

**CITY OF RIVERSIDE, OHIO**

General Purpose Financial Statements

December 31, 1999





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

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To the City Council of the City of Riverside, Ohio

We have reviewed the independent auditor's report of the City of Riverside, Montgomery County, prepared by Plattenburg & Associates, Inc., Certified Public Accountants, 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 Riverside is responsible for compliance with these laws and regulations.

JIM PETRO  
Auditor of State

September 5, 2000

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**PLATTENBURG & ASSOCIATES, INC./CERTIFIED PUBLIC ACCOUNTANTS**

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July 21, 2000

To The City Council of the City of Riverside, Ohio

**REPORT OF INDEPENDENT ACCOUNTANTS**

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

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the 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 general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the City, as of December 31, 1999, and the results of its operations for the year then ended, in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued a report dated July 21, 2000 on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Plattenburg & Associates, Inc.  
Certified Public Accountants

**CITY OF RIVERSIDE, OHIO**  
 Combined Balance Sheet - All Governmental Fund Types and Account Groups  
 As of December 31, 1999

	Governmental Fund Types			Account Groups		Total (Memorandum Only)
	General	Special Revenue	Capital Projects	General Fixed Assets	General Long-Term Obligations	
<b>Assets and Other Debits:</b>						
<b>Assets:</b>						
Equity in Pooled Cash and Cash Equivalents	\$760,354	\$773,062	\$122,996	\$0	\$0	\$1,656,412
Receivables:						
Taxes						
Property Taxes	363,034	712,597	0	0	0	1,075,631
Municipal Income Taxes	363,074	0	0	0	0	363,074
Other Local Government	39,976	9,980	0	0	0	49,956
Accounts	1,568	64,901	0	0	0	66,469
Special Assessments	753,225	162,578	0	0	0	915,803
Due from Other Governments	101,030	66,079	0	0	0	167,109
Materials and Supplies Inventory	1,981	66,555	0	0	0	68,536
Accrued Interest	362	0	0	0	0	362
Fixed Assets	0	0	0	4,219,973	0	4,219,973
<b>Other Debits:</b>						
Amount to be Provided From						
General Government Resources	0	0	0	0	262,246	262,246
<b>Total Assets and Other Debits</b>	<b>\$2,384,604</b>	<b>\$1,855,752</b>	<b>\$122,996</b>	<b>\$4,219,973</b>	<b>\$262,246</b>	<b>\$8,845,571</b>
<b>Liabilities, Fund Equity and Other Credits:</b>						
<b>Liabilities:</b>						
Accounts Payable	\$129,454	\$53,699	\$7,538	\$0	\$0	\$190,691
Accrued Wages	6,763	53,875	0	0	0	60,638
Compensated Absences Payable	5,378	26,815	0	0	137,225	169,418
Due to Other Governments	45,456	68,042	0	0	87,097	200,595
Deferred Revenue	1,116,259	883,571	0	0	0	1,999,830
Accrued Interest Payable	3,182	0	1,883	0	0	5,065
Notes Payable	120,000	0	400,000	0	0	520,000
Capital Leases Payable	0	0	0	0	37,924	37,924
<b>Total Liabilities</b>	<b>1,426,492</b>	<b>1,086,002</b>	<b>409,421</b>	<b>0</b>	<b>262,246</b>	<b>3,184,161</b>
<b>Fund Equity and Other Credits:</b>						
Investment in General Fixed Assets	0	0	0	4,219,973	0	4,219,973
Fund Balance:						
Reserved for Encumbrances	17,644	87,003	24,930	0	0	129,577
Reserved for Materials and Supplies Inventory	1,981	66,555	0	0	0	68,536
Unreserved:						
Undesignated (Deficit)	938,487	616,192	(311,355)	0	0	1,243,324
<b>Total Fund Equity (Deficit) and Other Credits</b>	<b>958,112</b>	<b>769,750</b>	<b>(286,425)</b>	<b>4,219,973</b>	<b>0</b>	<b>5,661,410</b>
<b>Total Liabilities, Fund Equity and Other Credits</b>	<b>\$2,384,604</b>	<b>\$1,855,752</b>	<b>\$122,996</b>	<b>\$4,219,973</b>	<b>\$262,246</b>	<b>\$8,845,571</b>

See Accompanying Notes to the General Purpose Financial Statements

**CITY OF RIVERSIDE, OHIO**  
 Combined Statement of Revenues, Expenditures  
 and Changes in Fund Balances - All Governmental Fund Types  
 For the Year Ended December 31, 1999

	General	Special Revenue	Capital Projects	Total (Memorandum Only)
<b>Revenues:</b>				
Property Taxes	\$386,923	\$691,241	\$0	\$1,078,164
Municipal Income Taxes	2,753,994	0	0	2,753,994
Other Local Taxes	246,686	168,764	0	415,450
Intergovernmental	897,961	1,105,795	135,832	2,139,588
Charges for Services	0	411,623	0	411,623
Licenses and Permits	25,087	0	0	25,087
Fines and Forfeitures	7,564	75,411	0	82,975
Special Assessments	886,585	162,199	0	1,048,784
Interest	90,764	0	0	90,764
Rent	209,971	0	0	209,971
Miscellaneous	47,772	6,127	0	53,899
<b>Total Revenues</b>	<b>5,553,307</b>	<b>2,621,160</b>	<b>135,832</b>	<b>8,310,299</b>
<b>Expenditures:</b>				
Current:				
Security of Persons and Property	153,124	3,693,861	0	3,846,985
Public Health	0	48,953	0	48,953
Leisure Time Activities	75,489	0	0	75,489
Community Environment	387,798	61,280	0	449,078
Transportation	0	1,107,472	0	1,107,472
General Government	2,071,482	5,374	0	2,076,856
Capital Outlay	0	0	296,188	296,188
Debt Service:				
Principal Retirement	431	40,392	0	40,823
Interest and Fiscal Charges	3,187	2,946	16,706	22,839
<b>Total Expenditures</b>	<b>2,691,511</b>	<b>4,960,278</b>	<b>312,894</b>	<b>7,964,683</b>
Excess of Revenues Over (Under) Expenditures	2,861,796	(2,339,118)	(177,062)	345,616
<b>Other Financing Sources (Uses):</b>				
Inception of Capital Lease	0	28,500	0	28,500
Operating Transfers - In	0	2,693,085	187,642	2,880,727
Operating Transfers - Out	(2,875,227)	(5,500)	0	(2,880,727)
<b>Total Other Financing Sources (Uses)</b>	<b>(2,875,227)</b>	<b>2,716,085</b>	<b>187,642</b>	<b>28,500</b>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(13,431)	376,967	10,580	374,116
Fund Balances (Deficit) at Beginning of Year	969,778	344,664	(297,005)	1,017,437
Increase in Reserve for Inventory	1,765	48,119	0	49,884
<b>Fund Balances (Deficit) at End of Year</b>	<b>\$958,112</b>	<b>\$769,750</b>	<b>(\$286,425)</b>	<b>\$1,441,437</b>

See Accompanying Notes to the General Purpose Financial Statements

**CITY OF RIVERSIDE, OHIO**  
 Combined Statement of Revenues, Expenditures and  
 Changes in Fund Balances - Budget and Actual (Budget Basis)  
 All Governmental Fund Types  
 For the Year Ended December 31, 1999

	General Fund			Special Revenue Funds		
	Revised Budget	Actual	Variance Favorable (Unfavorable)	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>						
Property Taxes	\$419,299	\$386,923	(\$32,376)	\$725,601	\$691,241	(\$34,360)
Municipal Income Taxes	2,666,424	2,584,354	(82,070)	0	0	0
Other Local Taxes	132,815	208,130	75,315	111,002	148,580	37,578
Intergovernmental	822,731	839,860	17,129	1,166,562	1,082,871	(83,691)
Charges for Services	0	0	0	272,182	370,422	98,240
Licenses and Permits	28,388	25,087	(3,301)	0	0	0
Fines and Forfeitures	12,064	7,564	(4,500)	88,360	72,099	(16,261)
Special Assessments	861,771	886,585	24,814	149,714	162,199	12,485
Interest	101,385	90,402	(10,983)	0	0	0
Rent	218,079	209,971	(8,108)	0	0	0
Miscellaneous	11,217	47,772	36,555	25,275	51,114	25,839
<b>Total Revenues</b>	<b>5,274,173</b>	<b>5,286,648</b>	<b>12,475</b>	<b>2,538,696</b>	<b>2,578,526</b>	<b>39,830</b>
<b>Expenditures:</b>						
Current:						
Security of Persons and Property	193,432	166,493	26,939	4,072,541	3,963,461	109,080
Public Health	0	0	0	2,550	2,550	0
Leisure Time Activities	71,733	67,627	4,106	0	0	0
Community Environment	411,914	367,308	44,606	68,540	67,123	1,417
Transportation	0	0	0	1,459,747	1,216,357	243,390
General Government	2,181,267	2,103,526	77,741	0	0	0
Capital Outlay	0	0	0	0	0	0
Debt Service:						
Principal Retirement	0	0	0	0	0	0
Interest and Fiscal Charges	0	0	0	0	0	0
<b>Total Expenditures</b>	<b>2,858,346</b>	<b>2,704,954</b>	<b>153,392</b>	<b>5,603,378</b>	<b>5,249,491</b>	<b>353,887</b>
Excess of Revenues Over (Under) Expenditures	2,415,827	2,581,694	165,867	(3,064,682)	(2,670,965)	393,717
<b>Other Financing Sources (Uses):</b>						
Proceeds of Notes	120,000	120,000	0	0	0	0
Operating Transfers - In	12,475	0	(12,475)	2,673,312	2,693,085	19,773
Operating Transfers - Out	(2,889,666)	(2,875,227)	14,439	(16,000)	(5,500)	10,500
<b>Total Other Financing Sources (Uses)</b>	<b>(2,757,191)</b>	<b>(2,755,227)</b>	<b>1,964</b>	<b>2,657,312</b>	<b>2,687,585</b>	<b>30,273</b>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(341,364)	(173,533)	167,831	(407,370)	16,620	423,990
Fund Balances at Beginning of Year	773,723	773,723	0	573,607	573,607	0
Prior Year Encumbrances Appropriated	52,285	52,285	0	53,080	53,080	0
<b>Fund Balances at End of Year</b>	<b>\$484,644</b>	<b>\$652,475</b>	<b>\$167,831</b>	<b>\$219,317</b>	<b>\$643,307</b>	<b>\$423,990</b>

See Accompanying Notes to the General Purpose Financial Statements



Capital Projects Funds			Total (Memorandum Only)		
Revised Budget	Actual	Variance Favorable (Unfavorable)	Revised Budget	Actual	Variance Favorable (Unfavorable)
\$0	\$0	\$0	\$1,144,900	\$1,078,164	(66,736)
0	0	0	2,666,424	\$2,584,354	(82,070)
0	0	0	243,817	\$356,710	112,893
82,974	135,832	52,858	2,072,267	\$2,058,563	(13,704)
0	0	0	272,182	\$370,422	98,240
0	0	0	28,388	\$25,087	(3,301)
0	0	0	100,424	\$79,663	(20,761)
0	0	0	1,011,485	\$1,048,784	37,299
0	0	0	101,385	\$90,402	(10,983)
0	0	0	218,079	\$209,971	(8,108)
0	0	0	36,492	\$98,886	62,394
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82,974	135,832	52,858	7,895,843	8,001,006	105,163
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0	0	0	4,265,973	4,129,954	136,019
0	0	0	2,550	2,550	0
0	0	0	71,733	67,627	4,106
0	0	0	480,454	434,431	46,023
0	0	0	1,459,747	1,216,357	243,390
0	0	0	2,181,267	2,103,526	77,741
362,009	331,214	30,795	362,009	331,214	30,795
450,000	450,000	0	450,000	450,000	0
16,470	16,470	0	16,470	16,470	0
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828,479	797,684	30,795	9,290,203	8,752,129	538,074
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(745,505)	(661,852)	83,653	(1,394,360)	(751,123)	643,237
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400,000	400,000	0	520,000	520,000	0
271,295	187,642	(83,653)	2,957,082	2,880,727	(76,355)
0	0	0	(2,905,666)	(2,880,727)	24,939
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671,295	587,642	(83,653)	571,416	520,000	(51,416)
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(74,210)	(74,210)	0	(822,944)	(231,123)	591,821
164,738	164,738	0	1,512,068	1,512,068	0
0	0	0	105,365	105,365	0
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\$90,528	\$90,528	\$0	\$794,489	\$1,386,310	\$591,821
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**CITY OF RIVERSIDE, OHIO**  
Notes to the General Purpose Financial Statements  
For the Year Ended December 31, 1999

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**NOTE 1 - REPORTING ENTITY AND BASIS OF PRESENTATION**

The City of Riverside ("The City") is a statutory municipal corporation established and operating under the laws of the State of Ohio and its charter. Mad River Township and the Village of Riverside merged in 1994 to become the City of Riverside. The City operates under a Council-Manager form of government. Elected officials include seven council members, one of which is the Mayor. Legislative power is vested in this seven member Council. All council members, including the Mayor, are elected to four year terms.

The City Manager, who is appointed by the Council, is the chief executive officer for the City. The administrative activities of the City are carried out by a Department of Finance, a Department of Law, a Department of Service and a Department of Safety. All department heads are hired by the City Manager with approval from Council, except for the Director of the Department of Law, who is appointed by Council.

**REPORTING ENTITY**

A reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the City consists of all funds, departments, and activities which are not legally separate from the City. They provide the City's legal entity which provide various services including police protection, fire protection, health services, street maintenance and repairs, and parks and recreation. Council and the City Manager have direct responsibility for these activities.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization's resources; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to the organization; or the City is obligated for the debt of the organization. Component units also include organizations that are fiscally dependent on the City in that the City approves the organization's budget, the issuance of its debt or the levying of its taxes. The City does not have any component units included in its reporting entity.

The City is associated with four jointly governed organizations, one related organization and one risk sharing pool. These organizations are presented in Notes 17, 18, and 19 to the general purpose financial statements. These organizations are:

Jointly Governed Organizations:

- The Miami Valley Regional Planning Commission (the Commission)
- The Miami Valley Fire/EMS Alliance (the Alliance)
- The Economic Development/Government Equity Program (ED/GE)
- The Regional Income Tax Agency (RITA)

**CITY OF RIVERSIDE, OHIO**  
Notes to the General Purpose Financial Statements  
For the Year Ended December 31, 1999

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**NOTE 1 - REPORTING ENTITY AND BASIS OF PRESENTATION (Continued)**

Related Organization:

The Riverside Historical Society (RHS)

Risk Sharing Pool:

The Public Entities Pool of Ohio (PEP)

**BASIS OF PRESENTATION - FUND ACCOUNTING**

The City uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions and activities.

A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations. An account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

For financial statement presentation purposes, the various funds of the City are grouped into the following generic fund types under the fund category of governmental.

**GOVERNMENTAL FUND TYPES**

Governmental funds are those through which most governmental functions typically are financed. The acquisition, use and balances of the City's expendable financial resources and the related current liabilities are accounted for through governmental funds. The following are the City's governmental fund types.

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

Special Revenue Funds - The special revenue funds are established to account for the proceeds of specific revenue sources (other than amounts relating to major capital projects) that are legally restricted to expenditure for specific purposes.

Capital Projects Funds - The capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities.

**ACCOUNT GROUPS**

To make a clear distinction between fixed assets related to a specific fund and those of general

**CITY OF RIVERSIDE, OHIO**  
Notes to the General Purpose Financial Statements  
For the Year Ended December 31, 1999

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**NOTE 1 - REPORTING ENTITY AND BASIS OF PRESENTATION (Continued)**

government, and between long-term obligations related to specific funds and those of a general nature, the following account groups are used:

General Fixed Assets Account Group - The general fixed assets account group is used to account for all fixed assets of the City.

General Long-Term Obligations Account Group - The general long-term obligations account group is used to account for all unmatured long-term obligations of the City.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the City of Riverside have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The most significant of the City's accounting policies are described below.

**MEASUREMENT FOCUS AND BASIS OF ACCOUNTING**

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made.

All governmental fund types are accounted for using the modified accrual basis of accounting. Under this basis of accounting, the City recognizes revenue when it becomes both measurable and available. "Measurable" means the amount of the transaction can be determined, and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current year. The available period for the City is 60 days after year end.

In applying the susceptible to accrual concept under the modified accrual basis, the following revenues are deemed both measurable and available: state-levied locally shared taxes (including gasoline tax), employer withheld income tax, fines and forfeitures, charges for services, and reimbursements due from federal and state funded projects for which corresponding expenditures have been made.

Other revenues, including licenses and permits, special assessments, certain charges for services, income taxes other than those withheld by employers, and miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received.

**CITY OF RIVERSIDE, OHIO**  
Notes to the General Purpose Financial Statements  
For the Year Ended December 31, 1999

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**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

The City reports deferred revenue in its combined balance sheet. Deferred revenues arise when a potential revenue does not meet both the measurable and available criteria for recognition in the current period. In subsequent periods, when both revenue recognition criteria are met, the liability for deferred revenue is removed from the combined balance sheet and revenue is recognized. Current and delinquent property taxes measurable as of December 31, 1999, whose availability is indeterminate and which are not intended to finance current period obligations, have been recorded as a receivable and deferred revenue. Levied special assessments are measurable, and have been recorded as a receivable. Special assessments are deferred with the exception of the amount received in the available period.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are recorded when the related fund liability is incurred, if measurable. The costs of accumulated unpaid vacation and sick leave are reported as fund liabilities in the period in which they will be liquidated with available financial resources rather than in the period earned by employees. Allocation of cost, such as depreciation and amortization, are not recognized in the governmental funds.

**BUDGETARY PROCESS**

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations ordinance, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriations ordinance are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. All funds are legally required to be budgeted and appropriated. The legal level of budgetary control is at the object level (personal services and other expenditures) within each department. Budgetary modifications may only be made by ordinance of the City Council.

**Tax Budget**

A tax budget of estimated revenues and expenditures for all funds is submitted to the County Auditor, as Secretary of the County Budget Commission, by July 20 of each year, for the period January 1 to December 31 of the following year.

**Estimated Resources**

The County Budget Commission determines if the budget substantiates a need to levy the full amount of authorized property tax rates and reviews estimated revenue. The commission certifies its actions to the City by October 1. As part of this certification, the City receives the official certificate of estimated resources, which states the projected revenue of each fund. Prior to December 31, the City must revise its budget so that the total contemplated expenditures from any fund during the ensuing fiscal year will not exceed the amount stated in the certificate of estimated resources. The revised budget then serves as the basis for the appropriation ordinance.

**CITY OF RIVERSIDE, OHIO**  
Notes to the General Purpose Financial Statements  
For the Year Ended December 31, 1999

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**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

On or about January 1, the certificate of estimated resources is amended to include unencumbered fund cash balances at December 31 of the preceding year. The certificate may be further amended during the year if the Finance Director determines that revenue to be collected will be greater than or less than the current estimates, and the budget commission finds the estimates to be reasonable. The amounts reported on the budgetary statements reflect the amounts in the final amended official certificate of estimated resources issued during 1999.

Appropriations

A temporary appropriation measure to control expenditures may be passed on or around January 1 of each year for the period January 1 to March 31. The annual appropriation ordinance must be passed by April 1 of each year for the period January 1 to December 31. The appropriation ordinance may be amended during the year as new information becomes available, provided that total fund appropriations do not exceed current estimated resources, as certified. The allocation of appropriations among departments and objects within a fund may be modified during the year by an ordinance of Council. During the year, several supplemental appropriation measures were passed however, none of these were significant. The budget figures which appear in the statements of budgetary comparisons represent the final appropriation amounts, including all amendments and modifications.

Encumbrances

As part of formal budgetary control, purchase orders, contracts and other commitments for the expenditure of monies are encumbered and recorded as the equivalent of expenditures on the non-GAAP budgetary basis in order to reserve that portion of the applicable appropriation and to determine and maintain legal compliance. The Ohio Revised Code prohibits expenditures plus encumbrances from exceeding appropriations. On the GAAP basis, encumbrances outstanding at year end are reported as reservations of fund balances for subsequent-year expenditures.

Lapsing of Appropriations

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

**CITY OF RIVERSIDE, OHIO**  
Notes to the General Purpose Financial Statements  
For the Year Ended December 31, 1999

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**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**CASH AND CASH EQUIVALENTS**

To improve cash management, cash received by the City is pooled. Monies for all funds are maintained in this pool. Individual fund integrity is maintained through the City's records. Each fund's interest in the pool is presented as "Equity in Pooled Cash and Cash Equivalents" on the combined balance sheet.

During 1999, investments were limited to a certificate of deposit, a mutual fund, and STAR Ohio.

Investments are reported at fair value which is based on quoted market prices, with the exception of nonparticipating investment contracts such as nonnegotiable certificates of deposits, which are reported at cost. For investments in open-end mutual funds, the fair value is determined by the fund's current share price.

The City has invested funds in the State Treasury Assets Reserve of Ohio (STAR Ohio) during 1999. STAR Ohio is an investment pool, managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price which is the price the investment could be sold for on December 31, 1999.

Following Ohio statutes, the City Council has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue credited to the General Fund during fiscal year 1999 amounted to \$90,764, which includes \$44,866 assigned from other City funds.

For presentation on the combined balance sheet, investments of the cash management pool and investments with an original maturity of three months or less at the time they are purchased by the City are considered to be cash equivalents.

**INTERGOVERNMENTAL REVENUES**

Intergovernmental revenues, such as entitlements and grants awarded on a non-reimbursement basis, are recorded as revenues when measurable and available. Reimbursable-type grants are recorded as receivables and revenues when the related expenditures are incurred.

**INVENTORY OF SUPPLIES**

Inventory is valued at cost on a first-in, first-out basis. Inventory consists of expendable supplies held for consumption. The costs of inventory items are recorded as expenditures in the fund when purchased. Reported supplies inventory is equally offset by a fund balance reserve, which indicates that it does not constitute available expendable resources even though it is a component of net current assets.

**CITY OF RIVERSIDE, OHIO**  
Notes to the General Purpose Financial Statements  
For the Year Ended December 31, 1999

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**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**FIXED ASSETS**

All purchased fixed assets are valued at cost when historical records are available and estimated historical cost where no historical records exist. For certain assets, estimates were calculated by indexing estimated current costs back to the estimated year of acquisition. Donated fixed assets are valued at their estimated fair market value on the date received. The City maintains a capitalization threshold of two hundred and fifty dollars.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements which extend the useful life or increase the capacity or operating efficiency are capitalized at cost.

Public domain (“infrastructure”) general fixed assets consisting of roads, bridges, curbs, gutters, sidewalks, street lights, traffic signals, fire hydrants, and drainage systems are not capitalized as these assets are immovable and of value only to the City.

**COMPENSATED ABSENCES**

The City accrues a liability for compensated absences in accordance with the provisions of *GASB Statement No. 16, “Accounting for Compensated Absences.”* Vacation and compensatory time benefits are accrued as a liability as the benefits are earned if the employees’ rights to receive compensation are attributable to services already rendered and it is probable that the City will compensate the employees for the benefits through paid time off or some other means. Sick leave benefits are accrued as a liability using the termination method. An accrual for earned sick leave is made to the extent it is probable that benefits will result in termination payments. The liability is an estimate based on the City’s past experience of making termination payments.

**ACCRUED LIABILITIES AND LONG-TERM OBLIGATIONS**

In general, governmental fund payables and accrued liabilities are reported as obligations of the funds regardless of whether they will be liquidated with current resources. However, compensated absences and contractually required pension obligations are reported as a liability in the general long-term obligations account group to the extent they will not be paid with current expendable available financial resources. Payments made more than 60 days after year-end are generally considered not to have been paid using current available financial resources. Capital leases are recognized as a liability of the general long-term obligations account group until due.

The current portion of unpaid compensated absences is the amount expected to be paid using available expendable resources and is reported as an accrued liability in the fund from which the individuals who have accumulated the unpaid compensated absences are paid. The balance of the liability is recorded in the general long-term obligations account group.



**CITY OF RIVERSIDE, OHIO**  
Notes to the General Purpose Financial Statements  
For the Year Ended December 31, 1999

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**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**RESERVATIONS OF FUND BALANCE**

The City reserves fund balances for amounts that are legally segregated for a specific purpose or which are not available for current appropriations or expenditures because of their non-monetary nature or lack of liquidity. Unreserved fund balance indicates the portion of fund balance which is available for appropriation in future periods. Fund balance has been reserved for encumbrances and materials and supplies inventory.

**INTERFUND TRANSACTIONS**

Quasi-external transactions are accounted for as revenues and expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

Nonrecurring and nonroutine permanent transfers of equity between funds are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

**ESTIMATES**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

**TOTAL COLUMNS ON GENERAL PURPOSE FINANCIAL STATEMENTS**

Total columns on the general purpose financial statements are captioned "Total (Memorandum Only)" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position or results of operations in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

**NOTE 3 - ACCOUNTABILITY AND COMPLIANCE**

**SPECIAL REVENUE FUNDS** At December 31, 1999, the police and lighting district special revenue funds had deficit fund balances of \$53,586, and \$6,513, respectively. The deficits were caused by the application of generally accepted accounting principles to the financial reporting of these funds. The general fund provides transfers to cover deficit balances; however, this is done when cash is needed rather than when accruals occur.

**CITY OF RIVERSIDE, OHIO**  
Notes to the General Purpose Financial Statements  
For the Year Ended December 31, 1999

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**NOTE 3 - ACCOUNTABILITY AND COMPLIANCE (Continued)**

CAPITAL PROJECTS FUNDS The general equipment replacement capital projects fund had a deficit fund balance of \$401,883 at December 31, 1999. The deficit was caused by the application of generally accepted accounting principles to the financial reporting of this fund. Note proceeds used to finance the projects of this fund were not recognized as "other financing sources," but rather as a fund liability. The deficit in this fund will be eliminated when the notes are repaid.

**NOTE 4 - BUDGETARY BASIS OF ACCOUNTING**

While reporting financial position, results of operations, and changes in fund balance on the basis of GAAP, the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements, appropriations and encumbrances. The Combined Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual (Budget Basis), All Governmental Fund Types is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget.

The major differences between the budget basis and the GAAP basis are that:

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Outstanding year-end encumbrances are treated as expenditures (budget basis) rather than as a reservation of fund balance (GAAP basis).
4. Proceeds from and principal payments on short-term note obligations are reported on the operating statement (budget basis) rather than as balance sheet transactions (GAAP basis).

**CITY OF RIVERSIDE, OHIO**  
Notes to the General Purpose Financial Statements  
For the Year Ended December 31, 1999

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**NOTE 4 - BUDGETARY BASIS OF ACCOUNTING (Continued)**

The adjustments necessary to convert the results of operations for the year on the GAAP basis to the budget basis are as follows:

	Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses All Governmental Fund Types		
	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>
GAAP Basis	(\$13,431)	\$376,967	\$10,580
Adjustments:			
Revenue Accruals	(266,659)	(71,134)	0
Expenditure Accruals	94,436	(159,458)	(2,322)
Principal Retirement	0	0	(450,000)
Encumbrances	(107,879)	(129,755)	(32,468)
Note Proceeds	120,000	0	400,000
Budget Basis	<u>(\$173,533)</u>	<u>\$16,620</u>	<u>(\$74,210)</u>

**NOTE 5 - DEPOSITS AND INVESTMENTS**

**POLICIES AND PROCEDURES**

The investment and deposit of City monies are governed by the provisions of the Charter and Codified Ordinances of the City and the Ohio Revised Code. State statutes classify monies held by the City into three categories.

Active deposits are public deposits necessary to meet current demands on the treasury. Such monies must be maintained either as cash in the City Treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Inactive deposits are public deposits that Council has identified as not required for use within the current two year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts including passbook accounts.

**CITY OF RIVERSIDE, OHIO**  
Notes to the General Purpose Financial Statements  
For the Year Ended December 31, 1999

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**NOTE 5 - DEPOSITS AND INVESTMENTS (Continued)**

Protection of the City's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, by surety company bonds deposited with the Finance Director by the financial institution or by a single collateral pool established by the financial institution to secure the repayment of all public monies deposited with the institution.

State statute permits interim monies to be deposited or invested in the following securities:

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by the federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions; and
6. The State Treasurer's investment pool (STAR Ohio).

The City may also invest any monies not required to be used for a period of six months or more in the following:

1. Bonds of the State of Ohio;
2. Bonds of any municipal corporation, village, county, township, or other political subdivision of this State, as to which there is no default of principal, interest or coupons; or
3. Obligations of the City.

**CITY OF RIVERSIDE, OHIO**  
Notes to the General Purpose Financial Statements  
For the Year Ended December 31, 1999

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**NOTE 5 - DEPOSITS AND INVESTMENTS (Continued)**

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the City, and must be purchased with the expectation that it will be held to maturity.

Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the Finance Director or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

At year end, the city had \$275 in undeposited cash on hand which is included on the balance sheet of the City as part of "Equity in Pooled Cash and Cash Equivalents."

The following information classifies deposits and investments by categories of risk as defined in GASB Statement No.3, "Deposits with Financial Institutions, Investments (including Repurchase Agreements), and Reverse Repurchase Agreements."

**DEPOSITS**

At year end, the carrying amount of the City's deposits was \$704,589 and the bank balance was \$806,022. Of the bank balance, \$200,000 was covered by federal depository insurance, and \$606,022 was uninsured and uncollateralized. Although all statutory requirements for the deposit of money had been followed, non compliance with federal requirements could potentially subject the City held to a successful claim by the FDIC.

**INVESTMENTS**

GASB Statement No. 3, "Deposits with Financial Institutions, Investments and Reverse Repurchase Agreements," requires that the City's investments be classified in categories of risk. Category 1 includes investments that are insured or registered or for which the securities are held by the City or its agent in the City's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the counterparty's trust department or agent in the City's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty, or by its trust department or agent but not in the City's name. The City's only investments at the fiscal year end were a mutual fund and STAR Ohio. Both STAR Ohio, an investment fund operated by the Ohio State Treasurer, and the mutual fund are unclassified investments since they are not evidenced by securities that exist in physical or book entry form. The carrying value and fair value of STAR Ohio and the mutual fund were \$779,582 and \$171,966, respectively.

The classification of cash and cash equivalents, and investments on the combined financial statements is based on criteria set forth in GASB Statement No. 9, "Reporting Cash Flows of Proprietary and Non-Expendable Trust Funds and Governmental Entities that use Proprietary Fund Accounting." A

**CITY OF RIVERSIDE, OHIO**  
Notes to the General Purpose Financial Statements  
For the Year Ended December 31, 1999

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**NOTE 5 - DEPOSITS AND INVESTMENTS (Continued)**

reconciliation between classifications of cash and investments on the financial statements and the classifications according to GASB Statement No. 3 is as follows:

	Cash and Cash Equivalents	Investments
GASB Statement No. 9	\$1,656,412	\$0
Cash on Hand	(275)	0
Investments:		
STAR Ohio	(779,582)	779,582
Mutual Fund	(171,966)	171,966
GASB Statement No. 3	\$704,589	\$951,548

**NOTE 6 - PROPERTY TAXES**

Property taxes include amounts levied against all real, public utility and tangible personal property (other than public utility) located in the City. Property tax revenue received during 1999 for real and public utility property taxes is for 1998 taxes and property tax revenue received during 1999 for tangible personal property (other than public utility) is for 1999 taxes.

1999 real property taxes are levied after October 1, 1999 on the assessed values as of January 1, 1999, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 1999 real property taxes are collected in and intended to finance 2000.

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 1999 public utility property taxes become a lien December 31, 1998, are levied after October 1, 1999, and are collected in 2000 with real property taxes.

The 1999 tangible personal property taxes are levied after October 1, 1998, on the value as of December 31, 1998. Collections are made in 1999. Tangible personal property assessments are 25 percent of assessed valuations.

The assessed value for the taxes collected in 1999 was \$243,299,724 of which real property represented 89 percent (\$216,876,040) of the total, public utility property represented six percent (\$13,713,370) of the total, and tangible personal property represented five percent (\$12,710,314) of the total. The full tax rate for all County operations for taxes collected in 1999, was \$6.39 per \$1,000 of assessed valuation.

Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31, with the remainder payable by June 20.

**CITY OF RIVERSIDE, OHIO**  
Notes to the General Purpose Financial Statements  
For the Year Ended December 31, 1999

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**NOTE 6 - PROPERTY TAXES (Continued)**

Tangible personal property taxes paid by multi-county taxpayers are due September 20. Single County taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30, with the remainder payable by September 20.

The County Treasurer collects property taxes on behalf of all taxing districts in the County, including the City of Riverside. The County Auditor periodically remits to the City its portion of the taxes. Property taxes receivable represent real and tangible personal property taxes, public utility and outstanding delinquencies which are measurable as of December 31, 1999. Although total property tax collections for the next year are measurable, amounts to be received during the available period are not subject to reasonable estimation at December 31, nor are they intended to finance 1999 operations. The receivable is offset by deferred revenue.

**NOTE 7 - MUNICIPAL INCOME TAX**

The City levies a municipal income tax of one percent on substantially all income earned within the City. In addition, the residents of the City are required to pay income tax on income earned outside of the City.

If a resident does not file their income tax within ten days after the filing deadline, interest of three percent will be charged. After ten days, in addition to the interest, a penalty of one half of one percent or the lesser of ten percent will also be charged. The City has the right to waive the interest and penalty.

The City employs the Regional Income Tax Agency (RITA), a third party, to collect the income tax for the City. RITA withholds a retainer of two and one half percent of the taxes collected and submits monthly statements to the City of the amount of taxes collected, the retainer for the period and the net collection amount. The statements are remitted one month behind; therefore, December's collections will be remitted to the City in January.

Revenue received from income tax is recorded into the general fund. Income tax revenue for 1999 was \$2,753,994.

**NOTE 8 - RECEIVABLES**

Receivables at December 31, 1999, consisted primarily of taxes, intergovernmental receivables arising from grants, entitlements and shared revenues, special assessments and rental income. All receivables are considered fully collectible. A summary of intergovernmental receivables follows:

**CITY OF RIVERSIDE, OHIO**  
Notes to the General Purpose Financial Statements  
For the Year Ended December 31, 1999

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**NOTE 8 - RECEIVABLES (Continued)**

General Fund:	
Local Government	\$44,316
Artemis Outreach Program	1,996
County Estate Taxes	54,718
Total General Fund	<u>101,030</u>
Special Revenue Funds:	
Street Fund	
Reimbursement for Brian Hawkey	1,686
Gasoline Tax	29,101
Motor Vehicle License	9,181
Total Street Fund	<u>39,968</u>
Police Fund	
Ordinance fees	4,343
DUI Enforcement and Education	497
Total Police Fund	<u>4,840</u>
State Highway Fund	
Gasoline Tax	2,359
Motor Vehicle License	744
Total State Highway Fund	<u>3,103</u>
Federal Grants	
Universal Hiring Grant	2,514
Total Federal Grants	<u>2,514</u>
NEP Grant	
NEP Grant	4,520
Total NEP Grant	<u>4,520</u>
Victims of Crime	
VOCA Grant	11,134
Total Victims of Crime	<u>11,134</u>
Total Special Revenue Funds	<u>66,079</u>
Total All Funds	<u><u>\$167,109</u></u>



**CITY OF RIVERSIDE, OHIO**  
Notes to the General Purpose Financial Statements  
For the Year Ended December 31, 1999

**NOTE 9 - FIXED ASSETS**

A summary of changes in general fixed assets during the year ended December 31, 1999, were as follows:

	Balance December 31, 1998	Increase	Decrease	Balance December 31, 1999
Land	\$1,382,435	\$78,052	\$0	\$1,460,487
Building	368,021	13,781	0	381,802
Furniture, Fixtures and Equipment	717,951	357,813	0	1,075,764
Vehicles	1,198,935	103,985	1,000	1,301,920
Total Fixed Assets	<u>\$3,667,342</u>	<u>\$553,631</u>	<u>\$1,000</u>	<u>\$4,219,973</u>

**NOTE 10 - DEFINED BENEFIT PENSION PLANS**

**A. PUBLIC EMPLOYEES RETIREMENT SYSTEM**

The City contributes to the Public Employees Retirement System of Ohio (PERS), a cost-sharing multiple-employer public employee retirement system administered by the Public Employees Retirement Board. PERS provides basic retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. Benefits are established by Chapter 145 of the Ohio Revised Code. PERS issues a stand-alone financial report which may be obtained by writing to the Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642.

Plan members are required to contribute 8.5 percent of their annual covered salary to fund pension obligations and the City is required to contribute 9.35 percent. Contributions are authorized by State statute. The contribution rates are determined actuarially. The City's required contributions to PERS for the years ended December 31, 1999, 1998, and 1997 were \$176,807, \$216,761, and \$222,524, respectively. The full amount has been contributed for 1998 and 1997. 91 percent has been contributed for 1999 with the remainder being reported within the general long-term obligations account group.

**B. POLICE AND FIREMEN'S DISABILITY AND PENSION FUND**

The City contributes to the Police and Firemen's Disability and Pension Fund of Ohio (the "Fund"), a cost-sharing multiple-employer public employee retirement system administered by the Fund's Board of Trustees. The Fund provides retirement and disability benefits, annual cost of living adjustments and death benefits to plan members and beneficiaries. Benefits provisions are established by the Ohio State Legislature and by Chapter 742 of the Ohio Revised Code. The Fund 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 the Police and Firemen's Disability and Pension Fund of Ohio, 140 East Town Street, Columbus, Ohio 43215-5164.

**CITY OF RIVERSIDE, OHIO**  
Notes to the General Purpose Financial Statements  
For the Year Ended December 31, 1999

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**NOTE 10 - DEFINED BENEFIT PENSION PLANS (Continued)**

Police and firefighters are required to contribute 10 percent of their annual covered salary to fund pension obligations and the City is required to contribute 12.5 percent for police and 17 percent for firefighters. Contributions are authorized by State statute. The City's contributions to the Fund for police and firefighters were \$111,062, and \$113,666 for the year ended December 31, 1999, \$146,114 and \$238,668 for the year ended December 31, 1998, and \$176,265 and \$219,993 for 1997, respectively. The full amount has been contributed for 1998 and 1997. 71 percent has been contributed for both police and firefighters for 1999 with the remainder being reported within the general long-term obligations account group.

**NOTE 11 - POSTEMPLOYMENT BENEFITS**

**A. PUBLIC EMPLOYEES RETIREMENT SYSTEM**

The Public Employees Retirement System of Ohio (PERS) provides postretirement health care coverage to age and service retirees with ten or more years of qualifying Ohio service credit and to primary survivor recipients of such retirees. Health care coverage for disability recipients is available. The health care coverage provided by the retirement system is considered an Other Postemployment Benefit (OPEB) as described in *GASB Statement No. 12*. A portion of each employer's contribution to PERS is set aside for the funding of postretirement health care based on authority granted by State statute. The 1999 employer contribution rate was 13.55 percent of covered payroll; 4.2 percent was the portion that was used to fund health care for 1999.

For 1999, benefits were funded on a pay-as-you-go basis. OPEB are financed through employer contributions and investment earnings. 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. During 1999, OPEB expenditures made by PERS were \$523,599,349. As of December 31, 1999, the unaudited estimated net assets available for future OPEB payments were \$9,870,285,641. At December 31, 1999, the total number of benefit recipients eligible for OPEB through PERS was 118,062. The City's actual contributions for 1999 which were used to fund OPEB were \$79,773.

**B. POLICE AND FIREMEN'S DISABILITY AND PENSION FUND**

The Police and Firemen's Disability and Pension Fund (the "Fund") provides postretirement 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. An eligible dependent child is any child under the age of 18 whether or not the child is attending school or under the age of 22 if attending school full-time or on a 2/3 basis.

The health care coverage provided by the retirement system is considered an Other Postemployment Benefit (OPEB) as described in *GASB Statement No. 12*. The Ohio Revised Code provides the authority allowing the Police and Firemen's Disability and Pension Fund's Board of Trustees to provide health care coverage and states that health care cost paid from the Police and Firemen's Disability and

**CITY OF RIVERSIDE, OHIO**  
Notes to the General Purpose Financial Statements  
For the Year Ended December 31, 1999

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**NOTE 11 - POSTEMPLOYMENT BENEFITS (Continued)**

Pension Fund shall be included in the employer's contribution rate. Health care funding and accounting is on a pay-as-you-go basis. The total police employer contribution is 19.5 percent of covered payroll and the total firefighter employer contribution rate is 24 percent of covered payroll, of which 7 percent of covered payroll is applied to the postemployment health care program. In addition, since July 1, 1992, most retirees have been required to contribute a portion of the cost of their health care coverage through a deduction from their monthly benefit payment.

The number of participants eligible to receive health care benefits as of December 31, 1998, (the latest information available), was 11,424 for police and 9,186 for firefighters. The City's actual contributions for 1999 that were used to fund postemployment benefits were \$63,461 for police and \$44,170 for firefighters. The Fund's total health care expenses for the year ended December 31, 1998 were \$78,596,790.

**NOTE 12 - OTHER EMPLOYEE BENEFITS**

**A. DEFERRED COMPENSATION**

Employees of the City may participate in the Ohio Public Employees Deferred Compensation Plan or Aetna created in accordance with Internal Revenue Code Section 457. Participation is on a voluntary payroll deduction basis. The plan permits deferral of compensation until future years. According to the plans, the deferred compensation is not available until termination, retirement, death or an unforeseeable emergency.

**B. COMPENSATED ABSENCES**

City employees earn vacation leave at varying rates based upon length of service. Upon departure from City employment, an employee (or their estate) will be paid for unused vacation leave.

City employees earn sick leave at the rate of 4.67 hours per pay period. Sick leave is cumulative up to 720 hours. In the case of death or retirement, employees will be paid one fourth of the accumulated sick leave.

City employees can also earn compensatory time. Compensatory time is paid at one and one-half times an employees regular rate. Employees with time remaining upon termination of their employment will be paid for any unused compensatory time.

**C. INSURANCE**

Full-time City employees have the option to choose from two insurance providers for medical/surgical and vision benefits. These providers are Anthem Community and United Healthcare of Ohio. The city pays 90 percent of the monthly premiums for the employees. The premium varies with each employee

**CITY OF RIVERSIDE, OHIO**  
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**NOTE 12 - OTHER EMPLOYEE BENEFITS (Continued)**

depending on the plan and coverage selected. Life insurance is provided through Guarantee Mutual Life. Department heads and administrative staff receive one times their annual salary in life insurance; the City Manager receives two times his annual salary; police and fire receive \$20,000 in coverage; and street employees receive \$30,000 in coverage.

**NOTE 13 - CAPITAL LEASES - LESSEE DISCLOSURE**

During fiscal year 1999, the City entered into a capitalized lease for equipment. The lease agreement is accounted for on a GAAP basis as a capital outlay expenditure with an offsetting amount reported as an other financing source. The City had entered into capital leases for other equipment in prior years as well. The leases meet the criteria of a capital lease as defined by *Statement of Financial Accounting Standards No. 13, "Accounting for Leases,"* which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee. The lease payments will be reflected as debt service expenditures in the combined financial statements in the general and special revenue funds. These expenditures are reported as function expenditures on the budgetary statements.

General fixed assets consisting of equipment have been capitalized in the general fixed assets account group in the amount of \$142,006. This amount represents the present value of the minimum lease payments at the time of acquisition. A corresponding liability was recorded in the general long-term obligations account group. Principal payments in fiscal year 1999 totaled \$40,823 in the general and special revenue funds. The following is a schedule of the future long-term minimum lease payments required under the capital leases and the present value of the minimum lease payments as of December 31, 1999:

Year Ending December 31,	GLTOAG
2000	\$11,450
2001	11,450
2002	11,450
2003	11,450
Total	45,800
Less: Amount Representing Interest	(7,876)
Present Value of Minimum Lease Payments	\$37,924

**CITY OF RIVERSIDE, OHIO**  
Notes to the General Purpose Financial Statements  
For the Year Ended December 31, 1999

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**NOTE 14 - RISK MANAGEMENT**

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

**RISK SHARING POOL**

During 1999, the City participated in the Public Entities Pool of Ohio (PEP), a risk sharing pool. The purpose of the PEP is to enable the subscribing political subdivisions to pool risk for property, liability and public official liability. PEP is a corporation governed by a seven member board of directors, consisting of representatives elected by the participating local governments.

Political subdivisions joining the PEP may withdraw at the end of any coverage period upon 60 days prior written notice to PEP. Under agreement, members who terminate participation in the PEP as well as current members, are subject to a supplemental assessment or a refund at the discretion of the board of directors, depending on the ultimate loss experience of all the entities it insures for each coverage year. To date, there have been no assessments or refunds, due to the limited period of time that PEP has been in existence and the nature of the coverage that is afforded to the participants.

The City pays an annual “premium” to PEP for the coverage they are provided, based on rates established by PEP, using anticipated and actual results of operation for the various coverages provided. Participants are also charged for a “surplus contribution” that is used to fund the activities of PEP. During 1999, the City of Riverside made contributions of \$90,567 to PEP. There was no required surplus contribution in 1999.

The agreement provides that the PEP will be self-sustaining through member premiums. The types of coverages and deductibles per occurrence are as follows:

Type of Coverage	Coverage	Deductible
Municipal General Liability	\$2,000,000	\$0
Public Official	2,000,000	5,000
Municipal Automobile Liability	2,000,000	500
Municipal Automobile Physical Damage	2,000,000	500 - 1,000
Police Professional Liability	2,000,000	5,000

The Pool retains general, automobile, police professional and public official’s liability risks up to \$250,000 per claim. Claims exceeding \$250,000 are reinsured in an amount not to exceed \$1,750,000 per claim and \$2,000,000 in aggregate per year.

**CITY OF RIVERSIDE, OHIO**  
Notes to the General Purpose Financial Statements  
For the Year Ended December 31, 1999

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**NOTE 14 - RISK MANAGEMENT (Continued)**

Automobile physical damage risks are retained by the Pool up to \$25,000 for each accident and location. Reinsurance coverage is provided at different levels depending on the type of vehicle.

All property risks, which include physical damage coverage on specialized-use vehicles (fire trucks and emergency vehicles), are fully reinsured. Property risks up to \$25,000 are reinsured on an individual-member basis.

Settled claims have not exceeded this commercial coverage in any of the past three years. There have been no significant changes in coverage from last year.

Professional liability is protected by the Ohio Casualty Insurance Company. Performance bonds for employees range from \$10,000 to \$50,000 with specific bonds for the Finance Director.

The City pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative cost.

**NOTE 15 - LONG-TERM OBLIGATIONS**

Changes in long-term obligations during 1999 were as follows:

	Balance December 31, 1998	Increase	Decrease	Balance December 31, 1999
Compensated Absences Payable	\$122,700	\$14,525	\$0	\$137,225
Due to Other Governments	90,710	87,097	90,710	87,097
Capital Leases Payable	50,247	28,500	40,823	37,924
Total - General Long-Term Obligations	<u>\$263,657</u>	<u>\$130,122</u>	<u>\$131,533</u>	<u>\$262,246</u>

Compensated absences and the due to other governments will be paid from the fund from which the employees' salaries are paid. Capital lease obligations will be paid from the general fund and the street and police special revenue funds.

The City's overall legal debt margin was \$25,617,733 at December 31, 1999.

**CITY OF RIVERSIDE, OHIO**  
Notes to the General Purpose Financial Statements  
For the Year Ended December 31, 1999

**NOTE 16 - NOTE OBLIGATIONS**

A summary of the note transactions for the year ended December 31, 1999, follows:

Fund	Balance December 31, 1998	Increase	Decrease	Balance December 31, 1999
<u>General Fund:</u>				
1999 Real Estate Note - 4.08%	\$0	\$120,000	\$0	\$120,000
<u>Capital Projects Fund:</u>				
General Equipment Replacement - 4.58%	450,000	400,000	450,000	400,000
Total	<u>\$450,000</u>	<u>\$520,000</u>	<u>\$450,000</u>	<u>\$520,000</u>

The 1999 Real Estate and General Equipment Replacement notes are issued in anticipation of long-term bond financing and are renewable. They are backed by the full faith and credit of the City and mature within one year. The 1999 Real Estate note will be paid from the general fund, the fund which received the proceeds. The General Equipment Replacement notes will be paid from general equipment replacement capital projects fund, the fund which received the proceeds.

**NOTE 17 - JOINTLY GOVERNED ORGANIZATIONS**

The Miami Valley Regional Planning Commission (the Commission) is a jointly governed organization between Preble, Clark, Clinton, Darke, Greene, Miami and Montgomery Counties, the City of Riverside, the City of Huber Heights and the City of Dayton. The Commission prepares plans, including studies, maps, recommendations, and reports concerning the physical, environmental, social, economic, and governmental characteristics, functions, and services of the region. These reports show recommendations for systems of transportation, highways, parks and recreational facilities, water supply, sewage disposal, garbage disposal, civic centers, and other public improvements and land uses which affect the development of the region. The degree of control exercised by any participating government is limited to its representation on the Board. Members of the Board are as follows: the officers of the Commission (elected by member representatives), the immediate past Chair of the Commission, the Commission member representing the City of Dayton, the Commission member representing each of the respective member counties, the representatives selected by each county caucus, a nongovernmental member, and two at-large representatives. Payments to the Commission are made from the General Fund. The City contributed \$11,614 for the operation of the Commission during 1999. Financial information may be obtained by writing to Nora Lake, Executive Director, 40 West Fourth Street, Dayton, Ohio 45402.

**CITY OF RIVERSIDE, OHIO**  
Notes to the General Purpose Financial Statements  
For the Year Ended December 31, 1999

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**NOTE 17 - JOINTLY GOVERNED ORGANIZATIONS (Continued)**

The Miami Valley Fire/EMS Alliance (the Alliance) is a jointly governed organization between municipal corporations and townships in Montgomery, Greene and Warren Counties. The purpose of the Alliance is to foster cooperation among the political subdivisions by promoting programs and recommending matters which will result in more efficient methods of delivering fire and emergency medical services in the region. The Board of the Alliance is made up of a representative appointed by the City of Dayton, a representative appointed by the members who are provided Fire/EMS Services by volunteers, two representatives appointed by the members who are provided Fire/EMS Services by a combination of full time employees and volunteers, and a representative appointed by the members who are provided Fire/EMS Services by full time employees. Payments to the Alliance are made from the Fire fund. The City contributed \$7,147 for the operation of the Alliance during 1999. Financial information may be obtained by writing to Mike Hoverland, Director, at 444 West Third Street, Suite 13-204, Dayton, Ohio, 45402.

The Economic Development/Government Equity Program (ED/GE) was established pursuant to Ohio Revised Code Chapter 307 for the purpose of developing and promoting plans and programs designed to assure that County resources are efficiently used, economic growth is properly balanced, and that county economic development is coordinated with that of the State of Ohio and other local governments. Members include villages, townships, and cities within Montgomery County, and Montgomery County itself. Cooperation and coordination between the members is intended to promote economic health and improve the economic opportunities of the people in Montgomery County by assisting in the establishment or expansion within the County of industrial, commercial or research facilities and by creating and preserving job and employment opportunities for the people of the County. The ED/GE Advisory Committee, made up alternating member entities' representatives, decides which proposed projects will be granted each year. Sales tax revenues, set aside by Montgomery County, are used to fund the projects. Members annually contribute to or receive benefits based on an elaborate zero-based formula designed to distribute growth in contributing communities to those communities experiencing less economic growth.. The City has agreed to be a member for nine years, ending December 31, 2001. Any member in default of paying its contributions will be liable for the amount of the contribution, any interest accrued, and penalties. During this time, the member will not be entitled to any allocations from ED/GE. Payments to ED/GE are made from the general fund. The City contributed \$61,156 for the operation of ED/GE during 1999. Financial information may be obtained by writing to Linda Gum, Administrative Assistant, 451 West Third Street, Dayton, Ohio, 45402.

The Regional Income Tax Agency (RITA) was established pursuant to Ohio Revised Code Chapter 167 to collect the income taxes for the various municipalities that are members. Each participating member has one voting representative on the Council of Governments, who is appointed by the Chief Executive with the approval of City Council. Participating members provide a fee to RITA for the service by applying a formula that takes into consideration the number of transactions and total receipts for the City. The City of Riverside does not have an equity interest, or a financial responsibility to RITA. Complete financial statements can be obtained by writing Jeff Christman at Post Office Box 6600, Cleveland, OH 44101-2004.



**CITY OF RIVERSIDE, OHIO**  
Notes to the General Purpose Financial Statements  
For the Year Ended December 31, 1999

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**NOTE 18 - RELATED ORGANIZATION**

The Riverside Historical Society (RHS) is a related organization that was created by Ordinance No. 96-0-79 on November 7, 1996 by the City of Riverside. RHS is governed by seven members which are appointed by City Council. RHS was established to provide a society which is interested and qualified to undertake such programs that will promote the historical and cultural heritage of the City, to protect existing historical landmarks in the City, and to promote the use of and protect historical sites within the City. The City is not able to impose its will on the RHS and no financial benefit and/or burden relationship exists. During 1999, the City contributed \$453 to the operation of the RHS.

**NOTE 19 - RISK SHARING POOL**

The Public Entities Pool of Ohio (the "PEP") is a statutory entity created pursuant to section 2744.081, of the Ohio Revised Code, by the execution of an intergovernmental contract ("Participation Agreements"). PEP enables the subscribing subdivisions to pool risk for property, liability and public official liability.

PEP has no employees, rather it is administered through contracts with various professionals. Pursuant to a contract, the firm of Accordia of Ohio administers PEP. PEP is a separate legal entity. PEP subcontracts certain self-insurance, administrative and claims functions to a "Pool Operator", currently Pottering Insurance. PEP has executed contracts with various professionals for actuary services, as independent auditors, as loss control representatives, as litigation management and defense law firms, as counsel to the PEP and others as required.

PEP is governed by a seven member Board of Trustees elected by mail ball by the members of PEP. The City makes an annual contribution to PEP for the coverage it is provided, based on rates established by PEP. Financial information may be obtained by writing to the Public Entity Risk Pool of Ohio, 229 Riverside Drive, Dayton, Ohio, 45402.

**NOTE 20 - CONTINGENT LIABILITIES**

**FEDERAL AND STATE GRANTS**

For the period January 1, 1999, to December 31, 1999, the City received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies or their designees. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. Based on prior experience, the City believes such disallowance, if any, would be immaterial.

**LITIGATION**

The City of Riverside is a party to various legal proceedings seeking damages or injunctive relief generally incidental to its operations and pending projects. The City management is of the opinion that

the ultimate disposition of various claims and legal proceedings will not have a material effect, if any, on the financial condition of the City.

**PLATTENBURG & ASSOCIATES, INC./CERTIFIED PUBLIC ACCOUNTANTS**

8280 MONTGOMERY ROAD, SUITE 210/ CINCINNATI, OH 45236 • (513) 891-2722 • FAX (513) 891-2760  
2211 SOUTH DIXIE AVENUE/ DAYTON, OH 45409 • (937) 294-1505 • FAX (937) 294-1507

**Report on compliance and on internal control over financial reporting  
based on an audit of financial statements performed in accordance with  
*Government Auditing Standards***

July 21, 2000

To The City Council of the City of Riverside, Ohio

We have audited the general purpose financial statements of the City of Riverside, Ohio (the City), as of and for the year ended December 31, 1999, and have issued our report thereon dated July 21, 2000. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether 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 non-compliance required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting.

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. 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. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

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

Plattenburg & Associates, Inc.  
Certified Public Accountants

**PLATTENBURG & ASSOCIATES, INC./CERTIFIED PUBLIC ACCOUNTANTS**

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2211 SOUTH DIXIE AVENUE/ DAYTON, OH 45409 • (937) 294-1505 • FAX (937) 294-1507

**Report on compliance with requirements applicable to each major program and internal control over compliance in accordance with OMB *Circular A-133***

July 21, 2000

To The City Council of the City of Riverside, Ohio

Compliance

We have audited the compliance of the City with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to its major federal program for the year ended December 31, 1999. The City's major federal program is identified in the summary of auditor's results portion of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulation, contracts and grants applicable to each of its major federal programs is the responsibility of the City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

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

In our opinion, the City complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended December 31, 1999.

### Internal Control Over Compliance

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

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

### Schedule of Federal Awards Expenditures

We have audited the general purpose financial statements of the City as of and for the year ended December 31, 1999, and have issued our report thereon dated July 21, 2000. Our audit was made for the purpose of forming an opinion on the general purpose financial statements of the City taken as a whole. The accompanying schedule of federal awards expenditures is presented for purposes of additional analysis as required by *OMB Circular A-133* and is not a required part of the general purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as a whole.

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

Plattensburg & Associates, Inc.  
Certified Public Accountants

**CITY OF RIVERSIDE, OHIO**

**SCHEDULE OF FEDERAL AWARDS EXPENDITURES  
FOR THE YEAR ENDED DECEMBER 31, 1999**

<b>Federal Grantor/Pass - Through Grantor, Program Title</b>	<b>Pass Through Entity Number</b>	<b>CFDA</b>	<b>Disbursements</b>
<u>United States Department of Justice</u>			
Direct Receipt			
COPS Fast	95-CFWX-2338	16.710	\$90,173
COPS More	97-CMWX-0085	16.710	\$68,790
COPS School Resource	99-SHWX-0278	16.710	\$13,248
Passed Through Miami Valley Regional Planning Commission			
Violence Against Women Act	97-WF-VA7-8907	16.588	\$42,414
Byrne Memorial Grant	97-DG-DO1-7551	16.579	\$27,274
Passed Through State Attorney General's Office			
Victims of Crime Act	98-VA-GENN-335N	16.575	\$43,414
Total U.S. Department of Justice			<u>\$285,313</u>
<u>United States Department of Housing and Urban Development</u>			
Passed Through Montgomery County			
Neighborhood Empowerment Program-CDBG	B-94-UC-39-0004	14.228	\$67,123
Floral Park-CDBG	B-98-UC-39-0004	14.228	\$29,205
Total U.S. Department of Housing and Urban Development			<u>\$96,328</u>
<u>United States Department of Transportation</u>			
Highway Planning and Construction	(1)	20.205	\$16,500
Total U.S. Department of Transportation			<u>\$16,500</u>
TOTALS			<u><u>\$398,141</u></u>

NOTES TO THE FEDERAL AWARDS EXPENDITURES

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

(1) Information not available

**CITY OF RIVERSIDE, OHIO  
December 31, 1999**

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

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

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

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

None Noted

**3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS**

None Noted

**CITY OF RIVERSIDE, OHIO  
DECEMBER 31, 1999**

**SCHEDULE OF PRIOR AUDIT AND QUESTIONED COSTS  
*OMB CIRCULAR A-133***

The City had no prior audit findings or questioned costs.





STATE OF OHIO  
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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800-282-0370

Facsimile 614-466-4490

**CITY OF RIVERSIDE**

**MONTGOMERY COUNTY**

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
SEPTEMBER 26, 2000**