other	3,634	245
Total Operating Expenses	<u>2,391,982</u>	<u>2,352,550</u>
Operating Income	<u>311,074</u>	<u>175,238</u>
<u>Non-Operating Revenue (Expenses):</u>		
Interest	(11,177)	(12,046)
Loss on Disposal of Fixed Assets	(1,774)	(294)
Other	3,647	2,024
Total Non-Operating Revenue (Expenses)	<u>(9,304)</u>	<u>(10,316)</u>
Net Income	<u>301,770</u>	<u>164,922</u>
Retained Earnings, January 1	<u>2,406,449</u>	<u>2,241,772</u>
Retained Earnings, December 31	<u>\$ 2,708,219</u>	<u>\$ 2,406,449</u>

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

CITY OF NORWOOD, OHIO

Statement of Cash Flows

Proprietary Fund Type

For the Year Ended December 31, 1999

(With Comparative Totals For 1998)

	Total Enterprise Fund	
	1999	1998
<u>Cash Flows from Operating Activities:</u>		
Cash Received from Customers	\$ 2,676,923	\$ 2,511,739
Cash Payments for Goods and Services	(2,066,812)	(1,660,687)
Cash Payments to Employees	(433,752)	(347,968)
Other	3,647	2,024
Net Cash Provided by Operating Activities	180,006	505,108
<u>Cash Flows from Capital and Related Financing Activities:</u>		
Interest	(11,177)	(12,046)
Repayment of Loan Payable	(29,628)	(28,758)
Acquisition of Fixed Assets	(78,198)	(4,491)
Net Cash Used for Capital and Related Financing Activities	(119,003)	(45,295)
Net Increase (Decrease) in Cash	61,003	459,813
Cash at Beginning of Year	1,336,750	876,937
Cash at End of Year	\$ 1,397,753	\$ 1,336,750
<u>Reconciliation of Operating Income to Net Cash Provided by Operating Activities:</u>		
Operating Income	\$ 311,074	\$ 174,993
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:		
Depreciation Expense	52,449	49,767
Other Revenue	3,647	2,024
(Increase) Decrease in Accounts Receivable	(28,906)	(17,401)
Increase (Decrease) in Accounts Payable	(130,238)	317,291
Increase (Decrease) in Accrued Wages and Benefits	(241)	(1,101)
Increase (Decrease) in Estimated Liability for Compensated Absences	(30,552)	(21,818)
Increase in Deposits Payable	2,773	1,353
Total Adjustments	(131,068)	330,115
Net Cash Provided by Operating Activities	\$ 180,006	\$ 505,108

Reconcilement of total cash:

Total Cash \$1,361,216 + Restricted Assets - Cash Equivalents \$36,537 = \$1,397,753.

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

Notes to Financial Statements

- 1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
- 2) DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS
- 3) RECEIVABLES
- 4) TAXES
- 5) CHANGES IN FIXED ASSETS
- 6) LONG-TERM OBLIGATIONS
- 7) CAPITAL LEASES
- 8) CONTINGENCIES
- 9) RISK MANAGEMENT
- 10) PENSION AND RETIREMENT
- 11) U.D.A.G. LOAN RECEIVABLE
- 12) C-9 TRUST
- 13) DEFICIT FUND BALANCES

CITY OF NORWOOD, OHIO

NOTES TO FINANCIAL STATEMENTS

For the year ended December 31, 1999

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

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

Based on the foregoing, the City as a reporting entity has one blended component unit - The Norwood Retirees C-9 Trust Fund ("Trust Fund"). It is reported as part of the City and blended into the appropriate funds. This is a blended component unit because, although a legally separate organization, the City has the ability to appoint a majority of its board and the Trust Fund imposes a financial burden on the City. Furthermore, it is a blended component unit because the services of the C-9 Trust are provided entirely to the City. The Norwood Retirees C-9 Trust Fund financial report may be obtained by writing to Norwood C-9 Trust, 4645 Montgomery Road, Norwood, Ohio 45212. The City also includes all funds, account groups, agencies, boards and commissions that are part of the primary government.

B. Measurement Focus, Basis of Accounting and Basis of Presentation

The financial statements of the City of Norwood for 1999 are prepared in accordance with standards promulgated by the Governmental Accounting Standards Board (GASB). These standards include the effective pronouncements of the National Council on Governmental Accounting and the American Institute of Certified Public Accountants which are considered to be "generally accepted accounting principles" for state and local entities, until they are altered, amended, supplemented, revoked or superseded by a subsequent GASB pronouncement. For the Proprietary Fund, the City has elected only to apply Financial Accounting Standards Board (FASB) pronouncements issued on or before November 30, 1989, that do not conflict with or contradict GASB pronouncements.

Fund and Account Groups

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

1) Governmental Fund Types

Governmental funds are segregations of financial resources where the measurement focus is based upon the flow of current financial resources. Annual appropriations are made by Council action. To assure legal and accounting compliance, the City maintains records showing revenues, actual and accrued expenditures, and encumbrances to assure that budgetary authority is not exceeded.

The governmental fund types include:

General Fund - This is the chief operating fund for the City and it is used to account for all revenues and expenditures which are not accounted for in other funds or account groups. The primary sources of revenue for this fund are earnings taxes, property taxes and local government funds.

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

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

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

2) Proprietary Funds

Enterprise Funds - These funds account for operations of entities that provide services, on a user charge or other basis, to the general public or private organizations. The City has one such Enterprise Fund, which is the Water Fund. The measurement focus is on income determination or cost of services. All assets and liabilities are included on the balance sheet, and the reported fund equity is an indication of the economic net worth of the funds involved.

3) Fiduciary Fund Types

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

4) Fixed Assets

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

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

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

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

5) General Long-Term Obligations

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

Measurement Focus

The governmental fund types utilize the flow of current financial resources measurement focus and modified accrual basis of accounting, with recognition of revenues in the accounting period in which they become measurable and available.

Property taxes and special assessments are susceptible to accrual and are recognized as revenue in the current accounting period if they are collected within 60 days of year end. All other major revenues of governmental funds are determined not to meet the criteria of either being measurable or available. "Measurable" means the amount of the transaction can be determined, and "available" means they are collectible within the current reporting period or soon enough thereafter to pay current liabilities. Expenditures are recognized when the fund liability is incurred. Encumbrances are commitments related to unperformed (executory) contracts for goods and services. All encumbrances that are outstanding at year-end are reported as reservations of fund balance for subsequent year expenditures and are not considered either expenditures or liabilities in the current period.

The proprietary fund type statements are prepared utilizing the flow of economic resources measurement focus and the accrual basis of accounting under which revenues are recognized when they are earned, and expenses are recognized when they are incurred. Unbilled service receivables are recognized by proprietary funds when the services are provided.

The fiduciary fund types recognize revenue and expenditures/expenses on a basis consistent with the fund's accounting measurement objective. Agency funds' assets and liabilities and expendable trust fund transactions are accounted for on the modified accrual basis.

Budgetary Data

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

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

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

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

	Revenues and Other Sources Over (Under) Expenditures And Other Uses		Fund Balances December 31, 1999	
	General	Special	General	Special
	<u>Fund</u>	<u>Revenue Funds</u>	<u>Fund</u>	<u>Revenue Funds</u>
As reported (GAAP basis)	\$(190,758)	\$ (268,623)	\$1,323,899	\$759,313
Increase (Decrease) due to:				
Revenues:				
Received in 1999 and earned in 1998	1,073,737	39,009		
Received in 2000 and earned in 1999	(1,194,987)	(22,125)	(1,194,987)	(22,125)
Expenditures:				
Accrued December 31, 1998 and paid in 1999	(777,513)	(304,529)		
Accrued December 31, 1999 and paid in 2000	1,008,475	380,234	1,008,475	380,234
Current Year Encumbrances	(652,324)	(236,209)	(652,324)	(236,209)
Prior Year Encumbrances			(19,538)	(250)
Expenditures related to Prior Year Encumbrances	<u>401,552</u>	<u>273,448</u>	_____	_____
(Non-GAAP) Budgetary Basis	<u>\$(331,818)</u>	<u>\$(138,795)</u>	<u>\$ 465,525</u>	<u>\$880,963</u>

	Capital Projects Funds	Capital Projects Funds
As reported (GAAP basis)	\$(536,974)	\$2,334,165
Increase (Decrease) due to:		
Revenues:		
Decrease in Fair Value of Investments	8,517	8,517
Expenditures:		
Accrued December 31, 1998 and paid in 1999	(309,545)	
Accrued December 31, 1999 and paid in 2000	92,316	92,316
Current Year Encumbrances	(240,676)	(240,676)
Prior Year Encumbrances		3,596
Expenditure related to Prior Year Encumbrances	<u>405,586</u>	_____
(Non-GAAP) Budgetary Basis	<u>\$(580,776)</u>	<u>\$ 2,197,918</u>

Other Accounting Policies

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

2. DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS

The City of Norwood combines the cash balances of individual funds to form a pool of cash and investments. Each fund reports its respective equity in cash as an element of its resources. In addition, several funds separately hold cash and investments. Earnings from the pooled cash and investments are allocated on a monthly basis to each participating fund based on month-end equity balances. The cash accounts of the Mayor's Court and the component unit C-9 Trust are held separately from those of other City funds.

Deposits

Cash deposits of the City as of December 31, 1999, are comprised of the following:

Demand deposit accounts	\$5,098,763
Certificates of deposit	<u>969,746</u>
	<u>\$6,068,509</u>

The bank balance for all City deposits at December 31, 1999 was \$6,179,453. The difference between the bank balance and the amounts recorded by the City is caused by outstanding checks.

The Government Accounting Standards Board has established credit risk categories for deposits:

Category 1 -

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

Category 2 -

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

Category 3 -

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

Based on the foregoing criteria, at December 31, 1999, \$100,000 of the City's deposits were insured by the FDIC and the remaining \$6,079,453 was uncollateralized as defined by the GASB. These deposits were, however, collateralized with securities held by a financial institution, but not in the City's name.

Investments

The State of Ohio statutes authorize the City to invest in obligations of the U.S. Treasury, agencies, and instrumentalities of the U. S. Government, and repurchase agreements. These investments are uninsured and unregistered, with the securities held by counter party trust department, in the City's name. As of December 31, 1999, the City held investments in United States government securities that had a fair value of \$1,251,706. These amounts can be reconciled to the Combined Balance sheet as follows:

Deposits and investments, as defined by GASB Statement No. 3 and disclosed above:	
Demand deposit accounts	\$5,098,763
Certificates of deposit	969,746
Investments	<u>1,251,706</u>
Total	<u>\$7,320,215</u>

Amounts from the Combined Balance sheet are as follows:

Cash	\$5,701,085
Investments	1,582,593
Restricted Assets - Cash Equivalents	<u>36,537</u>
Total	<u>\$7,320,215</u>

3. RECEIVABLES

Accounts Receivable are presented in the general purpose financial statements net of the allowance for uncollectibles. The balance of the allowance account of the Water Fund was \$26,925 at December 31, 1999.

4. TAXES

City Earnings Tax

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

in the City. It also applies to net income of business organizations for business conducted in the City. The tax is the largest single source of General Fund revenue. Actual collections in 1999 were \$9,333,982.

Property Taxes

The assessed valuation of property within the City subject to the levy of ad valorem taxes includes real property, public utilities property and tangible personal property. The assessed value upon which the 1999 levy was based was \$240,422,480, \$21,215,380 and \$63,403,570 for real property, public utility property and tangible personal property, respectively (per Hamilton County Auditor). The City's property taxes are collected by the Hamilton County Auditor and are remitted to the City on a periodic basis. Real property taxes collected in any calendar year are generally levied on assessed values as of January 1 of the preceding year according to the following calendar:

Property Tax Calendar - 2000

Lien date	January 1, 1999
Levy date - first half	December 31, 1999
First installment payment due	January 31, 2000
Second installment payment due	June 20, 2000

Assessed values are established by the County Auditor, at no more than 35% of appraised market value. The laws of the State of Ohio presently require that all property be revalued no less than every six years, at any time the County Auditor finds that true or taxable value thereof has changed, and in the third calendar year following the year in which a sexennial reappraisal is completed if ordered by the State Commissioner of Tax Equalization. Real property was reappraised during 1999 with the results affecting collections beginning in 2000. The City recognized the property taxes due to be paid in 2000 as deferred revenue since the first settlement date was more than sixty days after year-end and did not meet the availability criteria for accrual.

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

5. CHANGES IN FIXED ASSETS

A summary of changes in general fixed assets for 1999 is as follows:

	<u>Balance</u> <u>January 1,</u> <u>1999</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>December 31,</u> <u>1999</u>
Land and				
Improvements	\$1,405,153	\$122,351	\$	\$1,527,504
Buildings	4,068,471	354,235		4,422,706
Machinery and				
Equipment	2,104,742	751,727	263,730	2,592,739
Licensed Vehicles	<u>2,302,217</u>	<u>729,703</u>	<u>220,683</u>	<u>2,811,237</u>
Total	<u>\$9,880,583</u>	<u>\$1,958,016</u>	<u>\$484,413</u>	<u>\$11,354,186</u>

6. LONG-TERM OBLIGATIONS

The City's long-term debt outstanding and other long-term obligations are reflected in the general long-term obligations account group. Revenues from all sources have been sufficient to meet all of the City's debt service requirements through December 31, 1999.

General Long-Term Debt

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

Annual Long-Term Debt Requirements

The annual requirements to amortize all long-term bonds outstanding as of December 31, 1999, including interest payments, are as presented below:

Year Ending	<u>General Obligation Bonds</u>			<u>Special Assessment Bonds</u>	
	<u>Total</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
December 31					
2000	\$ 1,283,720	\$ 480,773	\$ 433,098	\$ 100,265	\$ 269,584
2001	1,260,179	506,413	383,918	108,787	261,061
2002	1,257,679	533,439	354,392	118,034	251,814
2003	1,255,178	562,078	323,252	128,067	241,781
2004	1,202,680	542,384	290,447	138,953	230,896
Thereafter	<u>10,217,918</u>	<u>4,785,643</u>	<u>1,363,939</u>	<u>2,577,469</u>	<u>1,490,867</u>
Total	<u>\$16,477,354</u>	<u>\$7,410,730</u>	<u>\$3,149,046</u>	<u>\$3,171,575</u>	<u>\$2,746,003</u>

Changes in Long-Term Obligations

During the year ended December 31, 1999, the following changes occurred in liabilities reported in the General Long-Term Obligations Account Group:

	<u>Balance</u> <u>January 1</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>December 31</u>
General Obligation Bonds	\$5,886,836	\$1,900,000	\$376,106	\$ 7,410,730
Special Assessment Debt	3,263,985		92,410	3,171,575
Estimated Liability for Compensated Absences	3,521,728	1,634,644	1,945,556	3,210,816
Estimated Liability for Unpaid Claims (Note 9)	20,000			20,000
Obligations under Capital Leases (Note 7)	827,864	776,999	466,320	1,138,543
Pension Liability (Note 6)	<u>5,149,649</u>	<u>13,125</u>	<u>318,015</u>	<u>4,844,759</u>
Total Changes in Long- Term Obligations	<u>\$18,670,062</u>	<u>\$4,324,768</u>	<u>\$3,198,407</u>	<u>\$19,796,423</u>

General Obligation Bonds, Special Assessment Debt and Bond Anticipation Notes:

Bonds payable at December 31, 1999, are comprised of the following individual issues:

<u>Description</u>	<u>Rate</u>	<u>Final Maturity</u>	<u>Amount Outstanding</u>
Special Assessment Debt:			
Central Parke Project	8.5%	March 1, 2015	<u>\$3,171,575</u>
General Obligation Bonds			
Property Acquisition Bonds	5.0%	January 1, 2003	\$ 200,000
Recreation and Street Improvement Bonds	6.5%	March 1, 2005	773,468
Various Purpose Bonds	5.38%	September 1, 2013	4,537,262
Acquisition and Building Improvement Bonds	5.95%	March 1, 2014	<u>1,900,000</u>
Total			<u>\$7,410,730</u>

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

<u>Years Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2000	\$15,148	\$5,254	\$20,402
2001	30,981	9,823	40,804
2002	31,918	8,887	40,805
2003	32,882	7,922	40,804
2004	33,876	6,928	40,804
Thereafter	<u>205,474</u>	<u>18,951</u>	<u>224,425</u>
Total	<u>\$350,279</u>	<u>\$57,765</u>	<u>\$408,044</u>

The Ohio Revised Code provides that the net debt of a municipal corporation, when approved by the electors, shall not exceed 10.5% of the total value of all property in the municipal corporation as listed and assessed for taxation. In addition, the unvoted net debt of municipal corporations cannot exceed 5.5% of the total taxable value of property. The statutory limitations on debt are measured by a direct ratio of net debt to tax valuations and expressed in terms of a percentage. At December 31, 1999, the City had \$7,410,730 of "total net debt." Special assessment bonds are excluded in calculating the total net indebtedness of the City.

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

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

In the event of a default, a lien is put on the property and it is eventually sold by the county at a tax sale. The City is then reimbursed for any special assessment bond payments it makes.

Compensated Absences

GASB Statement No. 16 requires state and local governments to recognize the liabilities associated with employees' compensated absences. The following obligations have been included in the estimated liabilities for compensated absences.

Vacation - Vacation benefits are considered to be vested benefits of the employees. The obligation at December 31, 1999 for vacation benefits of governmental fund employees is approximately \$746,879.

Sick Leave - Sick leave benefits are considered to be vested benefits of the employees. It is estimated that the vested sick leave liability as of December 31, 1999, that would be paid as a retirement or death benefit, is approximately \$1,815,158.

Compensatory Time - Employees of the governmental funds are permitted to accumulate compensatory time for work in excess of their normal forty hour work week. The amount of this obligation at December 31, 1999 is approximately \$648,779.

The following is a Summary of the Changes in the Estimated Liability for Compensated Absences of the City of Norwood for the year ended December 31, 1999.

	<u>Accrued Vacation</u>	<u>Sick Pay</u>	<u>Compensatory Time</u>	<u>Total</u>
Estimated Liability for Compensated Absences, January 1, 1999	\$789,844	\$1,933,902	\$797,982	\$3,521,728
Earned During 1999	763,619	339,068	531,957	1,634,644
Used/Forfeited During 1999	<u>(806,584)</u>	<u>(457,812)</u>	<u>(681,160)</u>	<u>(1,945,556)</u>
Estimated Liability for Compensated Absences, December 31, 1999	<u>\$746,879</u>	<u>\$1,815,158</u>	<u>\$648,779</u>	<u>\$3,210,816</u>

7. CAPITAL LEASES

The City has capitalized leases for property and equipment in accordance with Financial Accounting Standards Board Statement No. 13 with the obligation recorded at the present value of future rental payments. The related assets are included in the general fixed assets account group. The amount of Fixed assets under capital lease is \$2,133,046 at December 31, 1999

The following is a schedule of future minimum payments on capital leases and the present value of the net minimum lease payments at December 31, 1999:

<u>Year</u>	<u>General Long-Term Obligation</u>
2000	\$ 486,740
2001	363,352
2002	206,199
2003	129,888
2004	<u>50,504</u>
Total minimum lease payments	1,236,683
Less: Amounts representing interest	<u>98,140</u>
Present value of net minimum lease payments	<u>\$1,138,543</u>
Capital Lease Payments - 1999	<u>\$526,507</u>

8. CONTINGENCIES

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

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

9. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; injuries to employees; employee health claims; unemployment compensation claims; a certain portion of retiree health claims and environmental damage. The City maintains a comprehensive all risk property insurance program administered by the Ohio Municipal League that provides insurance coverage for all City property. This insurance program is to cover losses due to theft of, damage to, or destruction of assets, purchases general liability insurance for specific operations and professional liability insurance for certain operations. The City also participates in the State of Ohio Workers Compensation program for on duty injuries to employees. All other risks of loss are self-insured by the City. There has been no reduction in insurance coverage from 1998. Insurance settlements for claims resulting from the risks covered by commercial insurance have not exceeded the insurance coverage in any of the past three years.

State law authorizes the issuance of judgment bonds to settle claims. The City's available legal debt margin of \$10,466,549 at December 31, 1999, is considered adequate for catastrophic loss coverage.

Changes in the balances of claims liabilities during 1999 and 1998 are as follows:

	<u>General Fund</u>		<u>General Fund Long-Term Obligations</u>	
	<u>1999</u>	<u>1998</u>	<u>1999</u>	<u>1998</u>
Balances at January 1	\$ 0	\$ 0	\$20,000	\$20,000
Current-Year Claims and Changes in Estimates	13,887	5,272		
Claim Payments	<u>13,887</u>	<u>5,272</u>		
Balance at December 31	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$20,000</u>	<u>\$20,000</u>

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

10. PENSION AND RETIREMENT

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

Police and Firemen's Disability and Pension Fund

Police and Fire Fighters of the City of Norwood are members of the State Police and Firemen's Disability and Pension Fund(PFDPF). PFDPF 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 PFDPF issues a publicly available financial report that includes financial information and required supplementary information for the plan. That report may be obtained by writing to PFDPF, 140 East Town Street, Columbus, Ohio 43215-5164.

Funding Policy

Plan members are required to contribute 10% of their annual covered salary, while the City of Norwood is required to contribute 19.5% and 24% respectively for police officers and fire fighters. The City of Norwood's total contributions to PFDPF for the years ended December 31, 1999, 1998 and 1997 were \$1,311,670, \$1,122,238, and \$1,084,805, respectively equal to the required contributions for each year.

The PFDPF has also allocated to the city a portion of the unfunded prior service cost of the fund which is the deficiency existing at the time the fund was established in 1967 as determined by actuarial evaluation. The City also owes delinquent employer contributions of \$1,937,887 and unpaid amounts due on the employer's accrued liability of \$161,213. Minimum payment of \$17,500 is being paid monthly to repay the delinquent employer contributions and the employer's accrued liability. The unpaid contribution should be fully paid in approximately 14 years. The following table reflects the unfunded prior service cost for police officers and fire fighters at December 31:

	<u>1999</u>	<u>1998</u>
Police	\$1,434,444	\$1,464,519
Fire	<u>1,311,215</u>	<u>1,326,905</u>
Total unfunded prior service cost	<u>\$2,745,659</u>	<u>\$2,791,424</u>

As prescribed by Section 742.30 of the Ohio Revised Code, this accrued liability has and will continue to be paid over a term of sixty-two years in annual installments which began in 1973 and which will end in 2035. At December 31, 1999, 35 years remain in which semi-annual installments fixed by the fund's Board of Trustees at \$39,479 and \$35,769 will be paid for police and fire fighters, respectively. The accrued liability for the unfunded prior service cost is included in the General Long-Term Obligations Account Group at December 31, 1999.

Other Postemployment Benefit Information

PFDPF provides postemployment health care coverage to any person who receives or is eligible to receive a monthly benefit check or is a spouse or eligible dependent child of such person. The health care coverage provided by the police and fire fighters' retirement system is considered an other postemployment benefit. A portion of each employer's contribution to the Police and Firemen's Disability and Pension Fund is set aside for the funding of postemployment health care. The Ohio Revised Code provides the statutory authority allowing the fund's board of trustees to provide health care coverage to all eligible individuals. Health care funding and accounting are on a pay-as-you-go basis. Currently, 7.0% of covered payroll is used to pay retiree health care expenses. The number of participants eligible to receive health care benefits as of December 31, 1998 (the latest information available) were 11,424 for police and 9,186 for firefighters. PFDPF's total health care expenses for the year ended December 31, 1998, (the latest information available) were \$78,596,790, which were net of member contributions of \$5,331,515. The portion of the City's 1999 contributions that was used to pay postemployment benefits was \$213,793 for 47 police employees and \$217,916 for 43 fire fighter employees.

State PERS

All non-uniformed full-time City employees, elected officials, and part-time employees are enrolled in PERS. In 1999, there were approximately 279 covered employees.

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

Funding Policy

The Ohio Revised Code provides statutory authority for employee and employer contributions. Employees contribute 8.5% of their annual compensation. The City's contribution rate for 1999 was 13.55% of covered payroll; 9.35% was used to fund pension obligations and 4.2% was used to fund health care for 1999. The City's contributions to PERS for the years ended December 31, 1999, 1998, and 1997 were \$428,373, \$384,946, and \$354,555, respectively, equal to the required contributions for each year.

Other Postemployment Benefit Information

PERS provides postemployment health care coverage to age and service retirees with ten or more years of *qualifying service credit*. Health care coverage for disability recipients and primary survivor recipients is available. The health care coverage provided by PERS is considered an Other Postemployment Benefit (OPEB). A portion of each employer's contribution to PERS is set aside for the funding of postemployment health care. The Ohio Revised Code provides statutory authority for employer contributions. Employer contributions, equal to 4.2% of member covered payroll, are used to fund health care expenses.

OPEB are financed through employer contributions and investment earnings thereon. The contributions allocated to retiree health and Medicare, along with investment income on allocated assets and periodic adjustments in health care provisions are expected to be sufficient to sustain the program indefinitely.

The portion of the City's 1999 contributions that was used to pay postemployment benefits was \$133,104 for 270 non-uniformed employees.

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

The City of Norwood has two long-term loans receivable. Both loans, the first in the amount of \$9,062 the second in the amount of \$3,331,000 represent the contractual repayment of Urban Development Action Grants previously made to certain organizations. Both are fully reserved within the Economic Development Fund

12. C-9 TRUST

In 1990, the City established a voluntary employee benefit association under I.R.C. §501(c)(9) (C-9 Trust) to provide certain welfare benefits to eligible employees of the City of Norwood and their beneficiaries. Employees become eligible to participate upon the effective date of their retirement, provided they are

eligible for benefits under the ordinances of the City and are eligible for benefits under the City's Health Benefits Program. Benefits provided under the plan are funded on a pay-as-you go basis and consist of health care benefits not covered by other insurance carriers and are limited to \$2,000 per Plan Year for each Plan Participant. The plan is wholly funded by the City. There are approximately 310 participants currently eligible to receive benefits under this plan. The amount contributed by the City in 1999 was \$60,000. The City does not have fiduciary responsibility for this trust.

13. DEFICIT FUND BALANCES

There are three Special Revenue Funds that have deficit fund balances on a GAAP basis. These three funds are BJA Crime Prevention Fund, Separation Pay Fund and C.O.P.S. F.A.S.T. Grant Fund and have deficit fund balances of \$1,890, \$170,062 and \$1,079 respectively. The deficit will be covered by future revenue.

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GENERAL FUND

FINANCIAL STATEMENTS

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

CITY OF NORWOOD, OHIO
Statement of Revenue, Expenditures and Changes in Fund Balance
For the Year Ended December 31, 1999

	Total	
	1999	1998
GENERAL FUND		
Revenues		
Taxes		
Real Property	\$ 3,353,767	\$ 2,746,400
Municipal Income Tax	9,453,821	9,047,608
Admission Tax	114,099	16,041
Total Local Taxes	12,921,687	11,810,049
Charges for Services	74,995	85,329
Intergovernmental Revenue		
State Shared Taxes and Permits		
Local Government	809,088	792,025
Estate Tax	345,910	499,542
Cigarette Tax	980	1,059
Trailer Tax	300	
Alcoholic Beverages Tax	27,130	33,396
Hotel Tax	22,326	28,552
Federal Grants or Aid		3,742
Total Intergovernmental Revenue	1,205,734	1,358,316
State Grants or Aid	9,236	8,393
Fines, Licenses and Permits		
Fines and Forfeitures	241,491	242,048
Licenses and Permits	261,271	238,988
Total Fines, Licenses and Permits	502,762	481,036
Miscellaneous Revenue		
Interest	305,199	182,060
Contributions and Donations	2,850	1,550
Other Miscellaneous	139,316	423,810
Total Miscellaneous Revenue	447,365	607,420
Total Revenue	\$ 15,161,779	\$ 14,350,543

(Continued)

CITY OF NORWOOD, OHIO
Statement of Revenue, Expenditures and Changes in Fund Balance
For the Year Ended December 31, 1999

	Total	
	1999	1998
GENERAL FUND		
Expenditures		
City Council	\$ 66,423	\$ 66,306
Office of the Clerk of Council	25,546	20,038
Office of the Mayor	94,992	73,689
Mayor's Clerk of Court	83,499	89,302
Office of the City Solicitor	152,167	125,929
Office of the Auditor	205,517	187,421
Office of the Treasurer:		
Treasurer Section	112,696	105,843
Earnings Tax Office and Board of Review	150,907	145,008
Total Office of the Treasurer	263,603	250,851
Civil Service Commission	55,965	29,155
Department of Safety/Service		
Office of Safety/Service		
Office of the Public Works Director		
Office of the Safety Director	95,352	99,237
Office of the Service Director	71,100	64,019
Other Transportation Costs	55,766	50,362
Division of Buildings	365,299	318,607
Division of Police:		
Police Administration Section	179,757	119,552
Crime Control, Prevention and Investigation	3,732,755	3,335,291
Auxiliary Police Officers	195,929	188,644
Total Division of Police	4,108,441	3,643,487
Division of Fire:		
Fire Administration Section	133,037	292,302
Fire Fighting and Prevention Section	3,801,387	2,999,134
Total Division of Fire	3,934,424	3,291,436
Division of Streets and Water	167,035	176,352
Division of Waste Collection	855,717	864,296
Division of City Garage	148,995	99,702
City Bus Service	24,013	25,271

(Continued)

CITY OF NORWOOD, OHIO
Statement of Revenue, Expenditures and Changes in Fund Balance
For the Year Ended December 31, 1999

	Total	
	1999	1998
GENERAL FUND		
Expenditures (Continued)		
Division of Community Development	76,049	45,252
Division of Community Center	139,651	113,352
Division of Engineering	3,687	13,379
Division of Facilities Maintenance:		
Public Land and Buildings Section	371,987	422,532
Parks and Playgrounds Section	343,119	334,348
Summer Youth Employment Program		3,766
Total Division of Facilities Maintenance	715,106	760,646
Emergency Dispatchers	390,800	321,829
Total Department of Safety/Service	11,151,435	9,887,227
Department of Health		
Division of Administration	190,257	150,542
Division of Medical Services	122,880	102,729
Division of Environmental Health	107,594	111,990
Total Department of Health	420,731	365,261
Nondepartmental Accounts		
Employee Benefits:		
Contribution to State Pension System (PERS)	235,212	61,510
Police and Fire Accrued Liability	150,496	150,496
Contribution to Employee Hospital Care	699,285	695,867
C-9 Trust	60,000	90,000
DRETAC	3,715	6,323
COBRA	4,934	11,151
Contribution to Workmen's Compensation		
Insurance	5,421	6,804
State Unemployment Compensation	8,508	8,825

(Continued)

CITY OF NORWOOD, OHIO
Statement of Revenue, Expenditures and Changes in Fund Balance
For the Year Ended December 31, 1999

	Total	
	1999	1998
GENERAL FUND		
Expenditures (Continued)		
Government Services and Fees:		
State Examiner's Fees	34,409	36,810
County Auditor's and Treasurer's Fees	41,091	30,548
Election Expense		22,878
Advertisement of Delinquent Taxes	448	329
Professional Services and Legal Fees:		
Judgments Against the City	10,927	8,232
Outside Legal Fees	19,046	25,729
Miscellaneous Accounts:		
Real Estate Tax (County)	20,307	11,619
Earnings Tax Refund	138,920	134,486
Insurance	124,080	122,313
Random Drug Testing	8,748	
Total Nondepartmental Accounts	1,565,547	1,423,920
TOTAL EXPENDITURES	14,085,425	12,519,099
Excess of Revenue over (under)		
Expenditures	1,076,354	1,831,444
Other Financing Sources (Uses)		
Operating Transfers In	191,948	232,275
Operating Transfers (Out)	(1,462,565)	(1,869,088)
Total Other Financing Sources (Uses)	(1,270,617)	(1,636,813)
Excess of Revenue and Other Financing Sources Over (Under) Expenditures and Other Uses	(194,263)	194,631
Fund Balance, January 1	1,514,657	1,320,026
Fund Balance, December 31	\$ 1,320,394	\$ 1,514,657

CITY OF NORWOOD, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended December 31, 1999

	Budget 1999	Actual 1999	Variance Favorable (Unfavorable)
GENERAL FUND			
Revenues			
Taxes			
Real Property	\$ 3,353,197	\$ 3,353,767	\$ 570
Municipal Income Tax	9,058,439	9,333,982	275,543
Admission Tax	112,320	112,838	518
Total Local Taxes	12,523,956	12,800,587	276,631
Charges for Services	74,548	74,845	297
Intergovernmental Revenue			
State Shared Taxes and Permits			
Local Government	775,641	809,088	33,447
Estate Tax	345,910	345,910	
Cigarette Tax	980	980	
Trailer Tax	300	300	
Alcoholic Beverages Tax	27,130	27,130	
Hotel Tax	22,326	22,326	
Total Intergovernmental Revenue	1,172,287	1,205,734	33,447
Federal Grants or Aid	3,505	3,505	
State Grants or Aid	9,130	9,236	106
Fines, Licenses and Permits			
Fines and Forfeitures	236,593	241,491	4,898
Licenses and Permits	263,517	261,271	(2,246)
Total Fines, Licenses and Permits	500,110	502,762	2,652
Miscellaneous Revenue			
Interest	300,000	305,199	5,199
Contributions and Donations	2,000	2,850	850
Other Miscellaneous	137,297	139,316	2,019
Total Miscellaneous Revenue	439,297	447,365	8,068
Total Revenue	\$ 14,722,833	\$ 15,044,034	\$ 321,201

(Continued)

CITY OF NORWOOD, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended December 31, 1999

GENERAL FUND (Continued)	Budget 1999	Actual 1999	Variance Favorable (Unfavorable)
Expenditures			
City Council:			
Personal Expenditures	\$ 65,614	\$ 65,614	\$
Contractual Services	550	500	50
Materials and Supplies	359	309	50
Total City Council	66,523	66,423	100
Office of the Clerk of Council:			
Personal Expenditures	23,160	23,160	
Contractual Services	2,287	2,187	100
Materials and Supplies	239	189	50
Total Office of the Clerk of Council	25,686	25,536	150
Office of the Mayor:			
Personal Expenditures	52,514	52,514	
Contractual Services	44,057	43,776	281
Materials and Supplies	3,527	3,017	510
Total Office of the Mayor	100,098	99,307	791
Mayor's Clerk of Court:			
Personal Expenditures	80,887	80,887	
Contractual Services	2,856	2,650	206
Materials and Supplies	990	915	75
Total Mayor's Clerk of Court	84,733	84,452	281
Office of the City Solicitor:			
Personal Expenditures	116,329	116,329	
Contractual Services	32,342	31,830	512
Materials and Supplies	2,730	2,525	205
Total Office of the City Solicitor	151,401	150,684	717

(Continued)

CITY OF NORWOOD, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended December 31, 1999

GENERAL FUND (Continued)	Budget 1999	Actual 1999	Variance Favorable (Unfavorable)
Office of the Auditor:			
Personal Expenditures	191,858	191,858	
Contractual Services	5,950	5,700	250
Materials and Supplies	6,124	5,875	249
Total Office of the Auditor	203,932	203,433	499
Office of the Treasurer:			
Treasurer Section:			
Personal Expenditures	107,031	107,031	
Contractual Services	2,643	2,593	50
Materials and Supplies	2,215	2,165	50
Total Treasurer Section	111,889	111,789	100
Earnings Tax Office and Board of Review:			
Personal Expenditures	137,767	137,767	
Contractual Services	9,275	8,998	277
Materials and Supplies	3,850	3,660	190
Total Earnings Tax Office and Board of Review	150,892	150,425	467
Total Office of the Treasurer	262,781	262,214	567
Civil Service Commission:			
Personal Expenditures	7,532	7,532	
Contractual Services	50,476	48,306	2,170
Materials and Supplies	567	561	6
Total Civil Service Commission	58,575	56,399	2,176

(Continued)

CITY OF NORWOOD, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended December 31, 1999

GENERAL FUND (Continued) Department of Safety/Service:	<u>Budget 1999</u>	<u>Actual 1999</u>	<u>Variance Favorable (Unfavorable)</u>
Office of the Director:			
Office of the Safety Director:			
Personal Expenditures	85,995	85,995	
Contractual Services	9,360	9,093	267
Materials and Supplies	2,618	2,368	250
Total Office of the Safety Director	97,973	97,456	517
Office of the Service Director:			
Personal Expenditures	65,329	65,329	
Contractual Services	5,867	5,587	280
Materials and Supplies	687	432	255
Total Office of the Service Director	71,883	71,348	535
Other Transportation Costs:			
Materials and Supplies	57,661	56,661	1,000
Total Other Transportation Costs	57,661	56,661	1,000
Total Office of the Director	227,517	225,465	2,052
Division of Buildings:			
Personal Expenditures	285,245	285,245	
Contractual Services	74,305	73,795	510
Materials and Supplies	8,345	7,762	583
Other	336	336	
Total Division of Buildings	368,231	367,138	1,093

(Continued)

CITY OF NORWOOD, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended December 31, 1999

GENERAL FUND (Continued)	Budget 1999	Actual 1999	Variance Favorable (Unfavorable)
Division of Police:			
Police Administration Section:			
Personal Expenditures	155,699	155,699	
Contractual Services	14,949	14,750	199
Materials and Supplies	4,330	4,066	264
Other	2,985	2,985	
Total Police Administration Section	177,963	177,500	463
Crime Control, Prevention and Investigation:			
Personal Expenditures	3,502,130	3,502,066	64
Contractual Services	81,662	79,162	2,500
Materials and Supplies	50,576	48,244	2,332
Total Crime Control, Prevention and Investigation	3,634,368	3,629,472	4,896
Auxiliary Police Officers:			
Personal Expenditures	189,396	189,396	
Contractual Services	843	343	500
Materials and Supplies	9,178	8,678	500
Total Auxiliary Police Officers	199,417	198,417	1,000
Total Division of Police	4,011,748	4,005,389	6,359
Division of Fire:			
Fire Administration Section:			
Personal Expenditures	143,784	143,784	
Contractual Services	13,257	13,105	152
Materials and Supplies	8,901	8,552	349
Other	26,181	26,181	
Total Fire Administration Section	192,123	191,622	501

(Continued)

CITY OF NORWOOD, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended December 31, 1999

GENERAL FUND (Continued)	Budget 1999	Actual 1999	Variance Favorable (Unfavorable)
Fire Fighting and Prevention Section:			
Personal Expenditures	3,757,949	3,757,949	
Contractual Services	42,422	38,062	4,360
Materials and Supplies	28,151	26,443	1,708
Total Fire Fighting and Prevention Section	3,828,522	3,822,454	6,068
Total Division of Fire	4,020,645	4,014,076	6,569
Superintendent of Public Works:			
Personal Expenditures	125,986	125,986	
Contractual Services	29,012	28,511	501
Materials and Supplies	15,440	14,734	706
Total Division of Superintendent	170,438	169,231	1,207
Division of Waste Collection:			
Personal Expenditures			
Contractual Services	870,469	864,521	5,948
Materials and Supplies			
Total Division of Waste Collection	870,469	864,521	5,948
Division of City Garage:			
Personal Expenditures	133,564	133,564	
Contractual Services	4,337	3,587	750
Materials and Supplies	13,290	12,540	750
Total Division of City Garage	151,191	149,691	1,500
City Bus Service:			
Personal Expenditures	21,874	21,874	
Contractual Services	316	216	100
Materials and Supplies	954	903	51
Total City Bus Service	23,144	22,993	151

(Continued)

CITY OF NORWOOD, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended December 31, 1999

GENERAL FUND (Continued)	Budget 1999	Actual 1999	Variance Favorable (Unfavorable)
Division of Community Development:			
Personal Expenditures	73,780	73,780	
Contractual Services	34	34	
Materials and Supplies			
Total Division of Community Development	73,814	73,814	
Division of Community Center:			
Personal Expenditures	85,706	85,706	
Contractual Services	35,338	34,338	1,000
Materials and Supplies	7,310	6,341	969
Other	13,502	13,502	
Total Division of Community Center	141,856	139,887	1,969
Division of Engineering:			
Contractual Services	4,938	4,938	
Materials and Supplies	450	450	
Total Division of Engineering	5,388	5,388	
Division of Facilities Maintenance:			
Public Land and Buildings Section:			
Personal Expenditures	24,196	24,196	
Contractual Services	136,811	127,105	9,706
Materials and Supplies	43,093	41,295	1,798
Other	189,812	189,812	
Total Public Land and Buildings Section	393,912	382,408	11,504
Parks and Playgrounds Section:			
Personal Expenditures	237,197	237,197	
Contractual Services	58,762	58,246	516
Materials and Supplies	55,197	54,289	908
Total Parks and Playgrounds Section	351,156	349,732	1,424

(Continued)

CITY OF NORWOOD, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended December 31, 1999

GENERAL FUND (Continued)	Budget 1999	Actual 1999	Variance Favorable (Unfavorable)
Total Division of Facilities Maintenance	745,068	732,140	12,928
Emergency Dispatchers:			
Personal Expenditures	373,218	373,218	
Contractual Services	19,647	18,362	1,285
Materials and Supplies	1,700	1,198	502
Other			
Total Emergency Dispatchers	394,565	392,778	1,787
Total Department of Safety/Service	11,204,074	11,162,511	41,563
Department of Health:			
Division of Administration:			
Personal Expenditures	140,484	140,484	
Contractual Services	33,219	32,773	446
Materials and Supplies	11,623	11,203	420
Other	8,212	8,212	
Total Division of Administration	193,538	192,672	866
Division of Medical Services:			
Personal Expenditures	82,606	82,606	
Contractual Services	30,943	30,682	261
Materials and Supplies	9,508	9,408	100
Other			
Total Division of Medical Services	123,057	122,696	361
Division of Environmental Health:			
Personal Expenditures	88,344	85,700	2,644
Contractual Services	22,863	22,832	31
Materials and Supplies	415	351	64
Other	200	200	
Total Division of Environmental Health	111,822	109,083	2,739
Total Department of Health	428,417	424,451	3,966

(Continued)

CITY OF NORWOOD, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended December 31, 1999

GENERAL FUND (Continued)	Budget 1999	Actual 1999	Variance Favorable (Unfavorable)
Nondepartmental Accounts:	<hr/>	<hr/>	<hr/>
Employee Benefits:			
Contribution to State Pension System (PERS)	235,212	235,212	
Police and Fire Accrued Liability	150,496	150,496	
Contribution to Employee Hospital Care	699,724	699,724	
C-9 Trust	60,000	60,000	
DRETAC	3,715	3,715	
COBRA	4,934	4,934	
Workmen's Compensation Insurance	5,421	5,421	
State Unemployment Compensation	10,486	10,486	
Government Services and Fees:			
State Examiner's Fees	54,050	44,050	10,000
County Auditor's and Treasurer's Fees	41,091	41,091	
Election Expense			
Advertisement of Delinquent Taxes	448	448	
Professional Services and Legal Fees:			
Judgments Against the City	13,427	10,927	2,500
Outside Legal Fees	25,822	19,156	6,666
Miscellaneous Accounts:			
Real Estate Tax (County)	11,717	11,717	
Earnings Tax Refund	138,920	138,920	
Insurance	129,780	124,780	5,000
Reserve for Contingencies	69,100		69,100
Random Drug Testing	8,748	8,748	
	<hr/>	<hr/>	<hr/>
Total Nondepartmental Accounts	1,663,091	1,569,825	93,266
	<hr/>	<hr/>	<hr/>
Total Expenditures	14,249,311	14,105,235	144,076

(Continued)

CITY OF NORWOOD, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 1999

	Budget 1999	Actual 1999	Variance Favorable (Unfavorable)
GENERAL FUND (Continued)			
Other Financing Sources (Uses)			
Operating Transfers In	191,948	191,948	
Operating Transfers (Out)	<u>(1,462,565)</u>	<u>(1,462,565)</u>	
Total Other Financing Sources (Uses)	(1,270,617)	(1,270,617)	
Excess of Revenue and Other Financing Sources Over (Under) Expenditures and Other Uses	(797,095)	(331,818)	465,277
Cancellation of Prior Years Encumbrances	94,292	94,540	248
Fund Balance, January 1	<u>702,803</u>	<u>702,803</u>	
Fund Balance, December 31	<u>\$</u>	<u>\$ 465,525</u>	<u>\$ 465,525</u>

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SPECIAL REVENUE FUNDS

COMBINING FINANCIAL STATEMENTS

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

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

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

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

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

Paramedic Fund - To account for revenues derived from the charges for paramedic services; and to account for expenditures relating to the operation of the City's paramedic service and to account for the expenditures relating to the City's school crossing guard program.

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

Cypress Way Nature Preserve Fund- To account for revenues derived for donations and other sources specifically designated for the upkeep and maintenance of the preserve; and to account for expenses related to upkeep and maintenance of the preserve.

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

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

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

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

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

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

Drug Abuse Resistance Education Fund - To account for the receipt of Ohio Attorney General grant for the purpose of reducing substance abuse through an education program and to account for the expenditures for grantor.

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

Police and Fire Pension Repayment Fund - To account for funds received to repay past due police and fire pension obligations.

Bureau of Crippled Children's Safety Fund - To account for shared revenues received from the State of Ohio to help fund children's health programs; and to account for expenditures related to these children health programs.

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

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

Alcohol Education & Enforcement Fund - To account for revenue derived from the City's portion of fines levied for alcohol related traffic violations; and to account for the expenditure of funds related to alcohol education and enforcement programs by the police department.

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

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

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

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

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

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

CITY OF NORWOOD, OHIO
Combining Balance Sheet
Special Revenue Funds
December 31, 1999

	Street Maintenance and Repair	Permissive Tax	Economic Development	Paramedic
<u>Assets</u>				
Cash	\$ 106,074	\$ 258,840	\$ 290,675	\$ 15,828
Interest Receivable			9,733	
Investments			234,705	
Accounts Receivable				12,392
Total Assets	\$ 106,074	\$ 258,840	\$ 535,113	\$ 28,220
<u>Liabilities and Fund Equity</u>				
<u>Liabilities</u>				
Accounts Payable	\$ 49,808	\$ 99,773	\$ 10,664	\$ 1,619
Accrued Wages and Benefits	20,064			4,040
Total Liabilities	69,872	99,773	10,664	5,659
<u>Fund Equity</u>				
<u>Fund Balances:</u>				
Reserved for Encumbrances		5,861	25,412	
Unreserved	36,202	153,206	499,037	22,561
Total Fund Equity	36,202	159,067	524,449	22,561
Total Liabilities and Fund Equity	\$ 106,074	\$ 258,840	\$ 535,113	\$ 28,220

CITY OF NORWOOD, OHIO
Combining Balance Sheet
Special Revenue Funds
December 31, 1999

State Highway Improvement	Cypress Way Nature Preserve	Senior Dental	Drug Law Enforcement	Urban Development	PACE Telecommunications
\$ 13,736	\$ 7,169	\$ 21,957	\$ 818	\$ 1,000	\$ 57,165
<u>\$ 13,736</u>	<u>\$ 7,169</u>	<u>\$ 21,957</u>	<u>\$ 818</u>	<u>\$ 1,000</u>	<u>\$ 57,165</u>
\$ 7,078	\$ 834	\$ 20			
7,078	834	20			
475					
6,183	6,335	21,937	\$ 818	\$ 1,000	\$ 57,165
6,658	6,335	21,937	818	1,000	57,165
<u>\$ 13,736</u>	<u>\$ 7,169</u>	<u>\$ 21,957</u>	<u>\$ 818</u>	<u>\$ 1,000</u>	<u>\$ 57,165</u>

(Continued)

CITY OF NORWOOD, OHIO
Combining Balance Sheet
Special Revenue Funds
December 31, 1999

(Continued)

	BJA Crime Prevention	Recreation Commission	D. A. R. E.	Lindner Park Flower
<u>Assets</u>				
Cash	\$ 558	\$ 18,393	\$ 16,543	\$ 17,915
Interest Receivable				
Investments				
Accounts Receivable				
Total Assets	\$ 558	\$ 18,393	\$ 16,543	\$ 17,915
 <u>Liabilities and Fund Equity</u>				
Liabilities				
Accounts Payable	\$ 434	\$ 3,869		
Accrued Wages and Benefits	2,014	6,422		
Total Liabilities	2,448	10,291		
Fund Equity				
Fund Balances:				
Reserved for Encumbrances	124	381		
Unreserved	(2,014)	7,721	\$ 16,543	\$ 17,915
Total Fund Equity	(1,890)	8,102	16,543	17,915
Total Liabilities and Fund Equity	\$ 558	\$ 18,393	\$ 16,543	\$ 17,915

CITY OF NORWOOD, OHIO

Combining Balance Sheet

Special Revenue Funds

December 31, 1999

Police and Fire Pension Repayment	Bureau of Crippled Children's Safety	Separation Pay	Robert S. McCullough Garden	Alcohol Education & Enforcement	Building Code Assessment
	\$ 9,033		\$ 3,214	\$ 4,912	\$ 2,666
	<u>\$ 9,033</u>		<u>\$ 3,214</u>	<u>\$ 4,912</u>	<u>\$ 2,666</u>
	\$ 40	\$ 35,984			
		134,078			
	40	170,062			
	8,993	(170,062)	\$ 3,214	\$ 4,912	\$ 2,666
	8,993	\$ (170,062)	3,214	4,912	2,666
	<u>\$ 9,033</u>		<u>\$ 3,214</u>	<u>\$ 4,912</u>	<u>\$ 2,666</u>

(Continued)

CITY OF NORWOOD, OHIO
Combining Balance Sheet
Special Revenue Funds
December 31, 1999

(Continued)

	Police Vehicle Replacement	Council on Aging	C.O.P.S. F.A.S.T. Grant
<u>Assets</u>			
Cash	\$ 31,004	\$ 2,803	\$ 2,414
Interest Receivable			
Investments			
Accounts Receivable			
Total Assets	\$ 31,004	\$ 2,803	\$ 2,414
 <u>Liabilities and Fund Equity</u>			
<u>Liabilities</u>			
Accounts Payable			
Accrued Wages and Benefits			\$ 3,493
Total Liabilities			3,493
 <u>Fund Equity</u>			
<u>Fund Balances:</u>			
Reserved for Encumbrances			
Unreserved	\$ 31,004	\$ 2,803	(1,079)
Total Fund Equity	31,004	2,803	(1,079)
Total Liabilities and Fund Equity	\$ 31,004	\$ 2,803	\$ 2,414

CITY OF NORWOOD, OHIO
Combining Balance Sheet
Special Revenue Funds
December 31, 1999

S.T.E.P. Grant	Recycle Ohio! Grant	Total	
		1999	1998
		\$ 882,717	\$ 1,074,429
		9,733	
		234,705	219,027
		12,392	39,009
		<u>\$ 1,139,547</u>	<u>\$ 1,332,465</u>
		\$ 210,123	\$ 92,180
		170,111	212,349
		380,234	304,529
		32,253	27,202
		<u>727,060</u>	<u>1,000,734</u>
		<u>759,313</u>	<u>1,027,936</u>
		<u>\$ 1,139,547</u>	<u>\$ 1,332,465</u>

CITY OF NORWOOD, OHIO
Combining Statement of Revenue, Expenditures and Changes in Fund Balance
Special Revenue Funds
December 31, 1999

	Street Maintenance and Repair	Permissive Tax	Economic Development	Paramedic
Revenue				
Taxes				
License Tax	\$ 141,182			
Gasoline Tax	324,532			
Total Taxes	465,714			
Charges for Services				\$ 218,615
Intergovernmental Revenue		\$ 129,189		
Licenses and Permits	1,093			
Fines and Forfeitures				
Federal Grants or Aid				
State Grants or Aid				4,290
Miscellaneous	2,709		\$ 204,889	
Total Revenue	469,516	129,189	204,889	222,905
Expenditures				
General Government				
Public Safety				152,119
Community Environment			186,259	
Highways and Streets	555,735			
Public Health				
Capital Outlay		108,703		
Debt Service:				
Principal Retirement				
Interest Expense				
Total Expenditures	555,735	108,703	186,259	152,119
Excess of Revenue Over (Under) Expenditures	(86,219)	20,486	18,630	70,786
Other Financing Sources (Uses)				
Operating Transfers In	92,000			
Operating Transfers (Out)			(51,461)	(140,487)
Total Other Financing Sources (Uses)	92,000		(51,461)	(140,487)
Excess of Revenue and Other Sources Over (Under) Expenditures and Other Uses	5,781	20,486	(32,831)	(69,701)
Fund Balances:				
January 1	30,421	138,581	557,280	92,262
December 31	\$ 36,202	\$ 159,067	\$ 524,449	\$ 22,561

CITY OF NORWOOD, OHIO

Combining Statement of Revenue, Expenditures and Changes in Fund Balance

Special Revenue Funds

December 31, 1999

State Highway Improvement	Cypress Way Nature Preserve	Senior Dental	Drug Law Enforcement	Urban Development	PACE Telecommunications
\$ 11,447					
26,313					
<u>37,760</u>					
			\$ 1,513		
584	\$ 11,250	\$ 13,468			\$ 56,809
<u>38,344</u>	<u>11,250</u>	<u>13,468</u>	<u>1,513</u>		<u>56,809</u>
	9,972		6,608		35,363
37,876		6,229			
<u>37,876</u>	<u>9,972</u>	<u>6,229</u>	<u>6,608</u>		<u>35,363</u>
468	1,278	7,239	(5,095)		21,446
468	1,278	7,239	(5,095)		21,446
6,190	5,057	14,698	5,913	1,000	35,719
<u>\$ 6,658</u>	<u>\$ 6,335</u>	<u>\$ 21,937</u>	<u>\$ 818</u>	<u>\$ 1,000</u>	<u>\$ 57,165</u>

(Continued)

CITY OF NORWOOD, OHIO
Combining Statement of Revenue, Expenditures and Changes in Fund Balance
Special Revenue Funds
December 31, 1999

(Continued)

	BJA Crime Prevention	Recreation Commission	D. A. R. E.	Lindner Park Flower
Revenue				
Taxes				
License Tax				
Gasoline Tax				
Total Taxes				
Charges for Services		\$ 164,157		
Intergovernmental				
Revenue				
Licenses and Permits				
Fines and Forfeitures				
Federal Grants or Aid			\$ 14,523	
State Grants or Aid	\$ 27,443			
Miscellaneous		85,000		\$ 20,000
Total Revenue	27,443	249,157	14,523	20,000
Expenditures				
General Government				
Public Safety	39,400		29,647	
Community Environment		321,099		21,522
Highways and Streets				
Public Health				
Capital Outlay				
Debt Service:				
Principal Retirement				
Interest Expense				
Total Expenditures	39,400	321,099	29,647	21,522
Excess of Revenue Over				
(Under) Expenditures	(11,957)	(71,942)	(15,124)	(1,522)
Other Financing Sources (Uses)				
Operating Transfers In	4,396	47,375	14,524	
Operating Transfers (Out)				
Total Other Financing				
Sources (Uses)	4,396	47,375	14,524	
Excess of Revenue				
and Other Sources Over				
(Under) Expenditures				
and Other Uses	(7,561)	(24,567)	(600)	(1,522)
Fund Balances:				
January 1	5,671	32,669	17,143	19,437
December 31	\$ (1,890)	\$ 8,102	\$ 16,543	\$ 17,915

CITY OF NORWOOD, OHIO
 Combining Statement of Revenue, Expenditures and Changes in Fund Balance
Special Revenue Funds
 December 31, 1999

Police and Fire Pension Repayment	Bureau of Crippled Children's Safety	Separation Pay	Robert S. McCullough Garden	Alcohol Education & Enforcement	Building Code Assessment
					\$ 3,881
	\$ 10,774		\$ 427	\$ 2,660	
	10,774		427	2,660	3,881
		\$ 518,436		1,906	1,454
	8,177				
\$ 259,125					
13,125					
272,250	8,177	518,436		1,906	1,454
(272,250)	2,597	(518,436)	427	754	2,427
272,250		327,063			
272,250		327,063			
	2,597	(191,373)	427	754	2,427
	6,396	21,311	2,787	4,158	239
\$	\$ 8,993	\$ (170,062)	\$ 3,214	\$ 4,912	\$ 2,666

(Continued)

CITY OF NORWOOD, OHIO

Combining Statement of Revenue, Expenditures and Changes in Fund Balance

Special Revenue Funds

December 31, 1999

(Continued)

	Police Vehicle Replacement	Council on Aging	C.O.P.S. F.A.S.T. Grant
<u>Revenue</u>			
Taxes			
License Tax			
Gasoline Tax			
Total Taxes			
Charges for Services			
Intergovernmental			
Revenue			
Licenses and Permits			
Fines and Forfeitures			
Federal Grants or Aid			\$ 57,347
State Grants or Aid			
Miscellaneous		\$ 4,514	
Total Revenue		4,514	57,347
<u>Expenditures</u>			
General Government			
Public Safety			86,395
Community Environment		1,711	
Highways and Streets			
Public Health			
Capital Outlay			
Debt Service:			
Principal Retirement			
Interest Expense			
Total Expenditures		1,711	86,395
Excess of Revenue Over (Under) Expenditures		2,803	(29,048)
Other Financing Sources (Uses)			
Operating Transfers In			27,969
Operating Transfers (Out)			
Total Other Financing Sources (Uses)			27,969
Excess of Revenue and Other Sources Over (Under) Expenditures and Other Uses		2,803	(1,079)
Fund Balances:			
January 1	\$ 31,004		
December 31	\$ 31,004	\$ 2,803	\$ (1,079)

CITY OF NORWOOD, OHIO

Combining Statement of Revenue, Expenditures and Changes in Fund Balance

Special Revenue Funds

December 31, 1999

S.T.E.P. Grant	Recycle Ohio! Grant	Total	
		1999	1998
		\$ 152,629	\$ 142,666
		350,845	307,859
		503,474	450,525
		382,772	518,695
		129,189	138,990
		4,974	3,917
		1,513	2,632
\$ 6,498		78,368	
	\$ 9,988	68,623	40,743
		386,182	387,371
6,498	9,988	1,555,095	1,542,873
		518,436	380,944
6,498		322,573	266,046
	14,871	592,251	466,791
		593,611	634,581
		14,406	14,119
		108,703	48,258
		259,125	267,500
		13,125	
6,498	14,871	2,422,230	2,078,239
	(4,883)	(867,135)	(535,366)
	4,883	790,460	1,119,848
		(191,948)	(232,275)
	4,883	598,512	887,573
		(268,623)	352,207
		1,027,936	675,729
\$	\$	\$ 759,313	\$ 1,027,936

CITY OF NORWOOD, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 1999

	Budget 1999	Actual 1999	Variance Favorable (Unfavorable)
STREET MAINTENANCE AND REPAIR			
Revenue			
Taxes			
License Tax	\$ 133,487	\$ 141,182	\$ 7,695
Gasoline Tax	314,628	324,532	9,904
Total Taxes	448,115	465,714	17,599
Licenses and Permits	546	1,093	547
Miscellaneous	2,698	2,709	11
Total Revenue	451,359	469,516	18,157
Expenditures			
Highways and Streets			
Personal Services	292,091	291,781	310
Contractual Services	50,108	46,854	3,254
Materials and Supplies	125,856	123,218	2,638
Other	120,592	120,592	
Total Expenditures	588,647	582,445	6,202
Other Financing Sources			
Operating Transfers In	92,000	92,000	
Total Other Financing Sources	92,000	92,000	
Excess of Revenue and Other Financing Sources (under) Expenditures and Other Uses	(45,288)	(20,929)	24,359
Cancellation of Prior Years Encumbrances	30,358	30,358	
Fund Balance, January 1	14,930	14,930	
Fund Balance, December 31	\$	\$ 24,359	\$ 24,359

(Continued)

CITY OF NORWOOD, OHIO
 Schedule of Revenue, Expenditures and Changes in Fund Balance
Schedule of Revenue, Expenditures and Changes in Fund Balances
 For the Year Ended December 31, 1999

	Budget 1999	Actual 1999	Variance Favorable (Unfavorable)
PERMISSIVE TAX			
Revenue:			
Intergovernmental Revenue	\$ 129,189	\$ 129,189	\$
Total Revenue	129,189	129,189	
Expenditures			
Capital Outlay	267,770	81,249	186,521
Total Expenditures	267,770	81,249	186,521
Excess of Revenue and Other Financing Sources (under) Expenditures and Other Uses	(138,581)	47,940	186,521
Fund Balance, January 1	138,581	138,581	
Fund Balance, December 31	\$	\$ 186,521	\$ 186,521

(Continued)

CITY OF NORWOOD, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 1999

	Budget 1999	Actual 1999	Variance Favorable (Unfavorable)
ECONOMIC DEVELOPMENT			
Revenue			
Miscellaneous	\$ 172,945	\$ 195,156	\$ 22,211
Total Revenue	172,945	195,156	22,211
Expenditures			
Community Environment			
Contractual Services	647,732	195,118	452,614
Materials and Supplies	13,441	12,941	500
Total Expenditures	661,173	208,059	453,114
Other Financing (Uses)			
Operating Transfers (Out)	(51,461)	(51,461)	
Total Other Financing Sources (Uses)	(51,461)	(51,461)	
Excess of Revenue and Other Financing Sources (under) Expenditures and Other Uses	(539,689)	(64,364)	475,325
Cancellation of Prior Year Encumbrance	1,361	1,361	
Fund Balance, January 1	538,328	538,328	
Fund Balance, December 31	\$	\$ 475,325	\$ 475,325

(Continued)

CITY OF NORWOOD, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 1999

	Budget 1999	Actual 1999	Variance Favorable (Unfavorable)
PARAMEDIC			
Revenue			
Charges for Services	\$ 237,124	\$ 245,232	\$ 8,108
State Grant or Aid	4,000	4,000	
Miscellaneous	290	290	
Total Revenue	241,414	249,522	8,108
Expenditures			
Public Safety			
Personal Services	80,450	80,450	
Contractual Services	36,561	36,561	
Materials and Supplies	38,185	37,999	186
Other	90	90	
Total Expenditures	155,286	155,100	186
Other Financing (Uses)			
Operating Transfers (Out)	(140,487)	(140,487)	
Total Other Financing (Uses)	(140,487)	(140,487)	
Excess of Revenue and Other Financing Sources over (under) Expenditures and Other Uses	(54,359)	(46,065)	8,294
Cancellation of Prior Years Encumbrances	2,953	2,954	1
Fund Balance, January 1	51,406	51,406	
Fund Balance, December 31	\$	\$ 8,295	\$ 8,295

(Continued)

CITY OF NORWOOD, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 1999

	Budget 1999	Actual 1999	Variance Favorable (Unfavorable)
STATE HIGHWAY IMPROVEMENT			
Revenue			
Taxes			
License Tax	\$ 10,823	\$ 11,447	\$ 624
Gasoline Tax	25,510	26,313	803
Total Taxes	<u>36,333</u>	<u>37,760</u>	1,427
Miscellaneous	573	584	11
Total Revenue	36,906	38,344	1,438
Expenditures			
Highways and Streets	<u>43,096</u>	<u>41,914</u>	1,182
Total Expenditures	43,096	41,914	1,182
Other Financing Sources			
Operating Transfers In			
Total Other Financing Sources			
Excess of Revenue and Other Financing Sources (under) Expenditures and Other Uses	(6,190)	(3,570)	2,620
Cancellation of Prior Years Encumbrances	2,367	2,117	(250)
Fund Balance, January 1	<u>3,823</u>	<u>3,823</u>	
Fund Balance, December 31	<u>\$</u>	<u>\$ 2,370</u>	<u>\$ 2,370</u>

(Continued)

CITY OF NORWOOD, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 1999

	Budget 1999	Actual 1999	Variance Favorable (Unfavorable)
CYPRESS WAY NATURE PRESERVE			
Revenue			
Miscellaneous	\$ 11,250	\$ 11,250	\$
Total Revenue	11,250	11,250	
Expenditures			
Community Environment	16,491	11,072	5,419
Total Expenditures	16,491	11,072	5,419
Excess of Revenue and Other Financing Sources (under) Expenditures and Other Uses	(5,241)	178	5,419
Cancellation of Prior Years Encumbrances	810	810	
Fund Balance, January 1	4,431	4,431	
Fund Balance, December 31	\$	\$ 5,419	\$ 5,419

(Continued)

CITY OF NORWOOD, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 1999

	Budget 1999	Actual 1999	Variance Favorable (Unfavorable)
SENIOR DENTAL			
Revenue			
State Grants or Aid	\$ 11,716	\$ 13,467	\$ 1,751
Total Revenue	11,716	13,467	1,751
Expenditures			
Public Health	26,413	6,404	20,009
Total Expenditures	26,413	6,404	20,009
Excess of Revenue and Other Financing Sources (under) Expenditures and Other Uses	(14,697)	7,063	21,760
Cancellation of Prior Years Encumbrances	55	55	
Fund Balance, January 1	14,642	14,642	
Fund Balance, December 31	\$	\$ 21,760	\$ 21,760

(Continued)

CITY OF NORWOOD, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 1999

	Budget 1999	Actual 1999	Variance Favorable (Unfavorable)
DRUG LAW ENFORCEMENT			
Revenue			
Fines	\$ 1,513	\$ 1,513	\$
Total Revenue	1,513	1,513	
Expenditures			
Public Safety	7,426	6,609	817
Total Expenditures	7,426	6,609	817
Excess of Revenue and Other Financing Sources (under) Expenditures and Other Uses	(5,913)	(5,096)	817
Fund Balance, January 1	5,913	5,913	
Fund Balance, December 31	\$	\$ 817	\$ 817

(Continued)

CITY OF NORWOOD, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 1999

	Budget 1999	Actual 1999	Variance Favorable (Unfavorable)
URBAN DEVELOPMENT			
Expenditures			
General Government	\$ 1,000	\$ 1,000	\$ 1,000
Total Expenditures	1,000		1,000
Excess of Revenue and Other Financing Sources (under) Expenditures and Other Uses	(1,000)		1,000
Fund Balance, January 1	1,000	1,000	
Fund Balance, December 31	\$ 1,000	\$ 1,000	\$ 1,000

(Continued)

CITY OF NORWOOD, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 1999

	Budget 1999	Actual 1999	Variance Favorable (Unfavorable)
PAGE TELECOMMUNICATIONS			
Revenue			
Miscellaneous	\$ 56,809	\$ 56,809	\$
Total Revenue	56,809	56,809	
Expenditures			
General Government	92,527	35,362	57,165
Total Expenditures	92,527	35,362	57,165
Excess of Revenue and Other Financing Sources over (under) Expenditures and Other Uses	(35,718)	21,447	57,165
Cancellation of Prior Years Encumbrances	2,932	2,932	
Fund Balance, January 1	32,786	32,786	
Fund Balance, December 31	\$	\$ 57,165	\$ 57,165

(Continued)

CITY OF NORWOOD, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 1999

	Budget 1999	Actual 1999	Variance Favorable (Unfavorable)
BJA CRIME PREVENTION			
Revenue			
State Grants or Aid	\$ 27,443	\$ 27,443	\$
Total Revenue	27,443	27,443	
Expenditures			
Public Safety	37,651	37,651	
Total Expenditures	37,651	37,651	
Other Financing Sources			
Operating Transfers In	4,396	4,396	
Total Other Financing Sources	4,396	4,396	
Excess of Revenue and Other Financing Sources over Expenditures and Other Uses	(5,812)	(5,812)	
Cancellation of Prior Years Encumbrances	558	558	
Fund Balance, January 1	5,254	5,254	
Fund Balance, December 31	\$	\$	\$

(Continued)

CITY OF NORWOOD, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 1999

	Budget 1999	Actual 1999	Variance Favorable (Unfavorable)
RECREATION COMMISSION FUND			
Revenue			
Charges for Services	\$ 158,359	\$ 164,157	\$ 5,798
Donations	85,000	85,000	
Total Revenue	243,359	249,157	5,798
Expenditures			
Community Environment	326,396	324,563	1,833
Total Expenditures	326,396	324,563	1,833
Other Financing Sources			
Operating Transfers In	47,375	47,375	
Total Other Financing Sources	47,375	47,375	
Excess of Revenue and Other Financing Sources over Expenditures and Other Uses	(35,662)	(28,031)	7,631
Cancellation of Prior Year Encumbrance	9,049	9,049	
Fund Balance, January 1	26,613	26,613	
Fund Balance, December 31	\$	\$ 7,631	\$ 7,631

(Continued)

CITY OF NORWOOD, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 1999

	Budget 1999	Actual 1999	Variance Favorable (Unfavorable)
DRUG ABUSE RESISTANCE EDUCATION			
Revenue			
Donations	\$	\$	\$
Federal Grants or Aid	14,523	14,523	
Total Revenue	14,523	14,523	
Expenditures			
Public Safety	46,190	29,647	16,543
Total Expenditures	46,190	29,647	16,543
Other Financing Sources			
Operating Transfers In	14,524	14,524	
Total Other Financing Sources	14,524	14,524	
Excess of Revenue and Other Financing Sources over Expenditures and Other Uses	(17,143)	(600)	16,543
Fund Balance, January 1	17,143	17,143	
Fund Balance, December 31	\$	\$ 16,543	\$ 16,543

(Continued)

CITY OF NORWOOD, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 1999

	Budget 1999	Actual 1999	Variance Favorable (Unfavorable)
LINDNER PARK FLOWER FUND			
Revenue			
Donations	\$ 20,000	\$ 20,000	\$
Total Revenue	20,000	20,000	
Expenditures			
Community Environment	39,437	21,522	17,915
Total Expenditures	39,437	21,522	17,915
<i>Excess of Revenue and Other Financing Sources over Expenditures and Other Uses</i>	(19,437)	(1,522)	17,915
Fund Balance, January 1	19,437	19,437	
Fund Balance, December 31	\$	\$ 17,915	\$ 17,915

(Continued)

CITY OF NORWOOD, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 1999

	Budget 1999	Actual 1999	Variance Favorable (Unfavorable)
POLICE AND FIRE PENSION REPAYMENT			
Expenditures			
Debt Service			
Principal Retirement	\$ 272,250	\$ 272,250	\$
Total Expenditures	272,250	272,250	
Other Financing Sources			
Operating Transfers In	272,250	272,250	
Total Other Financing Sources	272,250	272,250	
Excess of Revenue and Other Financing Sources over Expenditures and Other Uses			
Fund Balance, January 1			
Fund Balance, December 31	\$	\$	\$

(Continued)

CITY OF NORWOOD, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 1999

	Budget 1999	Actual 1999	Variance Favorable (Unfavorable)
BUREAU OF CRIPPLED CHILDRENS' SAFETY			
Revenue			
State Grants or Aid	\$ 10,774	\$ 10,774	\$
Total Revenue	10,774	10,774	
Expenditures			
Public Health	17,170	8,340	8,830
Total Expenditures	17,170	8,340	8,830
Excess of Revenue and Other Financing Sources over (under) Expenditures and Other Uses	(6,396)	2,434	8,830
Cancellation of Prior Years Encumbrances			
Fund Balance, January 1	6,396	6,396	
Fund Balance, December 31	\$	\$ 8,830	\$ 8,830

(Continued)

CITY OF NORWOOD, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 1999

	Budget 1999	Actual 1999	Variance Favorable (Unfavorable)
SEPARATION PAY			
Expenditures			
General Government	\$ 377,756	\$ 377,756	\$
Total Expenditures	377,756	377,756	
Other Financing Sources			
Operating Transfers In	327,063	327,063	
Total Other Financing Sources	327,063	327,063	
Excess of Revenue and Other Financing Sources (under) Expenditures and Other Uses	(50,693)	(50,693)	
Fund Balance, January 1	50,693	50,693	
Fund Balance, December 31	\$	\$	\$

(Continued)

CITY OF NORWOOD, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 1999

	Budget 1999	Actual 1999	Variance Favorable (Unfavorable)
ROBERT S. MCCULLOUGH GARDEN			
Revenue			
Miscellaneous	\$ 427	\$ 427	\$
Total Revenue	427	427	
Expenditures			
Community Environment	3,214		3,214
Total Expenditures	3,214		3,214
Excess of Revenue and Other Financing Sources over (under) Expenditures and Other Uses	(2,787)	427	3,214
Fund Balance, January 1	2,787	2,787	
Fund Balance, December 31	\$	\$ 3,214	\$ 3,214

(Continued)

CITY OF NORWOOD, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 1999

	Budget 1999	Actual 1999	Variance Favorable (Unfavorable)
ALCOHOL EDUCATION AND ENFORCEMENT			
Revenue			
State Grants or Aid	\$ 2,588	\$ 2,661	\$ 73
Total Revenue	2,588	2,661	73
Expenditures			
Public Safety	6,746	1,907	4,839
Total Expenditures	6,746	1,907	4,839
Excess of Revenue and Other Financing Sources over (under) Expenditures and Other Uses	(4,158)	754	4,912
Fund Balance, January 1	4,158	4,158	
Fund Balance, December 31	\$	\$ 4,912	\$ 4,912

(Continued)

CITY OF NORWOOD, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 1999

	Budget 1999	Actual 1999	Variance Favorable (Unfavorable)
BUILDING ASSESSMENT FEE			
<i>Revenue</i>			
Licenses and Permits	\$ 2,800	\$ 3,882	\$ 1,082
Total Revenue	2,800	3,882	1,082
<i>Expenditures</i>			
Community Environment	3,039	1,455	1,584
Total Expenditures	3,039	1,455	1,584
Excess of Revenue and Other Financing Sources (under) Expenditures and Other Uses	(239)	2,427	2,666
<i>Cancellation of Prior Years Encumbrances</i>			
Fund Balance, January 1	239	239	
Fund Balance, December 31	\$	\$ 2,666	\$ 2,666

(Continued)

CITY OF NORWOOD, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 1999

	Budget 1999	Actual 1999	Variance Favorable (Unfavorable)
POLICE VEHICLE REPLACEMENT			
Revenue			
Miscellaneous	\$	\$	\$
Total Revenue			
Expenditures			
Public Safety	31,004		31,004
Total Expenditures	31,004		31,004
Other Financing Sources			
Operating Transfers In			
Total Other Financing Sources			
Excess of Revenue and Other Financing Sources over (under) Expenditures and Other Uses	(31,004)		31,004
Fund Balance, January 1	31,004	31,004	
Fund Balance, December 31	\$	\$ 31,004	\$ 31,004

(Continued)

CITY OF NORWOOD, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 1999

	Budget 1999	Actual 1999	Variance Favorable (Unfavorable)
COUNCIL ON AGING			
Revenue			
Intergovernmental Revenue	\$ 4,446	\$ 4,514	\$ 68
Total Revenue	4,446	4,514	68
Expenditures			
Community Environment	4,446	1,711	2,735
Total Expenditures	4,446	1,711	2,735
Excess of Revenue and Other Financing Sources over (under) Expenditures and Other Uses	0	2,803	2,803
Fund Balance, January 1	0	0	0
Fund Balance, December 31	\$ 0	\$ 2,803	\$ 2,803

(Continued)

CITY OF NORWOOD, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 1999

	Budget 1999	Actual 1999	Variance Favorable (Unfavorable)
C.O.P.S. F.A.S.T. GRANT			
Revenue			
Federal Grants or Aid	\$ 57,347	\$ 57,347	\$ 0
Total Revenue	57,347	57,347	0
Expenditures			
Public Safety	85,316	82,902	2,414
Total Expenditures	85,316	82,902	2,414
Other Financing Sources			
Operating Transfers In	27,969	27,969	0
Total Other Financing Sources	27,969	27,969	0
Excess of Revenue and Other Financing Sources over (under) Expenditures and Other Uses	0	2,414	2,414
Fund Balance, January 1	0	0	0
Fund Balance, December 31	\$ 0	\$ 2,414	\$ 2,414

(Continued)

CITY OF NORWOOD, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 1999

	Budget 1999	Actual 1999	Variance Favorable (Unfavorable)
STEP GRANT			
Revenue			
Federal Grants or Aid	\$ 6,498	\$ 6,498	\$ 0
Total Revenue	6,498	6,498	0
Expenditures			
Public Safety	6,498	6,498	0
Total Expenditures	6,498	6,498	0
Excess of Revenue and Other Financing Sources over (under) Expenditures and Other Uses	0	0	0
Fund Balance, January 1	0	0	0
Fund Balance, December 31	\$ 0	\$ 0	\$ 0

(Continued)

CITY OF NORWOOD, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 1999

	Budget 1999	Actual 1999	Variance Favorable (Unfavorable)
RECYCLE OHIO! GRANT			
Revenue			
State Grants or Aid	\$ 9,988	\$ 9,988	\$ 0
Total Revenue	9,988	9,988	0
Expenditures			
Community Environment	14,871	14,871	0
Total Expenditures	14,871	14,871	0
Other Financing Sources			
Operating Transfers In	4,883	4,883	0
Total Other Financing Sources	4,883	4,883	0
Excess of Revenue and Other Financing Sources over (under) Expenditures and Other Uses	0	0	0
Fund Balance, January 1	0	0	0
Fund Balance, December 31	\$ 0	\$ 0	\$ 0

(Continued)

CITY OF NORWOOD, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 1999

	Budget 1999	Actual 1999	Variance Favorable (Unfavorable)
TOTAL SPECIAL REVENUE FUNDS			
Revenue			
Taxes			
License Tax	\$ 144,310	\$ 152,629	\$ 8,319
Gasoline Tax	340,138	350,845	10,707
Total Taxes	<u>484,448</u>	<u>503,474</u>	<u>19,026</u>
Charges for Services	395,483	409,389	13,906
Intergovernmental Revenue	133,635	133,703	68
Fines, Licenses and Permits	4,859	6,488	1,629
Federal Grants or Aid	78,368	78,368	
State Grants or Aid	66,509	68,333	1,824
Donations	105,000	105,000	
Miscellaneous	244,992	267,225	22,233
Total Revenue	<u>1,513,294</u>	<u>1,571,980</u>	<u>58,686</u>
Expenditures			
General Government	471,283	413,118	58,165
Public Safety	376,117	320,314	55,803
Community Environment	1,069,067	583,253	485,814
Highways and Streets	631,743	624,359	7,384
Public Health	43,583	14,744	28,839
Capital Outlay	267,770	81,249	186,521
Debt Service Principal Retirement	272,250	272,250	
Total Expenditures	<u>3,131,813</u>	<u>2,309,287</u>	<u>822,526</u>
Other Financing Sources (Uses)			
Note Proceeds			
Operating Transfers In	790,460	790,460	
Operating Transfers (Out)	<u>(191,948)</u>	<u>(191,948)</u>	
Total Other Financing Sources (Uses)	598,512	598,512	
Excess of Revenue and Other Financing Sources over (under) Expenditures and Other Uses	(1,020,007)	(138,795)	881,212
Cancellation of Prior Year Encumbrances	50,443	50,194	(249)
Fund Balance, January 1	<u>969,564</u>	<u>969,564</u>	
Fund Balance, December 31	<u>\$</u>	<u>\$ 880,963</u>	<u>\$ 880,963</u>

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CAPITAL PROJECT FUNDS

FINANCIAL STATEMENTS

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

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

Parks & Recreation Improvement Fund - To account for revenues and expenditures designated for capital improvements to City parks and recreational facilities.

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

City Hall Improvement Fund - To account for revenues and expenditures designated for repairs and capital improvements to City Hall.

Community Center Improvement Fund - To account for revenues and expenditures designated for repairs and capital improvements to the Norwood Community Center.

Lindner Park Improvement Fund - To account for revenues received from donations for the capital improvements to Lindner Park and to account for expenditures.

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

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

CITY OF NORWOOD

Combining Balance Sheet

Capital Project Funds

December 31, 1999

	General Improvement Bond	Parks and Recreation Improvement	Street Repair and Improvement	City Hall Improvement
<u>Assets</u>				
Cash	\$ 450,483	\$ 10,655	\$ 599,497	\$
Investments	948,518		303,188	
Total Assets	1,399,001	10,655	902,685	
<u>Liabilities and Fund Equity</u>				
<u>Liabilities</u>				
Accounts Payable	33,060	600	27,264	
Total Liabilities	33,060	600	27,264	
<u>Fund Equity</u>				
Fund Balances:				
Reserved for Encumbrances	96,875			
Reserved for Capital Projects	1,269,066	10,055	875,421	
Total Fund Equity	1,365,941	10,055	875,421	
Total Liabilities and Fund Equity	\$ 1,399,001	\$ 10,655	\$ 902,685	\$

Community Center Improvement	Lindner Park Improvement	Fixed Assets	Capital Improvements	Total	
				1999	1998
\$	\$	\$ 113,740	\$ 400	\$ 1,174,775 1,251,706	\$ 891,587 2,289,097
		113,740	400	2,426,481	3,180,684
		31,392		92,316	309,545
		31,392		92,316	309,545
		29,133 53,215	400	126,008 2,208,157	80,391 2,790,748
		82,348	400	2,334,165	2,871,139
\$	\$	\$ 113,740	\$ 400	\$ 2,426,481	\$ 3,180,684

CITY OF NORWOOD
Combining Statement of Revenue, Expenditures and Changes in Fund Balances
Capital Project Funds
For the Year Ended December 31, 1999

	General Improvement Bond	Parks and Recreation Improvement	Street Repair and Improvement	City Hall Improvement
<u>Revenue</u>				
Miscellaneous	\$	\$ 2,055	\$	\$
Total Revenue		2,055		
<u>Expenditures</u>				
Capital Outlay	469,026	152,902	545,600	650
Debt Service				
Principal Retirement				
Interest				
Miscellaneous	8,497		25,251	
Total Expenditures	477,523	152,902	570,851	650
Excess of Revenues over (under) Expenditures	(477,523)	(150,847)	(570,851)	(650)
<u>Other Financing Sources</u>				
Capital Leases				
Bond Proceeds	1,900,000			
Operating Transfers In				
Operating Transfers (Out)	(635,624)		(531,507)	(2,057)
Total Other Financing Sources	1,264,376		(531,507)	(2,057)
Excess of Revenue and Other Financing Sources over (under) Expenditures and Other Uses	786,853	(150,847)	(1,102,358)	(2,707)
Fund Balances, January 1	579,088	160,902	1,977,779	2,707
Fund Balances, December 31	\$ 1,365,941	\$ 10,055	\$ 875,421	\$

Community Center Improvement	Lindner Park Improvement	Fixed Assets	Capital Improvements	Total	
				1999	1998
\$	\$	\$ 62,867	\$	\$ 64,922	\$ 41,516
		62,867		64,922	41,516
		1,043,054		2,211,232	1,762,700
		466,320		466,320	344,421
		60,187		60,187	52,840
				33,748	
		1,569,561		2,771,487	2,159,961
		(1,506,694)		(2,706,565)	(2,118,445)
		776,999		776,999	187,749
				1,900,000	3,766,578
		672,105		672,105	1,409,787
(1,506)	(7,283)		(1,536)	(1,179,513)	
(1,506)	(7,283)	1,449,104	(1,536)	2,169,591	5,364,114
(1,506)	(7,283)	(57,590)	(1,536)	(536,974)	3,245,669
1,506	7,283	139,938	1,936	2,871,139	(374,530)
<u>\$</u>	<u>\$</u>	<u>\$ 82,348</u>	<u>\$ 400</u>	<u>\$ 2,334,165</u>	<u>\$ 2,871,139</u>

CITY OF NORWOOD, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 1999

	Budget 1999	Actual 1999	Variance Favorable (Unfavorable)
GENERAL IMPROVEMENT BOND			
Revenue			
Miscellaneous			
Total Revenue			
Expenditures			
Capital Outlay	\$ 1,839,979	\$ 573,471	\$ 1,266,508
Total Expenditures	1,839,979	573,471	1,266,508
Other Financing Sources (Uses)			
Bond Proceeds	1,900,000	1,900,000	
Operating Transfers (Out)	(635,624)	(635,624)	
Total Other Financing (Uses)	1,264,376	1,264,376	
Excess of Revenue and Other Financing Sources (under) Expenditures and Other Uses	(575,603)	690,905	1,266,508
Fund Balance, January 1	575,603	575,603	
Fund Balance, December 31	\$	\$ 1,266,508	\$ 1,266,508

(Continued)

CITY OF NORWOOD, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 1999

	Budget 1999	Actual 1999	Variance Favorable (Unfavorable)
PARKS AND RECREATION IMPROVEMENT			
Revenue			
Miscellaneous	\$ 2,055	\$ 2,055	\$
Total Revenue	2,055	2,055	
Expenditures			
Capital Outlay	159,644	149,639	10,005
Total Expenditures	159,644	149,639	10,005
Other Financing Sources			
Bond Proceeds			
Total Other Financing Sources			
Excess of Revenue and Other Financing Sources (under) Expenditures and Other Uses	(157,589)	(147,584)	10,005
Cancellation of Prior Years Encumbrances	5,457	5,457	
Fund Balance, January 1	152,132	152,132	
Fund Balance, December 31	\$	\$ 10,005	\$ 10,005

(Continued)

CITY OF NORWOOD, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 1999

	Budget 1999	Actual 1999	Variance Favorable (Unfavorable)
STREET REPAIR AND IMPROVEMENT			
Revenue			
Miscellaneous	\$	\$	\$
Total Revenue			
Expenditures			
Capital Outlay	\$ 1,424,525	\$ 539,326	\$ 885,199
Total Expenditures	1,424,525	539,326	885,199
Other Financing Sources			
Operating Transfers (Out)	(531,507)	(531,507)	
Total Other Financing Sources	(531,507)	(531,507)	
Excess of Revenue and Other Financing Sources over Expenditures and Other Uses	(1,956,032)	(1,070,833)	885,199
Cancellation of Prior Years Encumbrances	220	220	
Fund Balance, January 1	1,955,812	1,955,812	
Fund Balance, December 31	\$	\$ 885,199	\$ 885,199

(Continued)

CITY OF NORWOOD, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 1999

	Budget 1999	Actual 1999	Variance Favorable (Unfavorable)
CITY HALL IMPROVEMENT			
Expenditures			
Capital Outlay	\$ 650	\$ 650	\$
Total Expenditures	650	650	
Other Financing Sources			
Operating Transfers (Out)	(2,057)	(2,057)	
Total Other Financing Sources	(2,057)	(2,057)	
Excess of Revenue and Other Financing Sources (under) Expenditures and Other Uses	(2,707)	(2,707)	
Fund Balance, January 1	2,707	2,707	
Fund Balance, December 31	\$	\$	\$

(Continued)

CITY OF NORWOOD, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 1999

	Budget 1999	Actual 1999	Variance Favorable (Unfavorable)
COMMUNITY CENTER IMPROVEMENT			
Other Financing Sources			
Operating Transfers (Out)	\$ (1,506)	\$ (1,506)	\$
Total Other Financing Sources	(1,506)	(1,506)	
Excess of Revenue and Other Financing Sources over (under) Expenditures and Other Uses	(1,506)	(1,506)	
Fund Balance, January 1	1,506	1,506	
Fund Balance, December 31	\$	\$	\$

(Continued)

CITY OF NORWOOD, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 1999

	Budget 1999	Actual 1999	Variance Favorable (Unfavorable)
LINDNER PARK IMPROVEMENT			
Other Financing Sources			
Operating Transfers (Out)	\$ (7,283)	\$ (7,283)	\$
Total Other Financing Sources	(7,283)	(7,283)	
Excess of Revenue and Other Financing Sources (under) Expenditures and Other Uses	(7,283)	(7,283)	
Cancellation of Prior Years Encumbrances	400	400	
Fund Balance, January 1	6,883	6,883	
Fund Balance, December 31	\$	\$	\$

(Continued)

CITY OF NORWOOD, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 1999

	Budget 1999	Actual 1999	Variance Favorable (Unfavorable)
FIXED ASSETS			
Revenue			
Miscellaneous	\$ 61,900	\$ 62,868	\$ 968
Total Revenue	61,900	62,868	968
Expenditures			
Capital Outlay	802,681	774,805	27,876
Total Expenditures	802,681	774,805	27,876
Other Financing Sources			
Operating Transfers In	664,743	672,105	7,362
Total Other Financing Sources	664,743	672,105	7,362
Excess of Revenue and Other Financing Sources (under) Expenditures and Other Uses	(76,038)	(39,832)	36,206
Cancellation of Prior Years Encumbrances	27,330	27,330	
Fund Balance, January 1	48,708	48,708	
Fund Balance, December 31	\$	\$ 36,206	\$ 36,206

(Continued)

CITY OF NORWOOD, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 1999

	Budget 1999	Actual 1999	Variance Favorable (Unfavorable)
CAPITAL IMPROVEMENTS			
Expenditures			
Capital Outlay	\$ 400	\$ 400	\$
Total Expenditures	400	400	
Other Financing Sources			
Operating Transfers (Out)	(1,536)	(1,536)	
Total Other Financing Sources	(1,536)	(1,536)	
Excess of Revenue and Other Financing Sources (under) Expenditures and Other Uses	(1,936)	(1,936)	
Fund Balance, January 1	1,936	1,936	
Fund Balance, December 31	\$	\$	\$

(Continued)

CITY OF NORWOOD, OHIO
Schedule of Revenue, Expenditures and Changes in Fund Balances
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 1999

	Budget 1999	Actual 1999	Variance Favorable (Unfavorable)
TOTAL CAPITAL PROJECT FUNDS			
Revenue			
Miscellaneous	\$ 63,955	\$ 64,923	\$ 968
Total Revenue	63,955	64,923	968
Expenditures			
Capital Outlay	4,227,879	2,038,291	2,189,588
Total Expenditures	4,227,879	2,038,291	2,189,588
Other Financing Sources (Uses)			
Bond Proceeds	1,900,000	1,900,000	
Operating Transfers In	664,743	672,105	7,362
Operating Transfers (Out)	(1,179,513)	(1,179,513)	
Total Other Financing Sources (Uses)	1,385,230	1,392,592	7,362
Excess of Revenue and Other Financing Sources (under) Expenditures and Other Uses	(2,778,694)	(580,776)	2,197,918
Cancellation of Prior Years Encumbrances	33,407	33,407	
Fund Balance, January 1	2,745,287	2,745,287	
Fund Balance, December 31	\$	\$ 2,197,918	\$ 2,197,918

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FIDUCIARY FUNDS

FINANCIAL STATEMENTS

The Fiduciary Funds are established to account for funds held by the City as trustee or agent for individuals, private organizations, other governmental units and/or other funds.

Expendable Trust Funds:

Community Center Trust Fund - To account for revenues derived from donations and miscellaneous Community Center activities; and to account for expenditure of these funds for the Community Center.

C-9 Trust Fund - To account for revenues derived from contributions by the City to the Norwood Retired Employees C-9 Trust Plan; and to account for the expenditures of moneys for health care reimbursement expenses and the nominal operating expenses of the trust.

Agency Funds:

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

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

THE CITY OF NORWOOD, OHIO
Fiduciary Funds - Trust and Agency
Combining Balance Sheet
December 31, 1999

	Expendable Trust	Agency	Total	
			1999	1998
<u>Assets</u>				
Cash	\$ 169,287	\$ 340,079	\$ 509,366	\$ 491,941
Accounts Receivable		412,170	412,170	403,581
Investments	96,182		96,182	92,666
interest receivable	1,244		1,244	
Total Assets	\$ 266,713	\$ 752,249	\$ 1,018,962	\$ 988,188
<u>Liabilities and Fund Equity</u>				
Liabilities				
Due to Others		\$ 752,249	\$ 752,249	\$ 712,788
Total Liabilities		752,249	752,249	712,788
Fund Equity				
Reserved in Accordance with Trusts	266,713		266,713	275,400
Total Fund Equity	266,713		266,713	275,400
Total Liabilities and Fund Equity	\$ 266,713	\$ 752,249	\$ 1,018,962	\$ 988,188

THE CITY OF NORWOOD, OHIO
Expendable Trust Funds
Combining Balance Sheet
December 31

	Community Center Trust	C-9 Trust	Total	
			1999	1998
<u>Assets</u>				
Cash	\$ 2,584	\$ 166,703	\$ 169,287	\$ 182,734
Investments		96,182	96,182	92,666
Interest Receivable		1,244	1,244	
Total Assets	2,584	264,129	266,713	275,400
<u>Liabilities and Fund Equity</u>				
Fund Equity				
Reserved in Accordance with Trusts	2,584	264,129	266,713	275,400
Total Fund Equity	\$ 2,584	\$ 264,129	\$ 266,713	\$ 275,400

THE CITY OF NORWOOD, OHIO
Expendable Trust Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended December 31

	Community Center Trust	C-9 Trust	Total	
			1999	1998
<u>Revenues</u>				
Charges for Services	\$	\$ 60,000	\$ 60,000	\$ 90,000
Miscellaneous		9,432	9,432	8,898
Total Revenues		69,432	69,432	98,898
<u>Expenditures</u>				
Employee Benefits		78,119	78,119	80,065
Total Expenditures		78,119	78,119	80,065
Excess of Revenues over (under) Expenditures		(8,687)	(8,687)	18,833
Fund Balance, January 1	2,584	272,816	275,400	256,567
Fund Balance, December 31	\$ 2,584	\$ 264,129	\$ 266,713	\$ 275,400

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

	Balance January 1 1999	Additions	Deductions	Balance December 31, 1999
Sewage				
Assets				
Cash	\$ 287,573	\$ 312,731	\$ 287,573	\$ 312,731
Accounts Receivable	403,581	412,170	403,581	412,170
Total Assets	691,154	724,901	691,154	724,901
Liabilities				
Due to Others	691,154	724,901	691,154	724,901
Total Liabilities	691,154	724,901	691,154	724,901
Mayor's Court				
Assets				
Cash	21,634	315,909	310,195	27,348
Total Assets	21,634	315,909	310,195	27,348
Liabilities				
Due to Others	21,634	315,909	310,195	27,348
Total Liabilities	21,634	315,909	310,195	27,348
Totals - All Agency Funds				
Assets				
Cash	309,207	628,640	597,768	340,079
Accounts Receivable	403,581	412,170	403,581	412,170
Total Assets	712,788	1,040,810	1,001,349	752,249
Liabilities				
Due to Others	712,788	1,040,810	1,001,349	752,249
Total Liabilities	\$ 712,788	\$ 1,040,810	\$ 1,001,349	\$ 752,249

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Account Groups

CITY OF NORWOOD, OHIO
 Comparative Schedule of General Fixed Assets
 December 31, 1999

	1999	1998
General Fixed Assets		
Land and Improvements	\$ 1,527,504	\$ 1,405,153
Buildings	4,422,706	4,068,471
Machinery and Equipment	2,592,739	2,104,742
Licensed Vehicles	2,811,237	2,302,217
Total General Fixed Assets	\$ 11,354,186	\$ 9,880,583

CITY OF NORWOOD, OHIO
 Comparative Schedule of General Fixed Assets by Source
 December 31, 1999

	1999	1998
Investment in General Fixed Assets from:		
General Fund Revenues	\$ 11,351,129	9,877,526
Donation	3,057	3,057
Total from All Sources	\$ 11,354,186	9,880,583

CITY OF NORWOOD, OHIO
 Comparative Schedule of General Fixed Assets by Function and Activity
 December 31, 1999

	Total	Land Improvements	Buildings	Machinery and Equipment	Licensed Vehicles
Cypress Way Nature Preserve	\$ 24,726			\$ 24,726	
City Council	1,613			1,613	
Street Maintenance and Repair	349,015			74,112	\$ 274,903
Clerk of City Council	5,917			5,917	
Mayor	33,896			33,896	
Law Director	15,538			15,538	
Auditor	43,581			43,581	
Treasurer	20,135			20,135	
Earnings Tax Section	20,245			20,245	
Civil Service Commission	811			811	
Safety/Service Director	54,487			16,992	37,495
Division of Buildings	92,020			32,021	59,999
Police Department	856,525		\$ 108,912	296,024	451,589
Pace Telecommunications	152,019			85,595	66,424
Fire Department	2,532,564		488,346	489,722	1,554,496
Office of the Superintendent	218,230			63,851	154,379
Division of Waste Collection	303,365		244,000	59,365	
City Garage	556,692		314,800	226,243	15,649
Division of Community Center	540,684		364,688	60,200	115,796
Division of Engineering	1,360			1,360	
Public Land and Buildings	2,754,646		2,508,668	245,978	
Parks and Playgrounds	2,059,794	\$ 1,527,504	183,749	298,742	49,799
Dispatchers E-911	332,386			332,386	
Health Administration	328,865		209,543	88,614	30,708
Recreation	55,072			55,072	
Total General Fixed Assets Allocated by Function	\$ 11,354,186	\$ 1,527,504	\$ 4,422,706	\$ 2,592,739	\$ 2,811,237

CITY OF NORWOOD, OHIO
 Comparative Schedule of Changes in General Fixed Assets
 December 31, 1999

	General Fixed Assets 1/1/99	Additions	Deductions	General Fixed Assets 12/31/99
Cypress Way Nature Preserve	\$ 24,726	\$	\$	\$ 24,726
City Council	1,691	52	130	1,613
Street Maintenance and Repair	322,280	27,000	265	349,015
Clerk of City Council	6,045	112	240	5,917
Mayor	34,576	6,155	6,835	33,896
Law Director	12,564	3,299	325	15,538
Auditor	35,693	16,576	8,688	43,581
Treasurer	8,975	12,002	842	20,135
Earnings Tax Section	31,963	8,394	20,112	20,245
Civil Service Commission	811			811
Safety/Service Director	63,951	39,968	49,432	54,487
Division of Buildings	69,127	54,311	31,418	92,020
Police Department	792,708	151,686	87,869	856,525
Pace Telecommunications	152,019			152,019
Fire Department	2,181,941	482,390	131,767	2,532,564
Office of the Superintendent	142,828	102,402	27,000	218,230
Division of Waste Collection	261,065	42,300		303,365
City Garage	611,645	4,196	59,149	556,692
Division of Community Center	533,088	8,111	515	540,684
Division of Engineering	15,725		14,365	1,360
Public Land and Buildings	2,217,614	538,404	1,372	2,754,646
Parks and Playgrounds	1,873,976	204,093	18,275	2,059,794
Dispatchers E-911	118,136	239,164	24,914	332,386
Health Administration	328,745	120		328,865
Recreation	38,691	17,281	900	55,072
Total General Fixed Assets Allocated by Function	\$ 9,880,583	\$ 1,958,016	\$ 484,413	\$ 11,354,186

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

	1999	1998
<u>Amounts Available and to be Provided for the Retirement of General Long-Term Obligations</u>		
Amount Available to Retire Long-Term Debt	\$ 635,624	\$ 9,150,821
Amount to be Provided to Retire Other Obligations	19,160,799	9,519,241
Total Available and to be Provided	\$ 19,796,423	\$ 18,670,062
General Long-Term Obligations Payable		
Estimated Liability for Compensated Absences	\$ 3,210,816	\$ 3,521,728
Estimated Liability for Unpaid Claims	20,000	20,000
Non-Current Obligations Under Capital Leases	1,138,543	827,864
General Obligation Bonds Payable	7,410,730	5,886,836
Special Assessment Debt	3,171,575	3,263,985
Police and Fire Pension Liability	4,844,759	5,149,649
Total General Long-Term Obligations	\$ 19,796,423	\$ 18,670,062

Schedules

City Of Norwood, Ohio
 Schedule of Annual Debt Service
 December 31, 1999

General Obligation Bonds

<u>Year</u>	<u>Principal</u>	<u>Interest Costs</u>	<u>Annual Debt Service Requirement</u>	<u>Outstanding Debt End Of Year</u>
1999	376,105	406,995	783,100	7,410,730
2000	480,773	433,098	913,871	6,929,957
2001	506,413	383,918	890,331	6,423,544
2002	533,439	354,392	887,831	5,890,105
2003	562,078	323,252	885,330	5,328,027
2004	542,384	290,447	832,831	4,785,643
2005	489,567	258,287	747,854	4,296,076
2006	430,204	232,674	662,878	3,865,872
2007	454,374	208,504	662,878	3,411,498
2008	479,904	182,973	662,877	2,931,594
2009	506,873	156,005	662,878	2,424,721
2010	535,360	127,518	662,878	1,889,361
2011	565,452	97,426	662,878	1,323,909
2012	597,239	65,639	662,878	726,670
2013	630,817	32,061	662,878	95,853
2014	95,853	2,852	98,705	0

Special Assessment Bonds

<u>Year</u>	<u>Principal</u>	<u>Interest Costs</u>	<u>Debt Service Requirement</u>	<u>Outstanding Debt End Of Year</u>
1999	92,410	277,439	369,849	3,171,575
2000	100,265	269,584	369,849	3,071,310
2001	108,787	261,061	369,848	2,962,523
2002	118,034	251,814	369,848	2,844,489
2003	128,067	241,781	369,848	2,716,422
2004	138,953	230,896	369,849	2,577,469
2005	150,764	219,085	369,849	2,426,705
2006	163,579	206,270	369,849	2,263,126
2007	177,483	192,366	369,849	2,085,643
2008	192,569	177,280	369,849	1,893,074
2009	208,937	160,911	369,848	1,684,137
2010	226,697	143,152	369,849	1,457,440
2011	245,966	123,882	369,848	1,211,474
2012	266,873	102,975	369,848	944,601
2013	289,557	80,291	369,848	655,044
2014	314,170	55,679	369,849	340,874
2015	340,874	28,976	369,850	0

Total Obligations (Continued)

<u>Year</u>	<u>Principal</u>	<u>Interest Costs</u>	<u>Debt Service Requirement</u>	<u>Outstanding Debt End Of Year</u>
1999	468,515	684,434	1,152,949	10,582,305
2000	581,038	702,682	1,283,720	10,001,267
2001	615,200	644,979	1,260,179	9,386,067
2002	651,473	606,206	1,257,679	8,734,594
2003	690,145	565,033	1,255,178	8,044,449
2004	681,337	521,343	1,202,680	7,363,112
2005	640,331	477,372	1,117,703	6,722,781
2006	593,783	438,944	1,032,727	6,128,998
2007	631,857	400,870	1,032,727	5,497,141
2008	672,473	360,253	1,032,726	4,824,668
2009	715,810	316,916	1,032,726	4,108,858
2010	762,057	270,670	1,032,727	3,346,801
2011	811,418	221,308	1,032,726	2,535,383
2012	864,112	168,614	1,032,726	1,671,271
2013	920,374	112,352	1,032,726	750,897
2014	410,023	58,531	468,554	340,874
2015	340,874	28,976	369,850	0

City Of Norwood, Ohio
 Outstanding Bonds and Notes
 December 31, 1999

<u>Year</u>	<u>General Obligation Bonds and Notes</u>	<u>Special Assessment Bonds</u>	<u>Gross Total Debt</u>
1989	550,000		550,000
1990	650,000		650,000
1991	750,000		750,000
1992	850,000		850,000
1993	420,000		420,000
1994	650,000	\$3,500,000	4,150,000
1995	1,735,788	3,500,000	5,235,788
1996	1,542,667	3,427,654	4,970,321
1997	1,343,087	3,349,156	4,692,243
1998	5,886,836	3,263,985	9,150,821
1999	7,410,730	3,171,575	10,582,305

Statistical Section

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

Year	General Government	Public Safety	Community Environment	Highways and Streets	Public Health	Waste Removal	Total
1990	2,363,850	3,991,970	373,109	134,607	262,776	603,376	7,729,688
1991	2,989,034	4,215,254	368,545	153,746	287,273	574,325	8,588,177
1992	3,212,884	4,378,535	311,509	177,116	276,129	531,758	8,887,931
1993	2,480,189	6,254,438	378,647	257,414	341,022	497,198	10,208,908
1994	2,394,852	6,306,565	414,171	132,881	288,540	577,502	10,114,511
1995	2,646,283	5,787,092	475,861	385	279,278	559,220	9,748,119
1996	3,408,101	6,108,143	345,191		332,060	626,064	10,819,559
1997	3,209,460	7,008,466	526,059	158,085	414,238	859,196	12,175,504
1998	3,266,318	7,292,280	499,641	178,475	365,784	874,208	12,476,706
1999	3,573,900	8,509,699	563,433	169,231	424,451	864,521	14,105,235

Note 1 - The column titled "General Government" includes expenditures made in various departments including the Offices of Mayor, City Council, City Solicitor, Safety/Service Director, Auditor, Treasurer and Purchasing.

Note 2 - The expenditures presented for years 1990 through 1992 are on a cash basis, the years 1993 through 1999 are presented on a budgetary basis.

CITY OF NORWOOD, OHIO
 General Fund
General Governmental Revenues by Source
 Last Ten Years

Year	Taxes	Charges for Services	Inter-governmental Revenues	Fines Licenses & Permits	State Grants & Aid	Miscellaneous	Total
1990	7,209,797	107,396	849,098	398,099		178,921	8,743,311
1991	7,508,128	114,224	805,034	353,726		194,116	8,975,228
1992	7,677,233	104,843	880,211	348,875		188,557	9,199,719
1993	8,527,360	268,057	906,540	444,093		189,154	10,335,204
1994	9,052,126	85,112	1,010,301	337,506		225,048	10,710,093
1995	10,034,583	62,325	1,101,762	346,590		402,274	11,947,534
1996	10,462,982	62,437	1,297,578	438,410	12,084	277,999	12,551,490
1997	11,197,605	84,106	1,079,305	427,535	10,850	303,510	13,102,911
1998	11,703,144	87,058	1,358,316	481,036	8,393	607,420	14,245,367
1999	12,800,587	74,845	1,209,239	502,762	9,236	447,365	15,044,034

Note 1 - The revenues presented for years 1990 through 1992 are on a cash basis, the years 1993 through 1999 are presented on a budgetary basis.

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

Year	Net Tax Levy	Current Collections	Percentage of Current Collections to Net Levy	Prior Year Collections	Total Collections	Percentage of Total Collections to Net Levy
1990	2,260,516	2,206,100	97.59%	52,740	2,258,840	99.93%
1991	2,246,971	2,133,257	94.94%	91,880	2,225,137	99.03%
1992	2,275,027	2,151,597	94.57%	55,243	2,206,840	97.00%
1993	2,337,323	2,205,799	94.37%	94,540	2,300,339	98.42%
1994	2,374,359	2,296,889	96.74%	82,299	2,379,188	100.20%
1995	2,473,793	2,395,680	96.84%	137,992	2,533,672	102.42%
1996	2,560,676	2,458,743	96.02%	80,567	2,539,310	99.17%
1997	2,645,114	2,552,153	96.49%	107,752	2,659,905	100.56%
1998	2,666,465	2,590,327	97.14%	172,746	2,763,123	103.62%
1999	2,717,192	2,639,790	97.15%	943,306	3,353,097	123.40%

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

Assessed Valuations

Year	Real Property	Public Utility Property	Tangible Personal Property	Total
1990	124,935,710	19,162,640	53,944,010	198,042,360
1991	146,639,270	18,572,670	47,760,320	212,972,260
1992	144,468,830	19,705,770	48,663,870	212,838,470
1993	149,657,080	20,735,510	49,402,996	219,795,586
1994	184,494,040	21,359,990	46,224,100	252,078,130
1995	188,453,650	21,766,980	51,992,200	262,212,830
1996	190,144,320	19,853,800	57,403,090	267,401,210
1997	209,384,340	20,021,880	59,656,010	289,062,230
1998	212,354,850	20,504,760	60,957,590	293,817,200
1999	240,422,480	21,215,380	63,403,570	325,041,430

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

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

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

Year	Estimated True Values	Year	Estimated True Values
1990	356,959,171	1995	538,439,000
1991	418,969,343	1996	543,269,486
1992	412,768,086	1997	598,240,971
1993	427,591,657	1998	606,728,143
1994	527,125,829	1999	686,921,371

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

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

Tax Year	Collection Year	City Levy	School Levy	County Levy	Joint Vocational School District Levy	Total Levy
1989	" 1990	11.40	41.42	16.26	2.70	71.78
1990	" 1991	11.40	40.92	16.88	2.70	71.90
1991	" 1992	11.40	40.90	17.50	2.70	72.50
1992	" 1993	11.40	49.18	18.56	2.70	81.84
1993	" 1994	11.40	47.98	18.33	2.70	80.41
1994	" 1995	11.40	46.63	18.30	2.70	79.03
1995	" 1996	11.40	49.92	18.30	2.70	82.32
1996	" 1997	11.40	49.51	19.44	2.70	83.05
1997	" 1998	11.40	48.90	19.01	2.70	82.01
1998	" 1999	11.40	48.82	19.54	2.70	82.46

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

CITY OF NORWOOD, OHIO
Computation of Direct and Overlapping Debt
December 31, 1999

	Assessed Valuation (a)	Net General Tax Supported Debt	Percent Overlapping	Net Tax Supported Overall Debt
<u>Direct:</u> City of Norwood	\$325,041,430	\$7,410,730	100%	\$7,410,730
<u>Overlapping</u> Hamilton County	15,351,400,200	190,605,000 (a)	4%	7,133,384
Total		\$198,015,730		\$14,544,114

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

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

Tax Year	Collection Year	Current Billed	Delinquent Billed	Current Collected	Delinquent Collected
1989	1990		\$ 2,516		
1990	1991		2,646		
1991	1992		2,796		
1992	1993		2,964		
1993	1994		2,919		\$ 2,919
1994	1995				
1995	1996	\$ 448,193		\$ 448,193	
1996	1997	384,703		384,703	
1997	1998	383,522		382,290	
1998	1999	383,308		383,010	

Source: Hamilton County Auditor's Office

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

		1999
Overall Debt Limitation - 10-1/2% of Assessed Valuation		\$ 34,129,350
Gross Indebtedness	\$ 10,582,305	
Less Debt Outside Limitations: Special Assessment Debt	3,171,575	
Net Debt Within 10-1/2% Limitation		7,410,730
Legal Debt Margin Within 10-1/2% Limitation		\$ 26,718,620
Unvoted Debt Limitation - 5-1/2% of Assessed Valuation		\$ 17,877,279
Gross Indebtedness Authorized by Council	\$ 10,582,305	
Less Debt Outside Limitation: Special Assessment Bonds	3,171,575	
Net Debt Within 5-1/2% Limitation		7,410,730
Legal Debt Margin Within 5-1/2% Limitation		\$ 10,466,549

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

Year	Individual	Business	Withholding	Total	% Increase/ Decrease
1990	497,641	487,250	3,994,707	4,979,598	3.93%
1991	567,931	618,159	4,093,371	5,279,461	6.02%
1992	604,917	521,153	4,389,834	5,515,904	4.48%
1993	605,789	665,162	4,954,797	6,225,748	12.90%
1994	642,179	672,923	5,360,201	6,675,303	7.20%
1995	696,560	1,002,059	5,819,636	7,518,255	12.63%
1996	791,878	907,901	6,247,309	7,947,088	5.70%
1997	858,216	873,003	6,813,044	8,544,263	7.50%
1998	898,522	966,368	7,075,813	8,940,703	4.64%
1999	914,365	903,652	7,515,965	9,333,982	4.4%

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

Year	Net Bonded Debt (Note 1)	Assessed Value	Population (Note 2)	Ratio of Net Bonded Debt To Assessed Value	Net Bonded Debt Per Capita
1990	1,050,000	198,042,360	23,674	0.53%	\$44
1991	950,000	212,972,260	23,674	0.45%	\$40
1992	850,000	212,838,470	23,674	0.40%	\$36
1993	750,000	219,795,586	23,674	0.34%	\$32
1994	650,000	252,078,130	23,674	0.26%	\$27
1995	1,735,788	262,212,830	23,674	0.66%	\$73
1996	1,542,667	267,401,210	23,674	0.58%	\$65
1997	1,343,087	289,062,230	23,674	0.46%	\$57
1998	5,886,836	293,817,200	23,674	2.00%	\$249
1999	7,410,730	325,041,430	23,674	2.28%	\$313

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

Note 2 - The 1988 through 1999 figures are based upon Bureau of the Census data.

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

Year	Debt Service on General Obligation Debt	General Expenditures	Ratio
1990	157,500	7,729,688	2.04%
1991	152,500	8,588,177	1.78%
1992	147,500	8,887,931	1.66%
1993	142,500	10,208,908	1.40%
1994	137,500	10,114,511	1.36%
1995	217,477	9,748,119	2.23%
1996	297,453	10,819,559	2.75%
1997	292,453	12,175,504	2.40%
1998	287,453	12,476,706	2.30%
1999	783,100	14,105,235	5.55%

Note 1: General fund Expenditures are presented on a cash basis for the years 1989 through 1992; they are presented on a budgetary basis for 1993 through 1999.

TEN LARGEST AD VALOREM TAXPAYERS IN THE CITY OF NORWOOD
December 31, 1999

The following is a list of the ten largest ad valorem taxpayers (based on the taxable valuation of their property) subject to the City's taxing jurisdiction. The valuations were provided to the City Auditor by the Hamilton County Auditor's Office.

<u>Name of Taxpayer</u>	<u>Nature of Business</u>	<u>Taxable Valuation (1)</u>	<u>Percentage of Total Assessed Valuations</u>
Norwood Real Estate Partners	Office and Retail Development	\$13,837,040	4.67%
Cinergy	Utility	10,521,550	3.55%
The Shepard Chemical Company	Chemical Manufacturing	8,333,085	2.81%
Rookwood Pavilion	Retail Development	7,110,260	2.40%
Cincinnati Bell	Utility	6,876,390	2.32%
U.S. Playing Card	Consumer Goods Manufacturing	6,493,100	2.19%
C.W. Zumbiel	Packaging Manufacturing	6,093,965	2.06%
Siemens Energy and Automation	Capital Goods Manufacturing	6,067,565	2.05%
EM Industries	Chemical Manufacturing	5,706,060	1.93%
American Laundry Machinery	Capital Goods Manufacturing	3,719,475	1.26%
Total Taxable Valuation		\$74,758,490	25.23%

(1) The taxable valuation is based upon a review of the Personal and Real Property Valuation of the largest property holders in the City. The total valuation listed for each taxpayer does not include all parcels owned by that entity in the County.

**TEN LARGEST EMPLOYERS
IN THE CITY OF NORWOOD
December 31, 1999**

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

Source: City of Norwood Tax Department and Community Development Department

**UNEMPLOYMENT STATISTICS
Last Ten Years**

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

<u>Year</u>	<u>Rate</u>
1990	4.1%
1991	5.0%
1992	5.5%
1993	5.3%
1994	4.8%
1995	4.2%
1996	4.3%
1997	3.8%
1998	3.4%
1999	3.3%

Source: Bureau of Employment Services, State of Ohio

CITY OF NORWOOD, OHIO
Surety Bond Coverage
December 31, 1999

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

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

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

CITY OF NORWOOD, OHIO
Miscellaneous Statistics
December 31, 1999

Date of Incorporation	1888
Form of Government	Council/Mayor
Area	3.1 Square Miles
Lane Miles of Streets	60 Miles (Approximately)
Water Lines	302,000 Linear Feet
Storm Sewers	100,000 Linear Feet
Number of Traffic Lights	30
Fire Stations (Active)	1
Police Stations	1
Parks	9
Libraries	1
City Employees during 1999	360

CITY OF NORWOOD, OHIO
Property Values, Construction and Bank Deposits

Last Ten Years

<u>Year</u>	<u>Assessed Value</u>	<u>Bank Deposits at December 31(1) (Amounts in 000's)</u>	<u>Buildings Permits Issued(2)</u>
1989	200,013,540	10,176,745	6,318
1990	198,042,360	10,447,237	5,998
1991	212,972,260	11,745,028	5,798
1992	212,838,470	16,100,000	5,568
1993	219,795,586	15,290,520	5,875
1994	252,078,130	17,301,493	5,682
1995	262,212,830	18,661,138	5,329
1996	267,401,210	21,598,936	11,306
1997	289,062,230	18,070,437	11,911
1998	293,817,200	24,305,322	11,433
1999	325,041,430	41,678,898	9,471

Source:

- (1) Greater Cincinnati Chamber of Commerce
- (2) Information provided by Hamilton County Building Department

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

The Honorable Mayor and
Members of the City Council
City of Norwood, Ohio and
Jim Petro, Auditor of State of Ohio

We have audited the general purpose financial statements of the City of Norwood, Ohio (the "City"), as of and for the year ended December 31, 1999, and have issued our report thereon dated May 19, 2000. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Governmental Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*. However, we noted certain immaterial instances of noncompliance that we have reported to the management of the City in a separate letter dated May 19, 2000.

Internal Control Over Financial Reporting

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

financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that we have reported to management of the City in a separate letter dated May 19, 2000.

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

Deloitte & Touche LLP

May 19, 2000



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

88 East Broad Street
P.O. Box 1140
Columbus, Ohio 43216-1140

Telephone 614-466-4514
800-282-0370

Facsimile 614-466-4490

CITY OF NORTHWOOD

HAMILTON COUNTY

CLERK'S CERTIFICATION

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

By: Susan Babbitt

Date: JULY 13, 2000