



CITY OF PHILADELPHIA

OFFICE OF THE DIRECTOR OF FINANCE

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JANICE D. DAVIS
Secretary of Financial Oversight
and Director of Finance

The Honorable John F. Street
Mayor, City of Philadelphia
Room 215 City Hall
Philadelphia, PA 19102

January 29, 2001

Dear Mayor Street:

The Comprehensive Annual Financial Report of the City of Philadelphia for the fiscal year ended June 30, 2000 is hereby submitted. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The Comprehensive Annual Financial Report is presented in three sections: introductory, financial and statistical. The financial section includes the general purpose financial statements and the combining and individual fund and account group financial statements and schedules. The statistical section includes selected financial and demographic information, generally presented on a multiyear basis.

A basis for preparing the Comprehensive Annual Financial Report for the City was the identification of the reporting entity. Various potential component units were evaluated to determine whether they should be reported in the City's Comprehensive Annual Financial Report. A component unit was considered to be part of the City's reporting entity when it was concluded that the City was financially accountable for the entity or that the nature and significance of the relationship between the City and the entity was such that exclusion would cause the City's financial statements to be misleading or incomplete.

As a result of the evaluation, the entities selected for inclusion in the City's Comprehensive Annual Financial Report are presented either as part of the City's fund types and account groups ("blended" component units) because of the closeness of their relationship with the City, or as discretely presented component units. The discrete presentation illustrates that, while the City is accountable for these entities, their separate legal identities are maintained for reporting purposes.

This report includes all the funds and account groups of the City as well as the funds of the Philadelphia Municipal Authority and the Pennsylvania Intergovernmental Cooperation Authority. It also incorporates the discretely presented statements of the School District of Philadelphia, the Philadelphia Gas Works, the Redevelopment Authority of Philadelphia, the Philadelphia Housing Development Corporation, the Philadelphia Parking Authority, Penn's Landing Corporation, the Pennsylvania Convention Center Authority, the Community College of Philadelphia, the Philadelphia Housing Authority, the Philadelphia Authority for Industrial Development and Community Behavioral Health, Inc.

Reflected in this report is the extensive range of services provided by the City of Philadelphia. These services include police and fire protection, water and sewer services, sanitation services, streets maintenance, recreational activities and cultural events, and traditional county functions such as health and human services, as well as the activities of the previously mentioned public agencies and authorities.

ECONOMIC CONDITION AND OUTLOOK

The City enters the new millennium committed to fiscal responsibility. Fiscal Year 2000 was another record year; a cumulative \$295.1 million General Fund surplus and an eighth consecutive positive year-end performance, or improvement over the prior year, as well as a sixth round of incremental wage and business tax reductions.

One of the hallmarks of the \$6.5 billion Economic Stimulus Program is the establishment of a more business-friendly climate in Philadelphia. To achieve this goal, City and Quasi-City agencies--like the Philadelphia Parking Authority and the Departments of Licenses and Inspections (L & I), Procurement, Public Health, Revenue, Streets and Water--have undertaken many major initiatives to reduce the overall regulatory burden by simplifying regulations, improving communications, and making regulatory processes more user-friendly. Some of these initiatives have included:

- L & I streamlined the family of codes related to construction, alteration, and occupancy of structures to provide more modern and flexible building standards that contribute to lower design, construction, and insurance costs.
- L & I created a Fast Form Building Permit application process for common alterations that is available online and at five field offices. This process reduced average processing time for permit issuance from approximately four hours to less than 30 minutes.
- L & I created the Accelerated Permit Review Program, which offers expedited service to individuals willing to pay a fee to cover the associated employee overtime costs.
- The Revenue Department launched an improved web site that provides instructions to companies about filing taxes electronically and access to the department's "Plain Talk Tax Guide".

Following the example set by the Economic Stimulus Program--focused resources, a plan to reduce taxes, an improved organizational framework, and a more business-conscious regulatory environment--the City is beginning to change the negative trends of the past. Employment data compiled by the Bureau of Labor Statistics confirms that the City's job retention and attraction efforts are paying off.

Philadelphia has also benefited from healthy trends in the City's industrial and commercial real estate markets. The Center City office vacancy rate stood at 11% in the third quarter of 1999, a nearly 39% drop from the peak rate of 18% between 1992 and 1994. Philadelphia's industrial vacancy rate decreased from 22% in 1992 to 7.5% through the third quarter of 1999. In an effort to revitalize the Chestnut Street retail corridor, the City will spend \$15 million to reopen it to vehicles. The project includes wider traffic lanes, metered parking, and an improved streetscape between Independence Hall and 21st street.

The success of the Republican National Convention demonstrated the City's ability to compete as a first-class tourist destination and left it well positioned to be considered for future major events.

MAJOR INITIATIVES

As important as the City's overall fiscal condition, jobs picture, and tax structure are to all Philadelphians, City government is just as much about the quality of basic municipal services. By eliminating the duplication of some services and forging collaboration among City agencies with complementary missions, the realignment of the City's economic development organizational framework will improve the administration's ability to evaluate the effectiveness of existing and proposed programs and better coordinate initiatives, assignments, and responsibilities. Additionally, a Business Advisory Council, chaired by the Director of Commerce, will be formed to assist the administration in developing strategy to grow the local economy.

The administration's commitment to quality City services remains strong. For example:

- Graffiti abatement teams cleaned a record number of private buildings and street fixtures, and five "Zero Tolerance Zones" were created in cooperation with local residents and businesses to eliminate all existing graffiti and remove all new graffiti within 24 hours after the vandalism occurs. The Department of Public Property continues to remove graffiti from public buildings throughout the city using the latest in graffiti-fighting equipment and environmentally safe cleaning solutions.
- The Philadelphia Free Library will open its new Independence Branch within the Balch Institute on Seventh Street in Center City. This branch will incorporate modern theories of library service, with technology designed for those with disabilities, a self-checkout terminal, 12 Internet-equipped computers, and community space.
- The Department of Records implemented an automated document recording system called *PhilaDox*, as part of a comprehensive reengineering project initiated in 1998. As a result of this effort, the time required to record and return original documents affecting land-title transactions was reduced from over one year to less than two days.
- The Recreation Department has increased the number of facilities with permanent staff to 153, up from 144 facilities in 1992. The department has measurably expanded its athletic programs with significant increases in the numbers of leagues and participants.
- More efficient trash compactors have helped the Streets Department increase its on-time collection rate from 64% in FY92 to 97% in FY99 at the same time it reduced sanitation staffing from 1,265 employees to 947.
- The Police Department completed a two-year \$12.8 million installation of 730 mobile data terminals in police vehicles, allowing police officers to obtain valuable information directly and more quickly.

With improving municipal services and a more affordable cost of living, the City's neighborhoods are enjoying a healthier and safer quality of life. With construction complete or underway on literally scores of major economic development projects, the City is now emerging as a regional commercial center and a premier international destination. With continued responsible leadership, Philadelphia stands poised to provide the very best of urban life in the new century.

FINANCIAL INFORMATION

City government is responsible for establishing and maintaining an internal control structure designed to protect the assets of the City from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. This internal control structure is subject to periodic evaluation by management and the audit staff of the City Controller's Office in order to determine its adequacy. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

SINGLE AUDIT. As a recipient of federal and state financial assistance, the City is responsible for ensuring compliance with applicable laws and regulations related to those programs.

The results of the City's single audit for the fiscal year ended June 30, 1999 found no instances of material weaknesses in the internal control structure that could result in non-compliance with prevailing laws.

BUDGETING CONTROLS. In addition to internal controls, the City maintains budgetary controls to ensure compliance with legal provisions embodied in the annual appropriated budget approved by City Council. Activities of the General Fund and City Related Special Revenue Funds and the City Capital Improvement Fund are budgeted annually. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established by major class within an individual department and fund for the operating funds and by project within department for the Capital Improvement Fund. The City also maintains an encumbrance accounting system for control purposes. Encumbered amounts that have not been expended at year-end are carried forward into the succeeding year and appropriations that have not been expended or encumbered at year-end are lapsed.

As demonstrated by the statements and schedules included in the financial section of this report, the City continues to meet its responsibility for sound financial management.

GENERAL GOVERNMENT FUNCTIONS

GENERAL FUND

An undesignated fund balance surplus of \$295.1 million was reported at June 30, 2000 on both the generally accepted accounting principles (GAAP) basis (see Exhibit I-A-2) and the legal basis (see Exhibit I-A-5). The following schedules present a summary of General Fund revenues and expenditures on the GAAP basis and the amount and percentages of increases and decreases in relation to the prior year:

(Amounts in Millions)				
<u>Revenues</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase (Decrease) Over Fiscal 1999</u>	<u>Percent of Increase (Decrease)</u>
Tax Revenue	\$ 1,856.6	72.2	\$ 89.9	5.1
Locally Generated Non-Tax Revenue	181.2	7.0	5.9	3.4
Revenue from Other Governments	519.2	20.2	72.6	16.3
Other Revenue	14.9	0.6	2.7	22.1
<u>Total</u>	<u>\$ 2,571.9</u>	<u>100.0</u>	<u>\$ 171.1</u>	

(Amounts in Millions)				
<u>Expenditures</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase (Decrease) Over Fiscal 1999</u>	<u>Percent of Increase (Decrease)</u>
Economic Development	\$ 18.8	0.8	\$ (31.3)	(62.5)
Transportation	105.6	4.3	4.9	4.9
Judiciary and Law Enforcement	947.4	38.4	37.2	4.1
Conservation of Health	146.1	5.9	2.8	2.0
Housing and Neighborhood Development	5.5	0.2	1.1	25.0
Cultural and Recreational	120.1	4.9	3.7	3.2
Improvement of General Welfare	493.4	20.0	18.3	3.9
Services to Property	266.7	10.8	2.9	1.1
General Management and Support	366.1	14.7	14.0	4.0
<u>Total</u>	<u>\$ 2,469.7</u>	<u>100.0</u>	<u>\$ 53.6</u>	

After taking into consideration the adjustments detailed in footnote 2 to the financial statements, which reflect the differences between the presentation in accordance with generally accepted accounting principles and the budgetary figures, General Fund revenues presented on the budgetary basis totaled \$2,755.5 million in Fiscal 2000, an increase of 4.9% over Fiscal 1999. The amount of revenues from various sources and the resulting difference from Fiscal 1999 are summarized in the following tabulation:

(Amounts in Millions)				
<u>Revenues</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase (Decrease) Over Fiscal 1999</u>	<u>Percent of Increase (Decrease)</u>
Tax Revenue	\$ 1,856.6	67.4	\$ 90.0	5.1
Locally Generated Non-Tax Revenue	194.9	7.1	1.8	0.9
Revenue from Other Governments	678.0	24.6	71.6	11.8
Other Revenue	26.0	0.9	(35.9)	(58.0)
<u>Total</u>	<u>\$ 2,755.5</u>	<u>100.0</u>	<u>\$ 127.5</u>	

Expenditures and Encumbrances on the budgetary basis for the General Fund totaled \$2,711.2 million, an increase of 3.6% over Fiscal 1999. Increases and decreases in the level of obligations by the City's major classifications are shown in the following tabulation:

<u>Expenditures</u>	<u>Amount</u>	(Amounts in Millions)		
		<u>Percent of Total</u>	<u>Increase (Decrease) Over Fiscal 1999</u>	<u>Percent of Increase (Decrease)</u>
Personal Services	\$ 1,071.8	39.5	\$ 53.4	5.2
Employee Benefits	493.8	18.2	5.7	1.2
Purchase of Services	849.0	31.3	55.0	6.9
Materials and Supplies	53.4	2.0	1.7	3.3
Equipment	26.2	1.0	(7.3)	(21.8)
Contributions, Indemnities and Taxes	69.9	2.6	(20.3)	(22.5)
Debt Service	91.5	3.4	7.3	8.7
Payments to Other Funds	26.4	1.0	(0.7)	(2.6)
Advances, Subsidies and Miscellaneous	29.2	1.0	(0.1)	(0.3)
<u>Total</u>	<u>\$ 2,711.2</u>	<u>100.0</u>	<u>\$ 94.7</u>	

SPECIAL REVENUE FUNDS

Special Revenue Funds consist of County Liquid Fuels Tax Fund, Special Gasoline Tax Fund, HealthChoices Behavioral Health Fund, Hotel Room Rental Tax Fund, Grants Revenue Fund, Community Development Fund, Municipal Authority Administrative Fund and PICA Administrative Fund. In Fiscal 2000, the Special Revenue Funds had combined revenue of \$1,429.2 million, expenditures of \$731.3 million, other financing uses of \$771.0 million and net increases of \$10.2 million representing fund balance reserve adjustments, resulting in an overall decrease in Unreserved Fund Balance of \$62.9 million for the year.

The following schedule presents a summary of the Special Revenue Funds revenues and expenditures for the fiscal year:

<u>Revenues</u>	<u>Amount</u>	(Amounts in Millions)		
		<u>Percent of Total</u>	<u>Increase (Decrease) Over Fiscal 1999</u>	<u>Percent of Increase (Decrease)</u>
Tax Revenue	\$ 285.0	19.9	\$ 20.9	7.9
Locally Generated Non-Tax Revenue	61.5	4.3	(24.7)	(28.7)
Revenue from Other Governments	1,082.7	75.8	105.8	10.8
<u>Total</u>	<u>\$ 1,429.2</u>	<u>100.0</u>	<u>\$ 102.0</u>	

<u>Expenditures</u>	<u>Amount</u>	(Amounts in Millions)		
		<u>Percent of Total</u>	<u>Increase (Decrease) Over Fiscal 1999</u>	<u>Percent of Increase (Decrease)</u>
Economic Development	\$ 10.1	1.4	\$ 4.2	71.2
Transportation	25.8	3.5	(1.1)	(4.1)
Judiciary and Law Enforcement	54.3	7.4	1.0	1.9
Conservation of Health	506.0	69.2	115.8	29.7
Housing and Neighborhood Development	53.4	7.3	(1.7)	(3.1)
Cultural and Recreational	15.6	2.1	2.1	15.6
Improvement of General Welfare	36.1	4.9	4.4	13.9
Services to Property	0.1	-	(0.7)	(87.5)
General Management and Support	29.9	4.2	(29.0)	(49.2)
<u>Total</u>	<u>\$ 731.3</u>	<u>100.0</u>	<u>\$ 95.0</u>	

DEBT SERVICE FUNDS

Debt Service Funds are maintained for the City, the Municipal Authority and PICA. These Funds had combined revenue and net operating transfers of \$242.4 million, a decrease of \$162.7 million (40.2%) from Fiscal 1999 and expenditures of \$235.6 million, a decrease of \$172.2 million (42.2%) for Fiscal 2000. The Reserve for Debt Service increased by \$6.0 million, increasing the Unreserved Fund Balance by \$.8 million.

ENTERPRISE OPERATIONS

The City's Enterprise Operations are comprised of three separate and distinct activities and are accounted for in the following funds: Water Fund, Aviation Fund and Industrial and Commercial Development Fund. The Water Fund provides water, sewer and storm water services on a user charge basis. The Aviation Fund covers airport operations under a long-term lease agreement with the individual user airlines that became effective as of July 1, 1974 and expires June 30, 2006. The Industrial and Commercial Development Fund accounts for acquisition and disposition of land for industrial and commercial purposes.

The Enterprise Funds had operating revenues of \$478.9 million and expenses of \$442.8 million, resulting in net profit from operations of \$36.1 million for the year. Non-operating expenses of \$63.7 million, net transfers in of \$14.9 million and other credits of \$39.1 million resulted in a net increase in retained earnings of \$26.4 million. The following summary reflects actual revenues, expenses and results of operations for the individual Enterprise Funds:

	Amounts in Millions			
	Water	Aviation	Industrial & Commercial Development	Totals
	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	
Operating Revenues	\$ 347.8	\$ 128.3	\$ 2.8	\$ 478.9
Operating Expenses	<u>298.7</u>	<u>141.3</u>	<u>2.8</u>	<u>442.8</u>
Operating Income (Loss)	<u>49.1</u>	<u>(13.0)</u>	<u>-</u>	<u>36.1</u>
Non-Operating Revenues (Expenses) - Net	(82.1)	20.2	(1.8)	(63.7)
Transfers (To) From Other Funds	(4.1)	-	-	(4.1)
Transfers (To) From Component Units	(2.9)	21.9	-	19.0
Other Credits (Charges) - Net	<u>29.2</u>	<u>9.9</u>	<u>-</u>	<u>39.1</u>
Net Change in Retained Earnings	(10.8)	39.0	(1.8)	26.4
Retained Earnings, July 1, 1999	<u>(36.8)</u>	<u>149.7</u>	<u>7.4</u>	<u>120.3</u>
Retained Earnings, June 30, 2000	\$ <u>(47.6)</u>	\$ <u>188.7</u>	\$ <u>5.6</u>	\$ <u>146.7</u>

MUNICIPAL PENSION FUND OPERATIONS

The City is required by the Philadelphia Home Rule Charter and state statute to maintain an actuarially sound pension and retirement system covering all officers and employees of the City. Court decisions, as interpreted by the City Solicitor, require that the City's contribution consist of normal costs, amortization of a past under funding (referred to as the Dombrowski Payments) over a period of 40 years in level annual installments, and handling of the remaining unfunded actuarial liability on an actuarially sound basis. Beginning in Fiscal 1982 the City elected to amortize this unfunded liability over a period of 38 years based on a schedule that will result in a charge approximately equal to a level percent of payroll. This method is deemed actuarially sound and is in common use by public jurisdictions in the United States.

The City's contribution to the Municipal Pension Fund for Fiscal 2000 was based upon the Actuarial Valuation Report dated July 1, 1998 and after credits for advance payments amounted to \$164.5 million. In Fiscal Year 2000, the City made an additional payment of \$15 million to help reduce the unfunded actuarial liability.

The Actuarial Valuation Report dated July 1, 1999 shows the Municipal Pension Fund's actuarial accrued liability to be \$5.8 billion. This amount is the sum of the actuarially computed present values of all retirement and survivor payments with respect to all active and retired employees, all inactive vested employees and all non vested employees.

The carrying value of the Municipal Pension Fund's assets at July 1, 1999, for actuarial purposes, amounted to \$4.5 billion resulting in a net unfunded actuarial accrued liability of \$1.3 billion as of that date.

During Fiscal 1999, the Philadelphia Authority for Industrial Development (PAID) issued \$1.29 billion in Pension Funding Bonds. The net proceeds of \$1.25 billion were deposited in the Municipal Pension Fund. During Fiscal 2000, the City's payment to PAID in lieu of pension contributions was \$68.6 million.

RISK MANAGEMENT

The City and several of its component units are self-insured for fire damage, casualty losses, public liability, Worker's Compensation, and Unemployment Compensation. Liabilities arising in these areas are liquidated with available resources of the respective operating funds. The Airport, the Philadelphia Gas Works and the remaining component units are principally insured through insurance carriers.

DEBT ADMINISTRATION

At June 30, 2000 the City (Primary Government) had \$4.7 billion debt issues outstanding. These issues included \$2.0 billion of general obligation bonds and \$2.7 billion of revenue bonds. At fiscal year end, the City's (excluding component units) bond ratings from Standard & Poor's Corporation, Moody's Investors Service and Fitch IBCA on its bond issues were as follows:

	Moody's Investors Service	Standard & Poor's Corporation	Fitch IBCA
General Obligation Bonds	Baa1	BBB	A-
Water and Sewer Revenue Bonds	Baa1	BBB+	A-
Aviation Revenue Bonds	A3	A	A

Under current state statutes, the City's general obligation bonded debt issuances are subject to a legal limitation. As of July 1, 2000 the City's (excluding component units) net general obligation authorized debt of \$899.4 million was \$342.1 million below the legal limit of \$1,241.5 million.

The following schedule presents a synopsis of activity in the bonded debt of the City and its blended component units for Fiscal 2000:

(Amounts in Millions)

	Governmental Fund Types				Enterprise Funds			Totals All Funds
	City	Municipal	PICA	Totals	Water	Aviation	Totals	
	General Fund	Authority Fund			Fund	Fund		
Bonded Debt Outstanding, July 1, 1999	\$ 689.5	\$ 377.6	\$ 1,014.1	\$ 2,081.2	\$ 1,811.6	\$ 1,009.3	\$ 2,820.9	\$ 4,902.1
Bonds Issued:								
General Obligation	-	-	-	-	-	-	-	-
General Obligation Refunding	-	-	-	-	-	-	-	-
Revenue	-	-	-	-	1.0	-	1.0	1.0
Revenue Refunding	-	-	-	-	33.0	-	33.0	33.0
Total Bonds Issued	-	-	-	-	34.0	-	34.0	34.0
Bonds Matured/Refunded:								
General Obligation	40.8	21.1	54.7	116.6	2.4	10.1	12.5	129.1
General Obligation Refunded	-	-	-	-	-	-	-	-
Revenue	-	-	-	-	56.6	14.0	70.6	70.6
Revenue Refunded	-	-	-	-	32.4	-	32.4	32.4
Total Bonds Matured/Refunded	40.8	21.1	54.7	116.6	91.4	24.1	115.5	232.1
Bonded Debt Outstanding, June 30, 2000								
General Obligation	648.7	356.5	959.4	1,964.6	15.5	23.0	38.5	2,003.1
Revenue	-	-	-	-	1,738.7	962.2	2,700.9	2,700.9
Total Bonded Debt Outstanding, June 30, 2000	648.7	356.5	959.4	1,964.6	1,754.2	985.2	2,739.4	4,704.0
Sinking Fund Assets Available for Payment of Principal	-	11.0	88.8	99.8	148.6	48.5	197.1	296.9
Net Debt	\$ 648.7	\$ 345.5	\$ 870.6	\$ 1,864.8	\$ 1,605.6	\$ 936.7	\$ 2,542.3	\$ 4,407.1

CASH MANAGEMENT

Cash temporarily idle during the year was invested in demand deposits, certificates of deposit, obligations of the US Treasury, repurchase agreements and commercial paper. The Pension Trust Fund's investment portfolio also includes stocks, corporate bonds, real estate and other items. The City earned interest revenue of \$30.9 million on all investments of its pooled cash and investment account (Consolidated Cash) for the fiscal year ended June 30, 2000.

The City's investment policy is to minimize credit and market risks while maintaining a competitive yield on its portfolio. Accordingly, deposits were either insured by federal depository insurance or collateralized. All collateral on deposits was held either by the City, its agent, the Federal Reserve Bank, or a financial institution's trust department in the City's name. Approximately 2.3% of the City's investments during the year and at June 30, 2000 were classified in the category of highest credit risk as defined by the Governmental Accounting Standards Board. Remaining investments were held in the City's name either by the counterparty financial institution's trust department or by a Securities and Exchange Commission-registered brokerage firm.

OTHER INFORMATION

INDEPENDENT AUDIT. The Philadelphia Home Rule Charter requires an annual audit of all City accounts by the City Controller, an independently elected official. The Charter further requires that the City Controller appoint a Certified Public Accountant in charge of auditing. These requirements have been complied with and the audit was done in accordance with generally accepted auditing standards.

In addition to meeting the requirements set forth in state statutes, the audit also is designed to meet the requirements of the federal 1996 Single Audit Act Amendment and related OMB Circular A-133. The auditor's report on the general purpose financial statements and combining and individual fund statements and schedules is included in the financial section of the Comprehensive Annual Financial Report. The auditor's reports related specifically to the single audit are included in a separate report.

AWARDS. For the twentieth consecutive year, the Government Finance Officers Association of the United States and Canada (GFOA) awarded its prestigious Certificate of Achievement for Excellence in Financial Reporting to the City for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 1999. The City received this recognition by publishing a report that was well organized and readable and satisfied both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current Comprehensive Annual Financial Report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

ACKNOWLEDGMENTS. The preparation of the Comprehensive Annual Financial Report on a timely basis was made possible by the dedicated service of the entire staff of the Office of the Director of Finance. Each member of the office has my sincere appreciation for their valuable contributions.

Respectfully submitted,

Janice D. Davis(Signed)
Secretary of Financial Oversight and
Director of Finance