

City of Portsmouth

Scioto County

Single Audit

January 1 , 2000 Through December 31, 2000

Fiscal Year Audited Under GAGAS: 2000

BALESTRA & COMPANY
CERTIFIED PUBLIC ACCOUNTANTS
528 SOUTH WEST STREET, P.O. BOX 687
PIKETON, OHIO 45661



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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City Council
City of Portsmouth
728 Second Street
Portsmouth, Ohio 45662

We have reviewed the independent auditor's report of the City of Portsmouth, Scioto County, prepared by Balestra & Company, Certified Public Accountants, for the audit period January 1, 2000 through December 31, 2000. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

JIM PETRO
Auditor of State

September 18, 2001

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CITY OF PORTSMOUTH
FINANCIAL CONDITION

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City of Portsmouth
Scioto County

Schedule of Federal Awards Expenditures
For the Year Ended December 31, 2000

Federal Grantor/ Pass Through Grantor/ Program Title	Pass Through Entity Number	Federal CFDA Number	Disbursements
U. S. Department of Agriculture			
<i>Direct from Federal Government</i>			
Rural Development Grant (244.4329)	97-DG-F02-7203	10.760	\$77,884
U. S. Department of Housing & Urban Development			
<i>Passed through the Ohio Department of Development</i>			
Community Development Block Grants		14.228	
AF 97-167 (243.4383)	N/A		38,000
AD 96-167GPECC (243.4386)	G71091 E264		22,090
AF 98-167 (243.4387)	G90463 G622		164,068
AF 99-167 (243.4388)	G00669 H095		117,438
AW 99-167 WTR/SWR (243.4389)	G00655 H095		<u>500,000</u>
Total U. S. Department of Housing & Urban Development			841,596
U. S. Department of Justice			
<i>Passed through Governor's Office of Criminal Justice Services</i>			
Law Enforcement Block Grant (215.4320)	N/A	16.592	<u>35,125</u>
Total U. S. Department of Justice			35,125
U.S. Environmental Protection Agency			
<i>Passed through the Ohio Environmental Protection Agency</i>			
Air Pollution Control Program Support Grant (241.4335)	N/A	66.001	<u>133,387</u>
Total Federal Emergency Management Assistance Act			133,387
U. S. Department of Transportation			
<i>Passed through the Ohio Department of Transportation</i>			
State and Community Highway Safety Grant (217.4311) (COPS)	GR-1-861-0	20.600	<u>10,571</u>
Total U. S. Department of Transportation			10,571
Federal Emergency Management Agency			
<i>Passed through the Ohio Emergency Management Agency</i>			
Disaster Assistance Grant (261.4317)	1164-DR-145-64304	83.544	<u>170,218</u>
Total Federal Emergency Management Assistance Act			170,218
U.S. Department of Health & Human Services			
<i>Passed through the State Department of MRDD</i>			
Childhood Lead Poisoning Prevention Project Grant (252.4364)	73-2-01-F-BD-392	93.197	17,063
Social Services Block Grant - Title XX (2003) (252.4473)	N/A	93.667	7,253
Preventive Health & Health Services Block Grant (252.4357)	73-2-01-P-BP-387	93.991	16,718
Maternal & Child Health Services Block Grant (252.4351)	73-2-01-F-AI-320	93.994	<u>169,134</u>
Total U. S. Department of Health & Human Services			<u>210,168</u>
Total Federal Financial Assistance			<u><u>\$1,478,949</u></u>

NA - Not Available

See Accompanying Notes to the Schedule of Federal Awards Expenditures.

NOTES TO SCHEDULE OF FEDERAL AWARDS EXPENDITURES

NOTE A - - SIGNIFICANT ACCOUNTING POLICIES

The accompanying schedule of federal awards expenditures, the Schedule, summarizes activity of the City's federal award programs. The schedule has been prepared on the cash basis of accounting.

NOTE B - - SUBRECIPIENTS

The City passes-through certain Federal assistance received from the U.S. Department of Housing and Urban Development to other governments or not-for-profit agencies (subrecipients). As described in Note A, the City records expenditures of Federal awards to subrecipients when paid in cash.

The City of Portsmouth did not expend any funds for fiscal year 2000 to the Greater Portsmouth Enterprise Community Corporation (GPECC).

The subrecipient agencies have certain compliance responsibilities related to administering these Federal Programs. Under Federal Circular A-133, the City is responsible for monitoring subrecipients to help assure that Federal awards are used for authorized purposes in compliance with laws, regulations and the provisions of contracts or grant agreements, and that performance goals are achieved.

NOTE C - - COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) REVOLVING LOAN PROGRAMS

The City has established a revolving loan program to provide low-interest loans to businesses to create jobs for persons from low-moderate income households and to eligible persons and to rehabilitate homes. The Federal Department of Housing and Urban Development (HUD) grants money for these loans to the City passed through the Ohio Department of Development. The initial loan of this money is recorded as a disbursement on the accompanying Schedule of Federal Awards Expenditures (the Schedule). Loans repaid, including interest, are used to make additional loans. Such subsequent loans are subject to certain compliance requirements imposed by HUD, but are not included as disbursements on the Schedule.

These loans are collateralized by mortgages on the property. At December 31, 2000, the gross amount of loans outstanding under this program was \$179,281.

NOTE D - - MATCHING REQUIREMENTS

Certain Federal programs require that the City contribute non-Federal funds (matching funds) to support the Federally-funded programs. The City has complied with the matching requirements. The expenditure of non-Federal matching funds is not included on the Schedule.

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Ohio Society of Certified Public Accountants

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

City Council
City of Portsmouth
728 Second Street
Portsmouth, Ohio 45662

We have audited the financial statements of the City of Portsmouth, as of and for the year ended December 31, 2000, and have issued our report thereon dated July 20, 2001. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the City of Portsmouth'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 and 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 instances of noncompliance that are required to be reported under Government Auditing Standards which are described in the accompanying Schedule of Findings and Questioned Costs as items 2000-14228-001 and 2000-14228-002. We also noted certain immaterial instances of noncompliance that we have reported to management of the City of Portsmouth in a separate letter dated July 20, 2001.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City of Portsmouth'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. However, we noted a certain matter involving the internal control over financial reporting and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the City's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. The reportable condition is described in the accompanying Schedule of Findings and Questioned Costs as item 2000-14228-003.

City Council
City of Portsmouth
Portsmouth, Ohio 45662

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

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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 reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe the reportable condition described above is not a material weakness. We also noted other matters involving the internal control over financial reporting, that do not require inclusion in this report, that we have reported to the management of the City in a separate letter dated July 20, 2001.

This report is intended for the information and use of the Mayor, audit committee, management, City Council and 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.

Balestra & Company

Balestra & Company

July 20, 2001

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

City Council
City of Portsmouth
728 Second Street
Portsmouth, Ohio 45662

Compliance

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

As described in items 2000-14228-004, 2000-14228-005, 2000-14228-006, 2000-14228-007, 2000-14228-008, 2000-14228-009, 2000-14228-010, 2000-14228-011, 2000-14228-012, 2000-14228-013, 2000-14228-014, 2000-14228-015, 2000-14228-016, 2000-14228-017, 2000-14228-018, 2000-14228-019 and 2000-14228-020 in the accompanying Schedule of Findings and Questioned Costs, the City did not comply with requirements regarding Activities Allowed or Unallowed, Allowable Costs/Cost Principles, Cash Management, Equipment and Real Property Management, Procurement, Program Income and Reporting that are applicable to its Community Development Block Grants. Compliance with such requirements is necessary, in our opinion, for the City to comply with requirements applicable to that program.

In our opinion, because of the effects of the noncompliance referred to in the preceding paragraph, the City of Portsmouth did not comply, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended December 31, 2000.

City Council
City of Portsmouth
Portsmouth, Ohio 45662

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

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Internal Control Over Compliance

The management of the City of Portsmouth 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 of Portsmouth'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.

We noted certain matters involving the internal control over compliance and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over compliance that, in our judgement, could adversely affect the City's ability to administer a major federal program in accordance with applicable requirements of laws, regulations, contracts and grants. Reportable conditions are described the accompanying Schedule of Findings and Questioned Costs as items 2000-14228-021, 2000-14228-022 and 2000-14228-023.

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. Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, of the reportable conditions described above, we consider items 2000-14228-021, 2000-14228-022 and 2000-14228-023 to be a material weaknesses. We also noted other matters involving the internal control over financial compliance, that do not require inclusion in this report, that we have reported to the management of the City in a separate letter dated July 20, 2001.

We have audited the general-purpose financial statements of the City of Portsmouth as of and for the year ended December 31, 2000, and have issued our report thereon dated July 20, 2001. Our audit was performed for the purpose of forming an opinion on the general-purpose financial statements taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the general-purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general-purpose financial statements taken as a whole.

This report is intended for the information and use of the Mayor, audit committee, management, City Council and 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.

Balestra & Company

Balestra & Company

July 20, 2001

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

**CITY OF PORTSMOUTH
SCIOTO COUNTY
DECEMBER 31, 2000**

1. SUMMARY OF AUDITOR'S RESULTS

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

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

**CITY OF PORTSMOUTH
SCIOTO COUNTY
DECEMBER 31, 2000**

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

Finding Number	2000-14228-001
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Noncompliance Citation

Ohio Revised Code Section 5705.39 states that the total appropriation from each fund should not exceed the total estimated resources. Also, Ohio Revised Code Section 5705.36 allows all subdivisions to request increased amended certificates of estimated resources and reduced amended certificates upon determination by the fiscal officer that revenue to be collected will be greater or less than the amount in the official certificate of estimated resources. An increased amended certificate must be obtained from the budget commission if the legislative authority intends to appropriate and expend the excess revenue. A reduced amended certificate must be obtained if the amount of the deficiency will reduce available resources below the current level of appropriation. The total appropriations made during a fiscal year from any fund must not exceed the amount contained in the certificate of estimated resources or the amended certificate of estimated resources which was certified prior to making the appropriation or supplemental appropriation.

Appropriations exceeded estimated resources at December 31, 2000 in the noted funds in the amounts listed below:

Fund	Amount
301 - CIP	\$63,000
251 - Teenage Pregnancy	2,411
604 - Water	395,000
621 - Sewage	303,000

We recommend the City Council monitor appropriations and estimated resources to ensure that the appropriations of each fund do not exceed the total estimated resources for those funds. If receipts exceed initial expectations, the City should request an Amended Certificate of Estimated Resources from the Budget Commission prior to appropriating these additional funds. Appropriations amendments should be sent to the County Budget Commission for certification that appropriations do not exceed estimated resources.

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

**CITY OF PORTSMOUTH
SCIOTO COUNTY
DECEMBER 31, 2000
(Continued)**

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

Finding Number	Planned Corrective Action	Anticipated Completion Date	Responsible Contact Person
2000-14228-001	The City Auditor provides City Council with monthly reports of appropriations, revenues and expenditures. The Auditor will monitor appropriations and make recommendations as necessary to Council in order to ensure that appropriations do not exceed estimated resources. The Auditor will monitor actual revenues against the estimated resources and request amended certificates as necessary.	September 30, 2001	City Auditor; City Council

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

**CITY OF PORTSMOUTH
SCIOTO COUNTY
DECEMBER 31, 2000
(Continued)**

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

Finding Number	2000-14228-002
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Noncompliance Citation

Ohio Revised Code Section 5705.41(B) states that no subdivision or taxing unit is to expend money unless it has been appropriated. We noted the following instances where the expenditures exceeded appropriations at year end:

Fund and Line Items	Amount
General - Security of Persons & Property	\$234,713
General - Transportation	56,549
General - Transfers Out	101,592
OCJS Awards Municipal Court - Personal Services	2,457
Municipal Court Special Projects - Personal Services	3,810
Municipal Court Programs - Personal Services	2,137
Municipal Court Programs - Contractual Services	42
Municipal Court Computer - Personal Services	12,744
Street Construction - Maintenance & Repair - Contractual Services	29,986
Community Development - Personal Services	6,703
State Grant Health: State Grant Family Living - Contractual Services	337
State Grant Health: State Grant Women's Health Month - Contractual Services	50
State Grant Health: State Grant Tobacco Use Prevention - Contractual Services	249
State Grant Health: State Grant Tobacco Use Prevention - Materials & Supplies	926
State Grant Health: State Grant Tobacco Use Prevention - Capital Outlay	356
Rural Aids State Grant - Personal Services	467
Wellness Block Grant - Materials & Supplies	1,020
Regional HIV Prevention - Capital Outlay	20
Debt Service - Interest & Fiscal Charges	334

We recommend that the expenditures of the City not exceed the appropriations at the legal level of control. Appropriations should be monitored throughout the year. The Auditor should not approve payments exceeding appropriations. The Auditor should request an increase in appropriations from Council before making these payments.

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

**CITY OF PORTSMOUTH
SCIOTO COUNTY
DECEMBER 31, 2000
(Continued)**

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

Finding Number	Planned Corrective Action	Anticipated Completion Date	Responsible Contact Person
2000-14228-002	The City Auditor will monitor appropriations to ensure that expenditures do not exceed appropriations at the legal level of control and make recommendations to the Mayor or the effected departments if additional appropriations within the available resources are necessary.	September 30, 2001	City Auditor

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

**CITY OF PORTSMOUTH
SCIOTO COUNTY
DECEMBER 31, 2000
(Continued)**

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

Finding Number	2000-14228-003
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Reportable Condition

The Clerk of the Portsmouth Municipal Court has been unable to properly reconcile the Court's Civil bank account with the Open Items List as maintained by the Clerk's Office. As of December 31, 2000, the reconciled bank balance was \$15,946.62. The aggregate amount of Open Items List per the Court's System at December 31, 2000 was \$5,883.17. As a result, there is \$10,063.45 more in the bank account than what is reported to be the Open Items. Since the Courts accounts are agency funds, all money received is owed to other funds of the City, other governments, or individuals, attorneys, etc.. All amounts due to others should be included on the Open Items List.

We recommend that the Clerk of Courts continue to work to resolve the variance between the reconciled bank amount and the Open Items List. The Clerks Office should be able to account for all amounts in the various bank accounts of the Court. This is important in ensuring that all moneys are properly disbursed to the varius funds, governments, individuals, etc..

Finding Number	Planned Corrective Action	Anticipated Completion Date	Responsible Contact Person
2000-14228-003	The Clerk of Municipal Court is continuing to work to resolve the variances between the reconciled bank amounts and Open Items List in order to ensure that all monies are disbursed properly. The Clerk will pay out or refund all open items, identify any other variances in civil and all other accounts and make corrections as necessary.	September 30, 2001	Clerk of Courts

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

**CITY OF PORTSMOUTH
SCIOTO COUNTY
DECEMBER 31, 2000
(Continued)**

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

Finding Number	2000-14228-004
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Reportable Condition

Grant AD-96-167-1 was closed out on 6/30/2000 with a remaining balance of \$158,864. This balance was requested on January 9, 2001 and February 13, 2001 to be repaid by the ODOD. As of the date of this report, these monies have not been returned to the ODOD. This could result in a loss of future funding to the City. These monies should be returned immediately.

Finding Number	Planned Corrective Action	Anticipated Completion Date	Responsible Contact Person
2000-14228-004	In consideration of the \$158,864 to be returned to the ODOD, such reimbursement would require legislative action, the Mayor and Community Development Director will submit to City Council a request for a fund transfer to effect such reimbursement.	December 31, 2001	Mayor; Community Development Director

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

**CITY OF PORTSMOUTH
SCIOTO COUNTY
DECEMBER 31, 2000
(Continued)**

3. FINDINGS FOR FEDERAL AWARDS

Finding Number	2000-14228-005
CFDA Title and Number	Community Development Block Grant CFDA #14.228
Federal Award Number/Year	AF-98-167-1
Federal Agency	U.S. Department of Housing & Urban Development
Pass-Through Agency	Ohio Department of Development

Noncompliance Citation & Questioned Costs

Unbudgeted Charges to the Grant

The City charged various expenses to the AF-98-167-1 grant that were not budgeted. The items include a computer camera, furniture, carpet and doors for the 14th St. Neighborhood facilities. These monies should be returned to the grant.

<u>Vendor</u>	<u>No.</u>	<u>Check Information</u> <u>Date</u>	<u>Amount</u>
Dell Computer	334	10/25/1999	\$2,566.00
Solutions 4 Sure	340	10/25/1999	624.78
Crabtree Carpet	391	2/07/2000	1,827.95
Cornett Bldg Supply	450	8/14/2000	1,236.00
Miller Furniture	317	10/27/1999	2,464.45

Finding Number	Planned Corrective Action	Anticipated Completion Date	Responsible Contact Person
2000-14228-005	In the future, the City shall strictly adhere to the guidelines listed in the Grant Agreement. Moreover, the City shall not charge items to a grant that are not specifically budgeted and agreed upon, in the grant agreement.	September 30, 2001	Community Development Director

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

**CITY OF PORTSMOUTH
SCIOTO COUNTY
DECEMBER 31, 2000
(Continued)**

3. FINDINGS FOR FEDERAL AWARDS

Finding Number	2000-14228-006
CFDA Title and Number	Community Development Block Grant CFDA #14.228
Federal Award Number/Year	Business Revolving Loan Fund
Federal Agency	U.S. Department of Housing & Urban Development
Pass-Through Agency	Ohio Department of Development

Noncompliance Citation and Questioned Costs

Lack of Support Documentation

The following expenses were charged to the Business RLF. However, either support documentation was not available or there was insufficient support for the expense. The *OCHP Handbook* states, "Accounting records must be supported by source documentation. Invoices, purchase orders, vouchers..." In addition, for all administrative contracts the grantee must refer to Chapter 12, Section 30 of the *OCHP Handbook* which states, in part, that contracts must include the following: 1.) Scope of Services, 2.) Cost of Contract, 3.) General Administrative Provisions, and 4.) Special Provisions.

<u>Vendor</u>	<u>No.</u>	<u>Date</u>	<u>Amount</u>
Vicki Shinn	282	8/04/1999	\$1,599.88
Central Heat/AC	294	9/06/1999	550.00
Vicki Shinn	271	8/03/1999	864.80
Vicki Shinn	259	7/09/1999	770.40
PJ Consulting	383	2/17/2000	2,301.00
PJ Consulting	360	12/17/1999	608.00

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

**CITY OF PORTSMOUTH
SCIOTO COUNTY
DECEMBER 31, 2000
(Continued)**

3. FINDINGS FOR FEDERAL AWARDS

Finding Number	Planned Corrective Action	Anticipated Completion Date	Responsible Contact Person
2000-14228-006	<p>Vicki Shinn and PJ Consulting</p> <p>Misinterpretation of the revolving loan fund guidelines for hiring contractual personnel led to this mistake.</p> <p>In the future, the City shall strictly adhere to the guidelines listed in the <i>Ohio Small Cities Handbook Section 12.30, Use of Outside Consultants</i>.</p> <p>Central Heat/AC</p> <p>In the future, the City shall comply with the grant agreement and provide documentation in the form of invoices, contracts, settlement statements and utility bills to support the charges and vouchers written to ODOD grants.</p>	September 30, 2001	Community Development Director

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

**CITY OF PORTSMOUTH
SCIOTO COUNTY
DECEMBER 31, 2000
(Continued)**

3. FINDINGS FOR FEDERAL AWARDS

Finding Number	2000-14228-007
CFDA Title and Number	Community Development Block Grant CFDA #14.228
Federal Award Number/Year	Housing Revolving Loan Fund
Federal Agency	U.S. Department of Housing & Urban Development
Pass-Through Agency	Ohio Department of Development

Noncompliance Citation & Questioned Costs

Lack of Support Documentation

The City utilized consultants for various fiscal activities for the Housing RLF. However, contracts were not maintained. See Finding No. 6.

<u>Vendor</u>	<u>No.</u>	<u>Date</u>	<u>Amount</u>
Vicki Consulting	282	8/04/1999	\$1,599.88
PJ Consulting	383	2/17/2000	2,302.00
PJ Consulting	392	3/01/2000	735.00
Jason Smith	398	3/15/2000	1,204.00
PJ Consulting	406	3/28/2000	819.00
PJ Consulting	366	12/22/1999	1,368.00

Finding Number	Planned Corrective Action	Anticipated Completion Date	Responsible Contact Person
2000-14228-007	Misinterpretation of the revolving loan fund guidelines for hiring contractual personnel led to this mistake. In the future, the City shall strictly adhere to the guidelines listed in the <i>Ohio Small Cities Handbook Section 12.30, Use of Outside Consultants.</i>	September 30, 2001	Community Development Director

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

**CITY OF PORTSMOUTH
SCIOTO COUNTY
DECEMBER 31, 2000
(Continued)**

3. FINDINGS FOR FEDERAL AWARDS

Finding Number	2000-14228-008
CFDA Title and Number	Community Development Block Grant CFDA #14.228
Federal Award Number/Year	Housing Revolving Loan Fund
Federal Agency	U.S. Department of Housing & Urban Development
Pass-Through Agency	Ohio Department of Development

Noncompliance Citation & Questioned Costs

Lack of Prior Approval

The auditor reviewed disbursement from the Housing RLF, for the purchase of a 2000 Chevy Impala and determined that prior approval was not obtained. The *OHCP Handbook* states, in part, "If the purchase price is \$5,000 or more, a written request must be submitted to and approved by OHCP prior to acquisition."

	Check Information		
	<u>No.</u>	<u>Date</u>	<u>Amount</u>
Chevy Impala	335	11/16/1999	\$19,117.70

Finding Number	Planned Corrective Action	Anticipated Completion Date	Responsible Contact Person
2000-14228-008	<p>In the future, the City shall strictly adhere to the guidelines listed in the <i>Ohio Small Cities Handbook</i> and OMB A-87, A-122 sections relating to purchase of equipment.</p> <p>The City will also obtain prior approval for equipment purchases of \$5,000 or more when using Community Development Block Grant Funds.</p>	September 30, 2001	Community Development Director

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

**CITY OF PORTSMOUTH
SCIOTO COUNTY
DECEMBER 31, 2000
(Continued)**

3. FINDINGS FOR FEDERAL AWARDS

Finding Number	2000-14228-009
CFDA Title and Number	Community Development Block Grant CFDA #14.228
Federal Award Number/Year	Business Revolving Loan Fund
Federal Agency	U.S. Department of Housing & Urban Development
Pass-Through Agency	Ohio Department of Development

Noncompliance Citation & Questioned Costs

Lack of Prior Approval

The auditor reviewed disbursement from the Business RLF, for the purchase of a 2000 Chevy Impala and determined that prior approval was not obtained. The *OHCP Handbook* states, in part, "If the purchase price is \$5,000 or more, a written request must be submitted to and approved by OHCP prior to acquisition." See Finding No. 8.

Check Information

	<u>No.</u>	<u>Date</u>	<u>Amount</u>
Chevy Impala	335	11/16/1999	\$19,117.70

Finding Number	Planned Corrective Action	Anticipated Completion Date	Responsible Contact Person
2000-14228-009	In the future, the City shall strictly adhere to the guidelines listed in the <i>Ohio Small Cities Handbook</i> and OMB A-87, A-122 sections relating to purchase of equipment. The City will also obtain prior approval for equipment purchases of \$5,000 or more when using Community Development Block Grant Funds.	September 30, 2001	Community Development Director

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

**CITY OF PORTSMOUTH
SCIOTO COUNTY
DECEMBER 31, 2000
(Continued)**

3. FINDINGS FOR FEDERAL AWARDS

Finding Number	2000-14228-010
CFDA Title and Number	Community Development Block Grant CFDA #14.228
Federal Award Number/Year	AF-99-167-1
Federal Agency	U.S. Department of Housing & Urban Development
Pass-Through Agency	Ohio Department of Development

Noncompliance Citation & Questioned Costs

Lack of Support Documentation

The City utilized consultants for various fiscal activities for grant AF-99-167-1. However, contracts were not maintained. See Finding No. 6.

Check Information			
<u>Vendor</u>	<u>No.</u>	<u>Date</u>	<u>Amount</u>
Vicki Consulting	384	2/08/2000	\$2,443.06
Vicki Consulting	393	2/08/2000	648.00
Vicki Consulting	396	3/13/2000	735.08
Vicki Consulting	405	4/07/2000	821.56
Vicki Consulting	410	4/19/2000	6,760.22
Vicki Consulting	426	4/07/2000	1,189.10
PJ Consulting	423	5/08/2000	2,289.00
PJ Consulting	446	8/11/2000	819.00

Finding Number	Planned Corrective Action	Anticipated Completion Date	Responsible Contact Person
2000-14228-010	<p>Misinterpretation of the revolving loan fund guidelines for hiring contractual personnel led to this mistake.</p> <p>In the future, the City shall strictly adhere to the guidelines listed in the <i>Ohio Small Cities Handbook Section 12.30, Use of Outside Consultants.</i></p>	September 30, 2001	Community Development Director

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

**CITY OF PORTSMOUTH
SCIOTO COUNTY
DECEMBER 31, 2000
(Continued)**

3. FINDINGS FOR FEDERAL AWARDS

Finding Number	2000-14228-011
CFDA Title and Number	Community Development Block Grant CFDA #14.228
Federal Award Number/Year	AF-98-167-1
Federal Agency	U.S. Department of Housing & Urban Development
Pass-Through Agency	Ohio Department of Development

Noncompliance Citation & Questioned Costs

Lack of Support Documentation

The City utilized consultants for various fiscal activities for grant AF-98-167-1, however, a contract was not maintained. See Finding No. 6.

Check Information			
<u>Vendor</u>	<u>No.</u>	<u>Date</u>	<u>Amount</u>
Vicki Shinn	305		\$ 864.30
Vicki Shinn	271	8/03/1999	304.30
Vicki Shinn	282	8/25/1999	1,599.88
PJ Consulting	317	12/1/1999	608.00

Finding Number	Planned Corrective Action	Anticipated Completion Date	Responsible Contact Person
2000-14228-011	<p>Misinterpretation of the revolving loan fund guidelines for hiring contractual personnel led to this mistake.</p> <p>In the future, the City shall strictly adhere to the guidelines listed in the <i>Ohio Small Cities Handbook Section 12.30, Use of Outside Consultants.</i></p>	September 30, 2001	Community Development Director

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

**CITY OF PORTSMOUTH
SCIOTO COUNTY
DECEMBER 31, 2000
(Continued)**

3. FINDINGS FOR FEDERAL AWARDS

Finding Number	2000-14228-012
CFDA Title and Number	Community Development Block Grant CFDA #14.228
Federal Award Number/Year	AD-96-167-1
Federal Agency	U.S. Department of Housing & Urban Development
Pass-Through Agency	Ohio Department of Development

Noncompliance Citation & Questioned Costs

Unbudgeted Charge to the Grant

The City charged a banquet expense to AD-96-167-1 grant administration for the Ohio Heritage Tourism Committee. However, this was not a budgeted administration expenses. These funds should be returned to the Grant.

Finding Number	Planned Corrective Action	Anticipated Completion Date	Responsible Contact Person
2000-14228-012	In consideration of a banquet expense for the Ohio Heritage Tourism Committee, charged by Community Development to the AD 96-167 grant having been determined to be an unallowable expense and therefore should be reimbursed to the Community Development fund, and further that such reimbursement would require legislative authority, the Mayor and Community Development Director will submit to the City Council a request for a fund transfer to effect such reimbursement.	December 31, 2001	Mayor; Community Development Director

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

**CITY OF PORTSMOUTH
SCIOTO COUNTY
DECEMBER 31, 2000
(Continued)**

3. FINDINGS FOR FEDERAL AWARDS

Finding Number	2000-14228-013
CFDA Title and Number	Community Development Block Grant CFDA #14.228
Federal Award Number/Year	AD-96-167-1
Federal Agency	U.S. Department of Housing & Urban Development
Pass-Through Agency	Ohio Department of Development

Noncompliance Citation & Questioned Costs

Expenses After Project Completion Date

The City Auditor's Office posted the following charges to the AD-96-167-1 grant after the project completion date of 6/30/2000. The Grant Agreement, Attachment B states that projects must be completed by the project completion date. These expenses must be reimbursed to the Community Development's checking account.

<u>Vendor</u>	<u>Pay Date</u>	<u>Amount</u>
City Auditor	10/19/2000	\$3,709.06
City Auditor	10/04/2000	3,709.06

Finding Number	Planned Corrective Action	Anticipated Completion Date	Responsible Contact Person
2000-14228-013	In consideration that the payroll charges in the amount of \$7,418.12, for the periods of 10/04/2000 and 10/19/2000, as charged to AD 96-167-1 have been determined to be unallowable costs, and therefore should be reimbursed to the Community Development Fund; and further, that such action requires legislative authority, the Mayor and Community Development Director will submit to City Council a request for a fund transfer to effect such reimbursement.	December 31, 2001	Mayor; Community Development Director

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

**CITY OF PORTSMOUTH
SCIOTO COUNTY
DECEMBER 31, 2000
(Continued)**

3. FINDINGS FOR FEDERAL AWARDS

Finding Number	2000-14228-014
CFDA Title and Number	Community Development Block Grant CFDA #14.228
Federal Award Number/Year	AD-96-167-1
Federal Agency	U.S. Department of Housing & Urban Development
Pass-Through Agency	Ohio Department of Development

Noncompliance Citation & Questioned Costs

Lack of Support Documentation

The following expenses were charged to the AD-96-167-1 grant. However, either support documentation was not available or there was insufficient support for the expense. The *OCHP Handbook* states, "Accounting records must be supported by source documentation. Invoices, purchase orders, vouchers..." In addition, for all administrative contracts the grantee must refer to Chapter 12, Section 30 of the *OCHP Handbook* which states, in part, that contracts must include the following: 1.) Scope of Services, 2.) Cost of Contract, 3.) General Administrative Provisions, and 4.) Special Provisions.

<u>Vendor</u>	<u>No.</u>	<u>Check Information</u> <u>Date</u>	<u>Amount</u>
GTE	180	8/21/1998	\$ 399.50
Columbia Gas	182	8/31/1998	47.11
Vicki Shinn	259	6/25/1999	770.40
PJ Consulting	323	11/5/1999	1,520.00
Vicki Shinn	297	9/06/1999	821.56
Vicki Shinn	305	9/21/1999	821.56
Vicki Shinn	304	10/4/1999	864.80
Vicki Shinn	322	10/18/1999	216.20
Vicki Shinn	282	11/4/1999	1,599.88
Vicki Shinn	343	11/4/1999	486.45
Vicki Shinn	355	11/17/1999	561.06
Vicki Shinn	359	12/8/1999	496.73
Vicki Shinn	271	7/08/1999	864.40
PJ Consulting	353	12/3/1999	760.00
Best Western	6018	2/09/1998	467.28
OD Association	115	5/11/1998	75.00
Petty Cash	156	8/25/1998	47.00
PJ Consulting	360	12/3/1999	608.00

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

**CITY OF PORTSMOUTH
SCIOTO COUNTY
DECEMBER 31, 2000
(Continued)**

3. FINDINGS FOR FEDERAL AWARDS

Finding Number	Planned Corrective Action	Anticipated Completion Date	Responsible Contact Person
2000-14228-014	<p>The Mayor and Community Development Director will undertake appropriate training to develop a Cost Allocation Plan (CAP). The Mayor and Community Development Director will maintain documentation as to how the City arrived at the rates or allocation plan to be used. The development of such plans will not result in arbitrary charges. In consideration that the Mayor prepares the annual budget to submit to City Council, this will ensure that the Cost Allocation Plan (CAP) is properly implemented in the development process of preparing a balanced budget.</p> <p>Additionally, the Mayor will provide to the City Council and City Auditor a copy of such Cost Allocation Plan (CAP) as a measure of formulating a complete and comprehensive system of monitoring for management.</p> <p>The Community Development Director will provide copies of all contracts, agreements, and invoices to ensure sufficient support for such expenses to the City Auditor. Further, the City Auditor will not permit the disbursement of any grant/program monies without complete and accurate invoices, contracts and all other appropriate documentation to ensure that the same complies with such Cost Allocation Plan (CAP).</p>	September 30, 2001	Mayor; Community Development Director; City Auditor

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

**CITY OF PORTSMOUTH
SCIOTO COUNTY
DECEMBER 31, 2000
(Continued)**

3. FINDINGS FOR FEDERAL AWARDS

Finding Number	2000-14228-015
CFDA Title and Number	Community Development Block Grant CFDA #14.228
Federal Award Number/Year	Unknown Grant
Federal Agency	U.S. Department of Housing & Urban Development
Pass-Through Agency	Ohio Department of Development

Noncompliance Citation & Questioned Costs

Unbudgeted Charge to Community Development

A journal entry transferred a 1999 17th Armory expense for a heating system charge to the Community Development checking account. However, the charges were not identified for any specific grant nor was it budgeted within any of the grants audited. This is an unallowable cost and should be reimbursed to the Community Development's checking account.

Finding Number	Planned Corrective Action	Anticipated Completion Date	Responsible Contact Person
2000-14228-015	In consideration that the 1999 expense for a heating system installed in the 17 th Street Armory is a cost that has been determined to be unallowable, and therefore should be reimbursed to the Community Development Fund; and further, that such reimbursement would require legislative action, the Mayor and Community Development Director will submit to Portsmouth City Council a request for legislation authorizing such reimbursement.	December 31, 2001	Mayor; Community Development Director

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

**CITY OF PORTSMOUTH
SCIOTO COUNTY
DECEMBER 31, 2000
(Continued)**

3. FINDINGS FOR FEDERAL AWARDS

Finding Number	2000-14228-016
CFDA Title and Number	Community Development Block Grant CFDA #14.228
Federal Award Number/Year	All Grants and Revolving Loans
Federal Agency	U.S. Department of Housing & Urban Development
Pass-Through Agency	Ohio Department of Development

Noncompliance Citation

Allocation of Joint Costs

Various costs were allocated to grants and revolving loan funds based on budgets or the availability of funds. City Auditor's staff allocated payroll and healthcare based on the availability fo funds. Additionally, the Community Development Department Utility, phone and office supplies were not allocated to program in the same manner as space costs.

According to *OHCP Financial Managemnt Handbook, Section 3(e)*, "The grantee must establish, use, and keep on file a procedure for determining the reasonableness, allowability and allocability of costs.

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

**CITY OF PORTSMOUTH
SCIOTO COUNTY
DECEMBER 31, 2000
(Continued)**

3. FINDINGS FOR FEDERAL AWARDS

Finding Number	Planned Corrective Action	Anticipated Completion Date	Responsible Contact Person
2000-14228-016	<p>The Mayor and Community Development Director will undertake appropriate training to develop a Cost Allocation Plan (CAP). The Mayor and Community Development Department will maintain documentation as to how the City arrived at the rates or allocation plan to be used. Review of the CAP shall be semi-annual for two consecutive years and then annually thereafter. The development of such plans will not result in arbitrary charges. The Mayor will provide a copy of such Cost Allocation Plan (CAP) to City Council and the City Auditor for purposes of monitoring.</p> <p>Additionally, in an effort to ensure that costs are properly allocated in compliance with applicable requirements, the City Auditor will not process administrative expenses from grant/program funds, i.e. payroll, healthcare, and operation expenses, without proper documentation that demonstrates utilization of such Cost Allocation Plan (CAP), from the Community Development Director.</p>	July 31, 2001	Mayor; Community Development Director; City Auditor

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

**CITY OF PORTSMOUTH
SCIOTO COUNTY
DECEMBER 31, 2000
(Continued)**

3. FINDINGS FOR FEDERAL AWARDS

Finding Number	2000-14228-017
CFDA Title and Number	Community Development Block Grant CFDA #14.228
Federal Award Number/Year	AF-98-167-1, AF-99-167-1 and AW-99-167-1
Federal Agency	U.S. Department of Housing & Urban Development
Pass-Through Agency	Ohio Department of Development

Noncompliance Citation

Financial Reports Not in Agreement with General Ledgers

For all grants reviewed, Financial reports were not in agreement with the general ledger. Upon review of the financial reports, the auditor determined that reports reflect the drawdown and not the actual expenditures of the various grants. According to *Section 7, Accounting of Funds, of the Grant Agreement*, "The Grantee shall keep all records of the Account in a manner in which is consistent with generally accepted accounting principles". These principles require that external performance reports be supported by the general ledger and supporting documentation.

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

**CITY OF PORTSMOUTH
SCIOTO COUNTY
DECEMBER 31, 2000
(Continued)**

3. FINDINGS FOR FEDERAL AWARDS

Finding Number	Planned Corrective Action	Anticipated Completion Date	Responsible Contact Person
2000-14228-017	<p>The City of Portsmouth currently has a centralized detailed system, which provides budget and actual information relative to revenue and expenditures. Such information will continue to be provided to each department on a monthly basis. The City Auditor, upon written request of the department, will provide additional reports as necessary to assist the department to more effectively administer the grants, and reconcile departmental records with the General Ledger of the City of Portsmouth.</p> <p>The Mayor will submit to the City Auditor a detailed balanced budget of all grants/programs for entry into the system of the City Auditor, and will provide any and all additional documentation as requested in an effort to establish a checks and balances system to assure continual monitoring of same.</p> <p>The City Auditor, pursuant to the Section 42 of the City of Portsmouth and Section 133.03 of the Codified Ordinances of the City of Portsmouth “shall prescribe the form and method of keeping accounts by all other departments”. All references to the responsibility of maintaining necessary detailed documentation are addressed by and through the fiscal policy promulgated by the City Auditor under the authority of the Charter and Codified Ordinance of the City of Portsmouth.</p>	July 31, 2001	Mayor; Community Development Director; City Auditor

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

**CITY OF PORTSMOUTH
SCIOTO COUNTY
DECEMBER 31, 2000
(Continued)**

3. FINDINGS FOR FEDERAL AWARDS

Finding Number	2000-14228-018
CFDA Title and Number	Community Development Block Grant CFDA #14.228
Federal Award Number/Year	AF-97-167-1, AF-98-167-1 and AF-99-167-1
Federal Agency	U.S. Department of Housing & Urban Development
Pass-Through Agency	Ohio Department of Development

Noncompliance Citation

Financial Status Reports not submitted Timely

Performance and Status Reports were either late or not submitted. Each ODOD Grant Agreeemnt contains specific due dates for required reports. The grant agreement, attachment C, states "Grantee shall respond in an adequate and timely fashion for the submission of reports..."

Finding Number	Planned Corrective Action	Anticipated Completion Date	Responsible Contact Person
2000-14228-018	The City Auditor will continue to monitor the cash balances of all funds for the City of Portsmouth, and will duly record in detail the expenditure of same. In an effort to facilitate such monitoring, and to assure that such reports are filed in a timely manner, the Community Development Director will submit to the City Auditor a copy of all grant agreements and Financial Status Reports to ensure that such reports are filed with ODOD in a timely manner.	July 31, 2001	Mayor; Community Development Director; City Auditor

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

**CITY OF PORTSMOUTH
SCIOTO COUNTY
DECEMBER 31, 2000
(Continued)**

3. FINDINGS FOR FEDERAL AWARDS

Finding Number	2000-14228-019
CFDA Title and Number	Community Development Block Grant CFDA #14.228
Federal Award Number/Year	Housing & Business Revolving Loan Funds
Federal Agency	U.S. Department of Housing & Urban Development
Pass-Through Agency	Ohio Department of Development

Noncompliance Citation

Interest and Program Income Report Not in Agreement with General Ledger

The Interest and Program Income Reports at December 31, 2000 were not in agreement with the City's general ledger. According to Section 7, *Accounting of Funds, of the Grant Agreement*, "The Grantee shall keep all records of the Account in a manner in which is consistent with generally accepted accounting principles". These principles require that external performance reports be supported by the general ledger and supporting documentation.

Finding Number	Planned Corrective Action	Anticipated Completion Date	Responsible Contact Person
2000-14228-019	The City Auditor will continue to reconcile the financial records of the City of Portsmouth on a monthly basis. Monthly reports will continue to be provided to City Council, Mayor and each department. The City Auditor will work together with any department staff member to resolve any discrepancies in an effort to ensure proper reporting and compliance with applicable requirements.	July 31, 2001	Mayor; Community Development Director; City Auditor

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

**CITY OF PORTSMOUTH
SCIOTO COUNTY
DECEMBER 31, 2000
(Continued)**

3. FINDINGS FOR FEDERAL AWARDS

Finding Number	2000-14228-020
CFDA Title and Number	Community Development Block Grant CFDA #14.228
Federal Award Number/Year	AD-96-167-1, AF-97-167-1, AF-98-167-1, AF-99-167-1, AW-99-167-1 and G-00-167-1
Federal Agency	U.S. Department of Housing & Urban Development
Pass-Through Agency	Ohio Department of Development

Noncompliance Citation

15 Day Rule Violation

The *OHCP Financial Management handbook, Section 3(f)*, states “The grantee must develop a cash management system to ensure compliance with the Fifteen Day Rule relating the prompt disbursement of funds”. This rule states that funds drawn down should be limited to a balance of less than \$5,000. During the audit, it was noted that for every grant, at least one drawdown was not expended below the \$5,000 threshold within 15 days.

Finding Number	Planned Corrective Action	Anticipated Completion Date	Responsible Contact Person
2000-14228-020	The City Auditor and the Community Development Director will monitor the cash balances for each grant. The Community Development Director will provide copies of all draw requests at time of submission, as well as any additional documentation necessary to allow the City Auditor to assist in monitoring the monies drawn down in an effort to ensure compliance with the State’s Fifteen Day Rule.	July 31, 2001	Mayor; Community Development Director; City Auditor

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

**CITY OF PORTSMOUTH
SCIOTO COUNTY
DECEMBER 31, 2000
(Continued)**

3. FINDINGS FOR FEDERAL AWARDS

Finding Number	2000-14228-021
CFDA Title and Number	Community Development Block Grant CFDA #14.228
Federal Award Number/Year	AF-97-167-1
Federal Agency	U.S. Department of Housing & Urban Development
Pass-Through Agency	Ohio Department of Development

Internal Controls

Transfer of Funds to Cover Over Spending of Other Grants

During the review of the Housing & Business Revolving Loan Funds, it was noted that transfers were made from the loan funds to the CDBG grant to cover overcharges. OMB Circular A-87 Section C (3)(c) states, “any cost allocable to a particular Federal Award or cost objective under the principles provided for in this Circular may not be charged to other Federal Awards to overcome fund deficiencies...”

We recommend the City Auditor and Community Development Department Implement monitoring of the various programs. The financial monitoring ensures fund deficiencies are avoided. The monitoring could be included with the reconciliation of the City Auditor and Community Development’s financial records.

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

**CITY OF PORTSMOUTH
SCIOTO COUNTY
DECEMBER 31, 2000
(Continued)**

3. FINDINGS FOR FEDERAL AWARDS

Finding Number	Planned Corrective Action	Anticipated Completion Date	Responsible Contact Person
2000-14228-021	<p>The Community Development Department and the City Auditor shall not use funds allocated to grants to pay for deficiencies within the City. This will help to ensure that financial duties are properly segregated, recorded and reported, and to prohibit one individual from having sole control over any transaction or disbursement.</p> <p>The City Auditor will reconcile the financial records monthly and provide a copy of such reports to the City Council, Mayor and the Community Development Director. The Community Development Director will likewise reconcile the department's financial records monthly and provide copies of such reconciliation to the City Council, Mayor, and the City Auditor. This will ensure that all facets of management have an opportunity to review and resolve any questions or discrepancies at the initial onset, and thereby ensure compliance with applicable requirements.</p>	July 31, 2001	Mayor; Community Development Director; City Auditor

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

**CITY OF PORTSMOUTH
SCIOTO COUNTY
DECEMBER 31, 2000
(Continued)**

3. FINDINGS FOR FEDERAL AWARDS

Finding Number	2000-14228-022
CFDA Title and Number	Community Development Block Grant CFDA #14.228
Federal Award Number/Year	AD-96-167-1, AF-97-167-1, AF-98-167-1, AF-99-167-1, AW-99-167-1, G-00-167-1, Housing & Business RLF's
Federal Agency	U.S. Department of Housing & Urban Development
Pass-Through Agency	Ohio Department of Development

Internal Controls

Allocation of Joint Costs

Various costs were allocated to grants and revolving loan funds based on budgets or the availability of funds. City Auditor's staff allocated payroll and healthcare based on the availability of funds. Utility, phone and office supplies were not allocated to programs in the same manner as space costs.

According to OHCP Financial Management Handbook, Section 3 (e), "The grantee must establish, use, and keep on file a procedure for determining the reasonableness, allowability and allocability of costs."

We recommend the City Auditor's Office and the Community Development Department devise and implement cost allocation plans (CAP) for the various expenses incurred. The CAPs should reasonably distribute the cost to the appropriate programs. Also, the Cost Allocation Plan should be reviewed at least yearly to ensure the grants are charged their fair share.

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

**CITY OF PORTSMOUTH
SCIOTO COUNTY
DECEMBER 31, 2000
(Continued)**

3. FINDINGS FOR FEDERAL AWARDS

Finding Number	Planned Corrective Action	Anticipated Completion Date	Responsible Contact Person
2000-14228-022	In consideration that the Mayor prepares the budget for the City of Portsmouth; that the Community Development Director is employed at the pleasure of the Mayor, and that the assurance of compliance by the Community Development Department is beyond the scope of authority of the City Auditor, the Mayor and Community Development Director will undertake appropriate training to develop a Cost Allocation Plan (CAP). The Mayor and the Community Development Director will maintain documentation as to how the City arrived at the rates or allocation plan to be used and will provide copies of same to the City Council and City Auditor as an additional mechanism for purposes of monitoring. Review of the CAP shall be semi-annual for two consecutive years and then annually thereafter. The development of such plans will not result in arbitrary charges.	July 31, 2001	Mayor; Community Development Director

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

**CITY OF PORTSMOUTH
SCIOTO COUNTY
DECEMBER 31, 2000
(Continued)**

3. FINDINGS FOR FEDERAL AWARDS

Finding Number	2000-14228-023
CFDA Title and Number	Community Development Block Grant CFDA #14.228
Federal Award Number/Year	AD-96-167-1, AF-97-167-1, AF-98-167-1, AF-99-167-1, AW-99-167-1, G-00-167-1, Housing & Business RLF's
Federal Agency	U.S. Department of Housing & Urban Development
Pass-Through Agency	Ohio Department of Development

Internal Controls

Lack of Internal Controls

During the review, a breakdown of internal control was noted throughout the various aspects of the City's financial management system. The following internal control weaknesses were noted:

- **Reconciliation of City and Community Development's General Ledgers.**
Reconciliations between the City of Portsmouth and Community Development general ledgers were started, but not completed.
- **Lack of communication between the Community Development Office and City Auditor's Office respectively.**
City Auditor completing debit memos (journal entries) transferring funds between accounts without the Office of Community Development's knowledge.

The OHCP Financial Management Handbook, Section 3 (j), states, "The Grantee must establish and maintain proper internal controls to safeguard assets (cash, inventory, and equipment), to ensure that financial duties are properly segregated, to ensure transactions are properly recorded and reported, and to prohibit one individual from having sole control over any transaction or disbursement."

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

**CITY OF PORTSMOUTH
SCIOTO COUNTY
DECEMBER 31, 2000
(Continued)**

3. FINDINGS FOR FEDERAL AWARDS

Finding Number	Planned Corrective Action	Anticipated Completion Date	Responsible Contact Person
2000-14228-023	<p>The City Auditor will continue to provide monthly financial reports to the Community Development Director for review and reconciliation. The Community Development Director will likewise provide departmental reports relative to each grant/program to the City Auditor for review and reconciliation monthly. The Community Development Department and Finance Department will work together to resolve any discrepancies noted in the reconciliation process to ensure proper reporting. Such improvements will enhance the financial responsibility of the City of Portsmouth, as well as management's ability to effectively monitor grant activities and ensure compliance with applicable requirements.</p> <p>The Community Development Director will provide the City Auditor a request in writing for any and all transfers of appropriation, and/or bank transfers between revolving loan savings accounts and checking accounts. Such request will state the nature and purpose of the respective transfer. The City Auditor will not permit any encumbrance or expenditure of such monies in the absence of such written request, to ensure that financial duties are properly segregated, recorded and reported, and to prohibit one individual from having sole control over any transaction or disbursement. The City Auditor will likewise not make any transfer of monies without notifying the Community Development Director in writing.</p> <p>The implementation of the Cost Allocation Plan (CAP) will also help to insure that policies and procedures are followed.</p>	July 31, 2001	Mayor; Community Development Director; City Auditor

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

**CITY OF PORTSMOUTH
SCIOTO COUNTY
DECEMBER 31, 2000**

Finding Number	Finding Summary	Fully Corrected	Not Corrected; Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain:</i>
1999-20773-001	ORC, Section 5705.39	No	Partially corrected. At December 31, 2000 the following funds had appropriations that exceeded actual revenues: 301 - CIP by \$63,000; 604 - Water by \$395,000 and 621 - Sewage by \$303,000.
1999-20773-002	ORC, Section 5705.41(B)	No	Not corrected. At December 31, 2000 \$170,000 was allocated for uniforms to be paid out of the General fund per union contract but never appropriated.
1999-20773-003	Reconciliation of Municipal Court Bank Accounts	No	Partially corrected. The Court has been attempting reconciliations although a difference still exists between the fund balance and bank balance. This difference is in favor of the City. See current year finding.
1999-20773-004	CDBG Record Keeping	No	Partially corrected. Each line item of each grant have not been budgeted or entered into the system of the City Auditor.
1999-20773-005	24 CFR Part 570.206(e)	No	Partially corrected. No Cost Allocation Plan nor Indirect Cost Allocation Plan were prepared.
1999-20773-006	OHCP Financial Management Rules & Regulations Section B	Yes	
1999-20773-007	OHCP Financial Management Rules & Regulations Section (A)(3)(f)	No	Not corrected. See current year finding.
1999-20773-008	40 U.S.O. 276a-7	Yes	
1999-20773-009	Contracts	No	Partially corrected. The City did not maintain documentation as to the total renovations of the 17 th Street Armory and the respective rent being deducted.
1999-20773-010	24 CFR Part 570.504	No	Not corrected. See current year finding.
1999-20773-011	Reporting	No	Not corrected. See current year finding.

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

**CITY OF PORTSMOUTH
SCIOTO COUNTY
DECEMBER 31, 2000
(Continued)**

Finding Number	Finding Summary	Fully Corrected	Not corrected; Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain:</i>
1999-20773-012	Subrecipient Monitoring	Yes	
1999-20773-013	Transfer of RLF funds	Yes	
1999-20773-014	OMB Circular A-87, 24 CFR Part 570.482(a) & Section 105(a) of Housing & Community Development Act of 1974	No	Not corrected. See current year finding.
1999-20773-015	Ordinance No. 1998-104	Yes	

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THE CITY OF PORTSMOUTH, OHIO

SCIOTO COUNTY



COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
DECEMBER 31, 2000

THE CITY OF PORTSMOUTH, OHIO

SCIOTO COUNTY

COMPREHENSIVE ANNUAL FINANCE REPORT

FOR THE YEAR ENDED
DECEMBER 31, 2000

Prepared by:

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City Auditor

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Finance Clerk I

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Finance Clerk I

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David A. Lester
Deputy Tax Commissioner

Emily E. Conley
Finance Clerk I

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INTRODUCTORY SECTION

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The City of Portsmouth

"Where the Ohio and Scioto Meet"
Department of Finance
Municipal Building, Room 3

728 Second Street, P.O. Box 1323
Portsmouth, Ohio 45662

Phone (419) 599-1235 - Fax (419) 599-8393
Email: cityauditor@mail.com

M. Trent Williams
City Auditor



State of Ohio

July 20, 2001

Honorable President and Members of City Council
Honorable Mayor
Citizens of Portsmouth, Ohio

As City Auditor, it is my pleasure to present the fifth Comprehensive Annual Financial Report (CAFR) of the City of Portsmouth, Ohio for the fiscal year ended December 31, 2000. This report has been prepared in conformity with generally accepted accounting principles (GAAP) and guidelines recommended by the Government Finance Officers Association of the United States and Canada (GFOA).

INTRODUCTION

While there is no legal requirement for the preparation of this report, it represents a commitment by the City of Portsmouth (the "City") to conform to nationally recognized standards of excellence in financial reporting. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of my knowledge and belief, the enclosed data, as presented, is accurate in all material respects and is presented in a manner designed to fairly set forth the financial position and results of operations of the City, and includes all disclosures necessary to enable the reader to gain an understanding of the City's financial activity.

The Report

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

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

This CAFR was prepared in accordance with generally accepted accounting principles established by statements of the Governmental Accounting Standards Board (GASB) and other authoritative pronouncements.

The Reporting Entity

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

Based on the foregoing, the reporting entity of the City includes the following services as authorized by its Charter: police and fire protection, parks and recreation, planning, zoning, street maintenance, cemetery, health and other governmental services. In addition, the City owns and operates the water treatment and distribution system, the wastewater treatment and collection system and the solid waste collection and disposal operation, each of which is reported as an enterprise fund.

Historical Information

In 1763 on the site of present day Portsmouth, the French surrendered the Ohio Valley to the English. At that time Major Belli platted the town of Alexandria, which was directly across the Scioto River from the present site of Portsmouth. After frequent flooding, Alexandria relocated to the higher east bank of the Scioto. The town was established by Major Henry Massie, who renamed the town Portsmouth to honor his former home of Portsmouth, Virginia.

Portsmouth's location at the confluence of the Scioto River and the Ohio River greatly contributed to its early growth. Portsmouth grew rapidly upon the completion of the Ohio-Erie Canal in 1832 due to the goods and people who traveled the canal and then transferred to steamboats navigating the Ohio and Mississippi Rivers. Smelting furnaces and the railroad were also major forces in the development of the area. After major flooding in 1913 and 1937, a flood wall system was installed to protect the City.

Location

Portsmouth, at an altitude of 533 feet above sea level, is located in southern Ohio approximately 90 miles south of Columbus, the state capital, and 100 miles east of Cincinnati, Ohio. Portsmouth, the county seat of Scioto County, encompasses an area of 12 square miles and serves a residential population of 20,909 (2000 Census). The City, which is bisected by U.S. Routes 23 and 52, is strategically located on the Ohio River providing distribution alternatives which include highways, railways and waterways. The City is also situated in close proximity to an abundance of fossil fuels, namely coal and natural gas from nearby Kentucky and West Virginia. The City is connected to Kentucky by two bridges: the U.S. Grant Bridge in downtown Portsmouth and the Carl Perkins Bridge located approximately two miles west of the City. Portsmouth is served by the CSX Railway System and the Norfolk Southern. The Greater Portsmouth Regional Airport, which is located in Minford, Ohio and owned by Scioto County, has a 5,000 foot paved runway which can accommodate corporate jets the size of a Boeing 727.

Form of Government

Portsmouth, a charter city which has a Mayor-Council form of government, is divided into six wards. Each ward is represented on City Council by one person elected to a four year term. Additionally, one person is elected by Council to serve as President of Council. Elected officials serving four year terms are the Mayor, Solicitor, and Auditor/Treasurer. Currently the Mayor and the Auditor are serving their first terms, and the Solicitor his second term.

Municipal Services

The City provides many services to its citizens, including police and fire protection, street maintenance, traffic control, recreation facilities, engineering, zoning, code enforcement, planning, community development, building inspection, electrical inspection, cemetery, health services, litter control and general administrative services. The City does not operate hospitals or schools, nor is it responsible for public assistance programs.

The City also operates three enterprise activities: water treatment and distribution, wastewater collection and treatment, and solid waste collection and disposal services. The enterprise funds are used to account for activities that are operated in a manner similar to a private business. The intent of the City is that the costs of providing the services to the general public on a continuing basis be financed or recovered primarily through user charges.

The City's enterprise activities are not subject to rate review or determination by the Public Utilities Commission of Ohio or any similar regulatory body. The Mayor has the necessary authority to establish and amend appropriate user rates as required. The rates are monitored on an on-going basis to insure their adequacy to meet operation, maintenance, debt service and capital replacement needs. Responsibility for the frequency and amount of rate changes lies solely with the Mayor.

Bases of Accounting

Except for that used for budgetary purposes, the bases of accounting used by the City are in conformity with generally accepted accounting principles (GAAP) as applicable to governmental units and are consistent with GASB Codified Section 1600, "Basis of Accounting."

All governmental and expendable trust funds are accounted for by using a current financial resources (current assets and current liabilities) measurement focus. The modified accrual basis of accounting is utilized for the governmental, expendable trust and agency funds. Revenues are recognized when they are susceptible to accrual, both measurable and available. Expenditures are recognized when the related liability is incurred, except for interest on long-term debt which is recorded when due.

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

The City's basis of accounting for budgetary purposes differs from generally accepted accounting principles in that revenues are recognized when received, rather than when susceptible to accrual (measurable and available), and encumbrances are recorded as expenditures rather than as reservations of fund balances. A reconciliation of the results of these two methods appears in Note 1. During 2000, all accounting policies were applied consistently with those of 1999. Accounting policies are further explained in Note 1.

ECONOMIC CONDITION AND OUTLOOK

Business and Industry

Among the principal products and services provided by Portsmouth area businesses are shoelaces, castings, concrete products, and health services. Portsmouth is served by one daily newspaper, one weekly and one bi-weekly, and by three local radio stations. Cable television is available, offering education and community access channels in addition to entertainment channels. Financial services are provided to the city by six banks and two credit unions. A complete range of medical services is provided to the Portsmouth area by the Southern Ohio Medical Center. The Medical Center recently completed and opened a new wing at Scioto Memorial Hospital. The new addition houses an expanded, well equipped, emergency room and trauma center as well as a new intensive care unit and maternity facility.

Unemployment Rates

Data obtained from the State of Ohio Bureau of Employment Services indicates that the percentage of unemployment for Portsmouth and Scioto County averaged 8.8% for the 2000 calendar year, which is substantially above the state average of 4.1% and the national average of 4.0%. While the unemployment number is high in comparison to the state and national average, it is just .3% higher than the 8.5% rate recorded in 1999. The state of the local economy has been improving and local initiatives are serving to promote a renewed spirit of pride in the community.

Utilities

Public utilities providing services to the City of Portsmouth are as follows:

- Electric American Electric Power
- Telephone Verizon
- Natural Gas Columbia Gas of Ohio, Inc.

City water, wastewater and solid waste services are provided to residents of the area as indicated below:

Water is provided by the City of Portsmouth to approximately 14,525 customers both within the City and in some areas of Scioto County. The City filtration plant has the capacity to produce 12 million gallons of treated water daily and is currently producing six to seven million gallons of water per day. There are approximately 25 million gallons of water stored in reservoirs and tanks located in and around the City.

There are two separate facilities for wastewater treatment. The main plant located in Portsmouth has the capacity to treat twelve million gallons daily and is currently treating approximately five to six million gallons daily. A small plant is located in Sciotoville. The City is currently collecting and treating sewage for Portsmouth, New Boston Village and the Rosemount area located in Clay Township.

Solid waste collection and disposal is operated by the City of Portsmouth providing service to approximately 7,710 customers. The solid waste transfer station officially commenced operations in the fall of 1993. Improved efficiency at the new transfer station has allowed the City to maintain operating costs at current levels for the solid waste collection and disposal function.

Recreation and Cultural Facilities and Events

Portsmouth boasts of seventeen City owned parks and numerous sports facilities, including Spartan Stadium and several tennis courts. West of Portsmouth is the Shawnee State Park providing recreation, camping, cabins, a lodge and many other attractions for residents and out-of-town visitors.

Another citizen sponsored project, which started in 1992 and is still ongoing, is the painting of murals on the flood wall on Front Street in the Boneyfiddle District. When completed, these murals will tell the "story" of Portsmouth and are proving to be a great tourist attraction. The funds were raised for this project by the people of Portsmouth through donations and fund-raisers and a state grant. At present there are 40 completed panels on the flood wall. Long range plans provide for the completion of about 50 murals by 2002.

An annual Roy Rogers Festival is held to honor native son Roy Rogers, and a display of memorabilia from his collection is on permanent display in Portsmouth. Firststar Gallery offers month-long exhibits by area artists and hosts an annual area high school cash scholarship art contest. The Ackerman Collection is an exhibit of a collection of area photos dating from 1745. This is a private collection and is shown by appointment only.

Visitors can revel in Portsmouth's past by visiting the Boneyfiddle District Brewery Arcade, a unique and fascinating historic area for the antique enthusiast. Scioto County Historical Society presents the 1810 homestead, meticulously detailed and furnished to delight visitors. The Southern Ohio Museum/Cultural Center presents visual arts, science and history along with a theater and children's series which delights theater buffs. Exhibits change throughout the year.

Portsmouth is ideally located on the Ohio and Scioto Rivers for all types of water related activities, including fishing, boating and water skiing. There are camping facilities along the river which are usually filled to capacity during the summer months. These facilities are owned and operated by the City. The annual River Days Festival is held over the Labor Day weekend and draws many visitors to our area.

The cultural and recreational needs of the City have been enhanced by the 1993 formation of the Portsmouth Community Orchestra. Citizens from the Portsmouth area who have a love of music and the necessary talents have come together to fill a void in the community and provide many hours of entertainment for the people of this area.

During the 1995-1996 academic year, the \$17 million, 102,000 square foot Vern Riffe Center for the Arts opened and has featured some of the biggest names in Broadway Theater, jazz, big band, dance, folk, dramatic arts, and pop music.

The Shawnee State University Clark Planetarium opened April 24, 1998. The Clark Planetarium is one of only 34 Digistar II Planetariums in the world. The Planetarium office can be contacted about show topics, times and for reservations to a show.

Education

Portsmouth City Schools are comprised of five elementary schools, three middle schools and two high schools, with a total combined enrollment of approximately 2,918 students. The pupil-teacher ratio is approximately thirteen to one.

Adult education programs are offered by Portsmouth City Schools and Shawnee State University.

Higher education facilities in the area include Southeastern Business College in New Boston, 4 miles east of the City; Ohio University in Ironton, 35 miles east of the City; and Shawnee State University in Portsmouth.

Shawnee State University is a four year university, the newest in the state. We now have a Fine and Performing Arts Center on the campus and an indoor Physical Education Center. Seventy-seven Bachelor and Associate degree programs are currently available. Immediate plans are to make Shawnee State campus a pedestrian-only campus. Second Street and several side streets have been closed and Third Street was recently widened in furtherance of this plan.

Employee Relations

The City of Portsmouth has contracts with five employee bargaining units. These groups are Local 512 of the International Association of Firefighters, Lodge 33 of the Fraternal Order of Police, Local 1039 AFSCME, Ohio Council 8, 1039-A AFSCME Dispatchers and 1039-C Finance Department Employees. Contract periods are varied for these groups.

MAJOR INITIATIVES

Present

The City's largest project during 2000 was the continuation of the major overhaul of the City's waterlines and facilities. The City completed its US 52 water line upgrade project by implementing Phase II, which replaced over three miles of existing lines with larger 24" lines from the Young Street Viaduct east to Clayport Street in New Boston, near the Filtration Plant. Several smaller 6" waterlines were upgraded in the New Boston, Wheelersburg, Rosemount and Portsmouth areas.

The City made major improvements to its Waste Water and Flood Defense systems including filter, valve and digester upgrades and several pump station enhancements as well as many repairs to flood gate, floodwall, and pump station lighting and heating facilities.

As a result of damage from a fire in 1997 and general deterioration to the Spartan Municipal Stadium, the stadium has been refurbished with upgrades to the press box, concession stands, spectator seating, locker rooms and restroom facilities. Upgrades in parks and recreation included completion of a playground at Bannon Park, and upgrades to all city parks, additional baseball field lighting and renovation of the playing field and plumbing and sprinkler systems at Branch Rickey Park. Tracy Park now enjoys the addition of a renovated bandstand pavilion, which will greatly enhance summer park concerts. The first phase of construction of terraced seating of the riverfront soundstage has been completed.

Future

The City will continue its water line upgrade project by continuing replacement of various 6" lines throughout the City, systemwide meter replacements and various Filtration Plant enhancements. A 12" water line extension from Franklin Furnace to the Haverhill industrial park and the additions of 750,000 gallon elevated water towers in both locations are also underway to assist with industrial park and future industrial development. The City's roads will undergo major resurfacing in all areas affected by waterline replacement in addition to all state routes within the City.

The Charles Street Waste Water treatment plant will see continued pump and plant upgrades and the creation and implementation of a Storm Water Utility Program, working with the City's Graphical Information System to utilize three-dimensional modeling capabilities.

The City has purchased the former American Electric Power office building and has completed the architectural and engineering stages to renovate the building in order to relocate several City offices now housed in Griffin Hall and is now in the construction stage. Renovations to the new Municipal Building annex should be complete and ready for use in mid 2001. At about that same time, Portsmouth will say goodbye to the U.S. Grant Bridge, as it makes way for the replacement of the structure with a new, state-funded steel, cable-stayed bridge. The modern bridge, with wider lane capacity, spanning the Ohio River from Chillicothe Street in downtown Portsmouth to South Shore, Kentucky is projected to be open in June of 2004. The Carl Perkins Bridge, erected in 1987, just two miles west of the Grant Bridge will keep Portsmouth connected to its southern neighbor.

FINANCIAL INFORMATION

Internal Control, Budgetary Control and the Accounting System

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

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

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

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

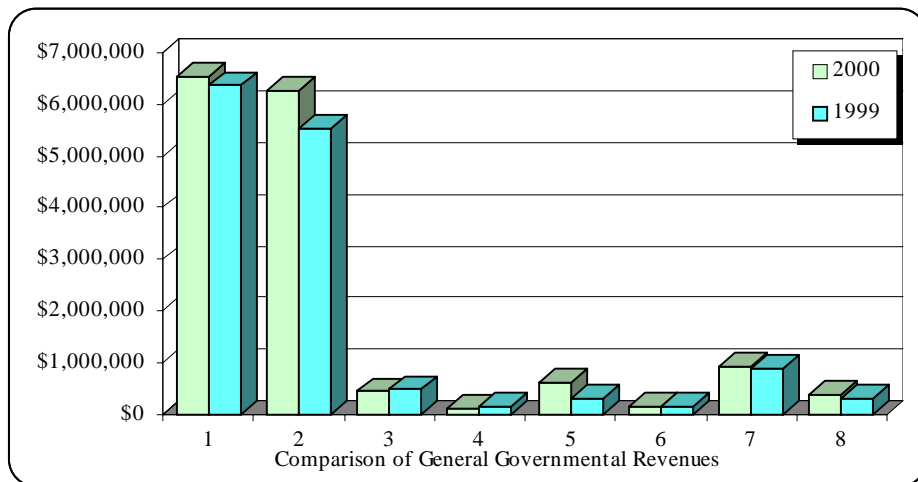
All internal control evaluations occur within this framework. It is the belief of the administrative and financial management personnel that the City's financial controls adequately safeguard existing assets and provide reasonable assurance of the proper recording of financial transactions. The Auditor's Office (the "Fiscal Office") is responsible for the auditing and analysis of all purchase orders and vouchers of the City. Fiscal Office personnel review and process requisitions, purchase orders and vouchers. Their responsibilities are carefully conducted to ensure the availability of monies in the proper funds and accounts prior to the certification and payment of approved invoices. The City utilizes a fully automated accounting system as well as an automated system of controls for fixed assets accounting and payroll. These systems, coupled with the review and examination performed by the Fiscal Office, ensure that the financial information generated is both accurate and reliable.

Budgetary control is maintained at the department level for each function within each fund via legislation approved by City Council. Lower levels within each character are accounted for and reported internally. Such lower levels are referred to as line items of expenditure. Estimated amounts must be encumbered prior to final approval of purchase orders or other contracts to vendors. Encumbrances in excess of the available character level appropriations are not approved unless additional appropriations are authorized. Unencumbered appropriations return (lapse) to the unappropriated balances in the individual funds at the end of each fiscal year, which coincides with the calendar year.

General Governmental Functions

The following schedule presents a summary of general governmental functions (including General, Special Revenue, and Debt Service funds), revenues for the years ended December 31, 2000 and 1999, the percentage of each revenue source to total revenues, and the amount of increase/(decrease) relative to prior year revenue.

Revenue Source	2000 Total	Percent of Total	1999 Total	Increase (Decrease) over 1999	Percent of Increase (Decrease)
1. Tax Revenues	\$6,527,317	42.29%	\$6,362,924	\$164,393	2.58%
2. Intergovernmental Revenues	6,276,285	40.66%	5,523,929	752,356	13.62%
3. Charges for Services	447,215	2.90%	482,319	(35,104)	(7.28%)
4. Licenses and Permits	115,686	0.75%	143,608	(27,922)	(19.44%)
5. Investment Earnings	616,196	3.99%	297,843	318,353	106.89%
6. Special Assessments	154,473	1.00%	150,666	3,807	2.53%
7. Fines and Forfeitures	919,845	5.96%	886,273	33,572	3.79%
8. All Other Revenues	378,961	2.45%	302,438	76,523	25.30%
Total	<u>\$15,435,978</u>	<u>100.00%</u>	<u>\$14,150,000</u>	<u>\$1,285,978</u>	



Revenue Narrative

General government revenues totaled \$15,435,978 for 2000, an increase of \$1,285,978 over 1999. The City's income tax is the primary source of revenue for the City. This tax applies to all income earned within the City and to Portsmouth residents' earnings from outside the City. The tax also applies to net proceeds from the operation of a business, profession or other enterprise activity. This tax was originally voted in 1965 for 1/2 percent for a five year period, and was continued indefinitely in 1970. In 1972, the voters of Portsmouth increased the rate to one percent, also for an indefinite period. On November 3, 1987, the voters increased the tax by four tenths of one percent (.4%) indefinitely, raising the total tax

percentage to 1.4%. Employers within the City are required to withhold income tax on employee compensation and remit the tax to the City either monthly or quarterly. Corporations and other individual tax payers are required to pay their estimated tax quarterly and to file a declaration and tax return annually.

The most significant increase in revenues was an intergovernmental grant of \$500,000 for community development. In addition there were two new grants for the health programs.

Charges for services decreased as a result of decreased police services provided to the Portsmouth Metropolitan Housing Authority.

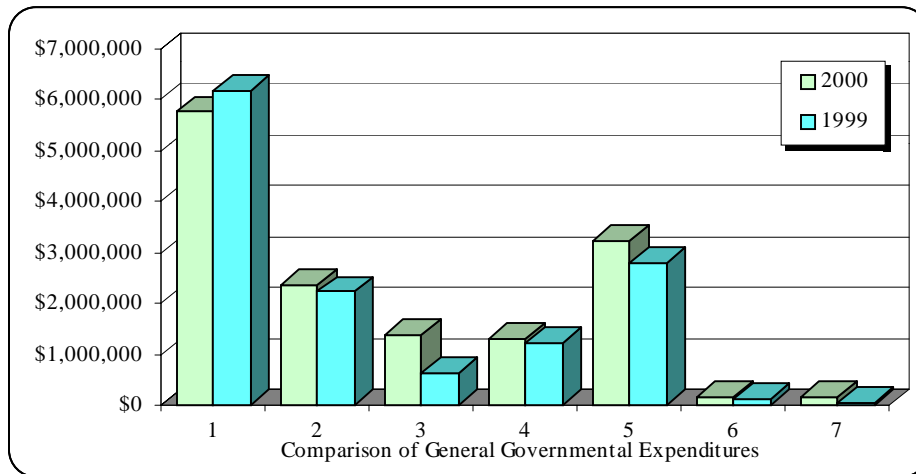
The decrease in licenses and permits is a result of reduced commercial construction in the city.

Investment earnings increased over 1999 because the amount of funds invested during the year increased and the interest rates increased during 2000. The City's investment policies are discussed later in more detail under the topic of "Cash Management."

The increase in other revenue is attributable to a refund of workers' compensation premiums from the State.

Expenditures for general governmental purposes (including General, Special Revenue, and Debt Service funds), totaled \$14,326,408, an increase of \$1,131,385 compared to 1999. Expenditures for the major functions of the City, increases/(decreases) over 1999 and the percentage of the total are shown in the following table:

Function	2000 Total	Percent of Total	1999 Total	Increase (Decrease) over 1999	Percent of Increase (Decrease)
1. Security of Persons and Property	\$5,757,590	40.19%	\$6,164,798	(\$407,208)	(6.61%)
2. Public Health and Welfare	2,373,333	16.57%	2,223,463	149,870	6.74%
3. Community Environment	1,367,040	9.54%	629,626	737,414	117.12%
4. Transportation	1,300,667	9.08%	1,232,025	68,642	5.57%
5. General Government	3,216,901	22.45%	2,796,094	420,807	15.05%
6. Debt Service - Principal	160,862	1.12%	115,000	45,862	39.88%
7. Debt Service - Interest	150,015	1.05%	34,017	115,998	341.00%
Total	<u>\$14,326,408</u>	<u>100.00%</u>	<u>\$13,195,023</u>	<u>\$1,131,385</u>	



Expenditure Narrative

Expenditures for the security of persons and property have decreased as a result of fewer purchases of capital outlay compared to 1999.

The large increase in community environment expenditures is directly related to the receipt of several new intergovernmental grants, one for Community Development and two health grants for Cardiovascular and Tobacco Use Prevention.

General government expenditures increased as a result of moving the garage operations to the general fund. The remaining increase is attributed to regular cost of living increases in wages and salaries and increased liability and health insurance premiums.

Debt service costs included the payment of principal, interest and related fiscal administration charges for the retirement of the City's outstanding special assessment debt and capital leases. The expenditures increased due to a new capital lease.

Proprietary Operations

Enterprise Funds:

The enterprise funds supported by user charges include a water treatment and distribution system, a sewage treatment and collection system and a solid waste (garbage) collection service. The enterprise funds are supported by revenues derived from user charges. Construction and acquisition of capital assets utilized in the distribution and collection systems are financed by self-supporting general obligation debt.

Certain pertinent data relating to the enterprise operations of the City is indicated below:

	Total Assets	Net Income	Return on Assets
Water	\$11,098,093	\$636,865	5.74%
Sewer	1,359,624	278,627	20.49%
Sanitation	1,145,765	91,424	7.98%

Internal Service Funds:

The City's internal service funds consist of the operations of the Garage Revolving Fund, the Store Room Revolving Fund and the Employees Insurance Account "B" Fund. The funds are supported by charges levied against other funds for goods/services provided. The cost of the garage mechanic's labor, automotive parts, office supplies and insurance premiums are internally billed to the departments. Any deficit remaining subsequent to these internal billings is balanced through proportionate contributions from the general, water, sewer and sanitation funds based upon departmental use of the services. During 2000, the operations of the Garage Revolving Fund were moved to the General Fund.

Fiduciary Operations

The fiduciary funds of the City include three expendable trust funds, two nonexpendable trust funds and five agency funds. The expendable trust funds account for recreational program revenues used for recreational facility improvements. The nonexpendable trusts account for principal balances from specific bequests. Interest earnings from the nonexpendable trusts are used for cemetery and mausoleum maintenance as designated in the appropriate trust agreement.

The City also serves as an agent for the County Law Library in the collection of fines. The Portsmouth Municipal Court is also an agency fund of the City. Additional agency funds are maintained to account for the employees' share of health insurance premiums, Board of Building Standards fees, and construction project escrow money. The total assets and corresponding liabilities for the agency funds of the City amounted to \$2,684,850 as of December 31, 2000.

Debt Administration

The debt service fund accumulates resources for the payment of principal, interest and associated administrative costs on the City's general and special assessment long-term debt. Resources are derived from property taxes (real and personal) and special assessments. The City's bond credit rating is Baa1. The total bonded debt of the City as of December 31, 2000 was \$3,705,000, consisting of the following:

Special Assessment Bonds with Governmental Commitment	\$410,000
General Obligation Bonds which are Self-Supporting	3,295,000

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

The City's debt position as of December 31, 2000 was as follows:

Overall Legal Debt Margin	\$20,000,712
Unvoted Legal Debt Margin	10,476,563
Net General Obligation Bonded Debt Payable from Property Taxes	0
Percentage of Assessed Value	0%
General Bonded Debt per Capita	\$0.00

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

The City also has a long-term loan from the Ohio Water Department Development Authority (OWDA) and one additional loan from the Ohio Public Works Commission (OPWC). The proceeds of the OWDA loan were used to fund improvements to the wastewater facilities. The loan has a balance of \$664,202 and will be paid off in July 2003. The OPWC loan provided funding for construction of the solid waste transfer station. The original OPWC loan of \$68,000 was received in 1993, the loan balance at the end of 2000 was \$22,565, and the final payment is scheduled for 2004.

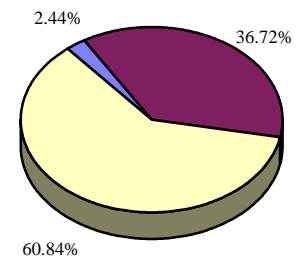
Cash Management

Cash management is a vital component of the City of Portsmouth's overall financial strategy. The primary objective of the City's investment activity is the preservation and protection of invested capital. The City pools its cash for maximum investment efficiency.

Funds are invested with member banks of the Federal Reserve System in Certificates of Deposit at the highest possible rate of interest. To avoid risk, investments are diversified and invested to ensure that funds are available at all times to provide for efficient and timely operation of City functions.

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

<u>Cash Resources</u>	<u>2000</u>	<u>%</u>
Cash and Cash Equivalents	\$276,467	2.44%
Certificates of Deposit	4,162,582	36.72%
Repurchase Agreement	<u>6,897,435</u>	<u>60.84%</u>
Total	<u>\$11,336,484</u>	<u>100.00%</u>



Ohio Law requires that deposits be placed in eligible banks or savings and loan associations located in Ohio. Any public depository in which the City places deposits must pledge as collateral eligible securities of aggregate market value equal to the excess of deposits not insured by the Federal Deposit Insurance Corporation (FDIC). The securities pledged as collateral are pledged to a pool for each individual financial institution in amounts equal to at least 110% of the carrying value of all public deposits held by each institution. Obligations that may be pledged as collateral are limited to obligations of the United States and its agencies and obligations of any state, county, municipal corporation or other legally constituted authority of any other state, or any instrumentality of such county, municipal corporation or other authority.

Risk Management

The City has provided bodily injury, personal injury, general liability, boiler and machinery coverage and fleet (automotive) insurance through the Portsmouth Insurance Agency. Police and fire professional liability and elected officials liability are also covered by the Portsmouth Insurance Agency.

All City employees are bonded in varying amounts dependent on the scope of their activity. Elected officials are bonded as required by Charter.

OTHER INFORMATION

Independent Audit

The general purpose financial statements of the City of Portsmouth were audited by Balestra and Company, Certified Public Accountants. The auditor's unqualified opinion has been included in this report.

Awards

The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards in state and local government financial reporting. To be awarded a Certificate of Achievement, a governmental unit must prepare an easily readable and efficiently organized Comprehensive Annual Financial Report with contents conforming to all program standards. The report must satisfy both generally accepted accounting principles (GAAP) and applicable legal requirements respective to the reporting entity. A Certificate of Achievement is valid for a period of one year. I believe this, our fifth Comprehensive Annual Financial Report, meets the high standards set by the GFOA Certificate of Achievement program, and I am submitting the report to the GFOA.

Public Disclosure

The publication of this Comprehensive Annual Financial Report is indicative of the City's commitment to provide significantly enhanced financial information and accountability to its citizens. In addition to the citizens of Portsmouth, the recipients of this report include City, state and federal officials, schools, libraries, newspapers, investment banking firms, banks and rating agencies. The report is made available to any person or organization requesting it. The extensive effort to prepare and distribute this report is indicative of the City Auditor's goal of full disclosure of the City's finances.

Acknowledgments

This report is the result of hard work and dedication on the part of many employees and individuals. Special thanks to David Green, Scioto County Auditor, and staff; Margaret Gordley, Scioto County Treasurer, and staff, the employees of the Portsmouth Auditor's office and all other City employees who have contributed to this endeavor.

Sincere appreciation to Donald J. Schonhardt & Associates, Inc. for their continued support and assistance in the preparation of this report.

I especially thank the citizens of Portsmouth for the opportunity to continue to improve the professionalism in financial reporting that they expect and deserve.

Thank you to the members of City Council, Mayor Bauer and other city administrators, without whose support we would have been unable to prepare this report. By providing the funds and assistance to conform to the reporting requirements which have been established for municipal governments, the City has been able to maintain a sound financial position for many years.

Sincerely,

A handwritten signature in cursive script, appearing to read "M. Trent Williams", written in black ink. The signature is fluid and extends across the width of the text block.

M. Trent Williams
City Auditor

**THE CITY OF PORTSMOUTH, OHIO
SCIOTO COUNTY**

**CITY OFFICIALS
DECEMBER 31, 2000**

<u>Position</u>	<u>Name</u>	<u>Term of Office</u>	<u>Years with City</u>
<u>Executive</u> (Elected)			
Mayor	Gregory A. Bauer	01/05/98 - 01/06/02	5
City Auditor	M. Trent Williams	01/03/00 - 01/04/04	2
City Solicitor	David W. Kuhn	01/03/00 - 01/04/04	12
<u>Legislative</u> (Elected)			
President of Council	James D. Kalb	<u>ward</u> 4th	01/03/00 - 01/04/04
Vice-President of Council	Raymond E. Pyles	2nd	01/03/00 - 01/04/04
Member of Council	Ann S. Sydnor	1st	01/05/98 - 01/06/02
Member of Council	Maddeline C. Caudill	3rd	01/05/98 - 01/06/02
Member of Council	Howard E. Baughman	5th	08/09/99 - 01/06/02
Member of Council	Martin J. Mohr	6th	01/03/00 - 01/04/04
<u>Judicial</u> (Elected)			
Municipal Court Judge	William T. Marshall		01/01/00 - 12/31/05
Municipal Court Judge	Richard T. Schisler		01/01/98 - 12/31/03
<u>Administrative</u> (Appointed)			
Police Chief	P. Gregory Ratcliff	Indefinite	25
Fire Chief	Robert Storey	Indefinite	27
Public Service Director	Michael E. Blackburn	Indefinite	6
Director of Water	Samuel Sutherland	Indefinite	12
Director of Waste Water	Michael Shaw	Indefinite	24
Community Development Director	T. Brent Newman	Indefinite	2
City Clerk	Jo Ann Aeh	Indefinite	15
Municipal Court Clerk	Joseph McKinnon	Indefinite	23
Health Commissioner	Donald Walden	Indefinite	21

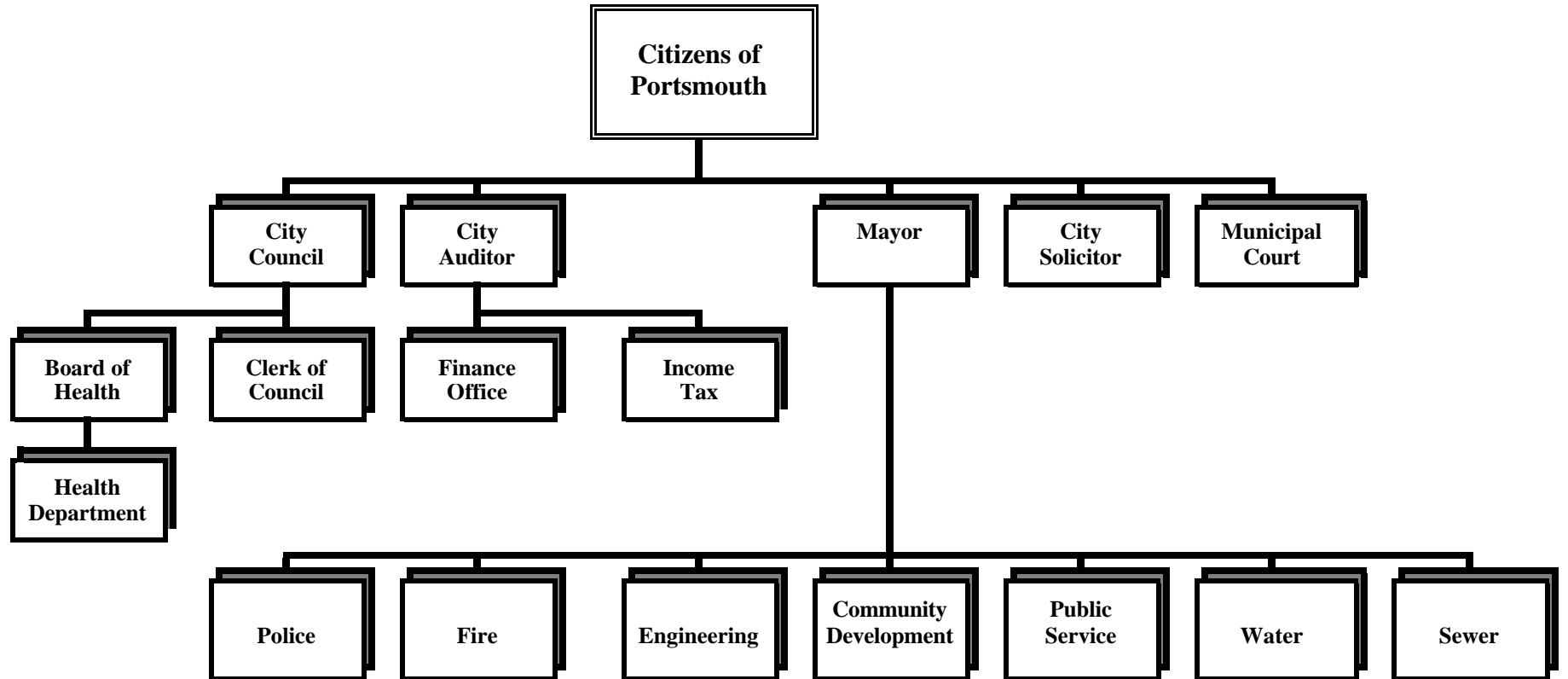
Executive Offices:

Gregory A. Bauer, Mayor
City of Portsmouth
728 Second Street, Room 1
Portsmouth, Ohio 45662
Ph: 740-354-8807 Fax: 740-354-8809
Email: mayor@iname.com

M. Trent Williams, Auditor
City of Portsmouth
728 Second Street, Room 3
Portsmouth, Ohio 45662
Ph: 740-354-7751 Fax: 740-353-4583
Email: cityauditor@mail.com

David W. Kuhn, Solicitor
City of Portsmouth
728 Second Street, Room 22
Portsmouth, Ohio 45662
Ph: 740-353-5229 Fax: 740-353-0136

The City of Portsmouth, Ohio Organizational Chart



Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Portsmouth,
Ohio

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

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



Anne Spray Kinsey
President

Jeffrey L. Esler
Executive Director

FINANCIAL SECTION

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BALESTRA & COMPANY
CERTIFIED PUBLIC ACCOUNTANTS
528 SOUTH WEST STREET, P.O. BOX 687
PIKETON, OHIO 45661

TELEPHONE (740) 289-4131
FAX (740) 289-3639
E-MAIL mbalcpa@bright.net

Member American Institute of Certified Public Accountants

Ohio Society of Certified Public Accountants

City Council
City of Portsmouth
728 Second Street
Portsmouth, Ohio 45662

Independent Auditor's Report

We have audited the accompanying general-purpose financial statements of the City of Portsmouth, as of and for the year ended December 31, 2000, as listed in the table of contents. These general-purpose financial statements are the responsibility of the City of Portsmouth's management. Our responsibility is to express an opinion on these general-purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the 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 financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the report of other auditors provide a reasonable basis for our opinion.

In our opinion, based on our audit, the general-purpose financial statements referred to above present fairly, in all material respects, the financial position of the City, as of December 31, 2000, and the results of its operations and cash flows of its proprietary fund types and non-expendable trust funds for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued our report dated July 20, 2001 on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

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

The introductory and statistical sections as listed in the table of contents is also presented for purposes of additional analysis and is not a required part of the general-purpose financial statements of the City. Such additional information has not been subjected to the auditing procedures applied in the audit of the general-purpose financial statements, and accordingly, we express no opinion on them.

Balestra & Company

Balestra & Company

July 20, 2001

GENERAL PURPOSE FINANCIAL STATEMENTS

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

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

	<i>Governmental Fund Types</i>			
	General Fund	Special Revenue Funds	Debt Service Fund	Capital Projects Fund
<u>Assets and Other Debits:</u>				
Assets:				
Cash and Cash Equivalents	\$123,377	\$2,184,571	\$1,576,849	\$1,189,517
Investments	2,275,000	0	0	0
Receivables (net of allowance for doubtful accounts):				
Taxes	2,364,970	272,288	425,408	250,174
Accounts	837	0	0	0
Special Assessments	0	0	457,998	0
Loans	0	179,281	0	0
Interest	39,846	1,137	0	3,033
Due from Other Funds	30,499	61,958	39,580	0
Intergovernmental Receivables	59,950	36,675	0	0
Inventory of Supplies at Cost	19,501	33,548	0	0
Prepaid Items	36,659	4,155	0	9,879
Restricted Assets:				
Cash and Cash Equivalents	0	0	0	0
Investments	0	0	0	0
Fixed Assets (net of accumulated depreciation)	0	0	0	0
Construction in Progress	0	0	0	0
Other Debits:				
Amount Available in Debt Service Fund	0	0	0	0
Amount to be Provided for General Long-Term Obligations	0	0	0	0
Total Assets and Other Debits	<u>\$4,950,639</u>	<u>\$2,773,613</u>	<u>\$2,499,835</u>	<u>\$1,452,603</u>

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

<i>Proprietary Fund Types</i>		<i>Fiduciary Fund Types</i>	<i>Account Groups</i>			Totals (Memorandum Only)
Enterprise Funds	Internal Service Funds	Trust and Agency Funds	General Fixed Assets	General Long-Term Obligations		
\$2,693,250	\$194,793	\$558,104	\$0	\$0		\$8,520,461
0	0	5,000	0	0		2,280,000
0	0	0	0	0		3,312,840
1,489,768	0	2,550,774	0	0		4,041,379
0	0	0	0	0		457,998
0	0	0	0	0		179,281
1,937	0	1,192	0	0		47,145
0	0	7,410	0	0		139,447
0	0	0	0	0		96,625
349,533	0	0	0	0		402,582
9,092	0	0	0	0		59,785
189,631	0	343,392	0	0		533,023
0	0	3,000	0	0		3,000
6,372,861	0	0	10,655,783	0		17,028,644
2,497,410	0	0	470,736	0		2,968,146
0	0	0	0	1,616,429		1,616,429
0	0	0	0	2,480,048		2,480,048
<u>\$13,603,482</u>	<u>\$194,793</u>	<u>\$3,468,872</u>	<u>\$11,126,519</u>	<u>\$4,096,477</u>		<u>\$44,166,833</u>

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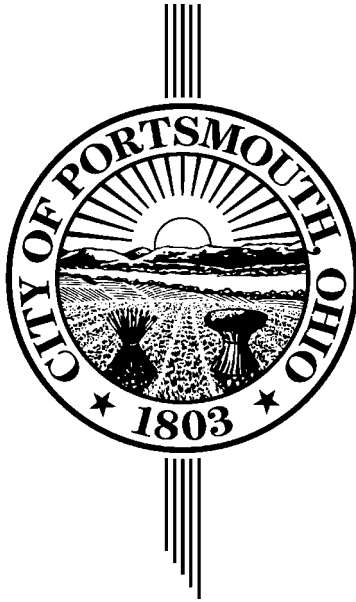
THE CITY OF PORTSMOUTH, OHIO
COMBINED BALANCE SHEET
ALL FUND TYPES AND ACCOUNT GROUPS
DECEMBER 31, 2000

	<i>Governmental</i>			
	<i>Fund Types</i>			
	General	Special	Debt	Capital
	Fund	Revenue	Service	Projects
	Fund	Funds	Fund	Fund
<u>Liabilities, Equity and Other Credits:</u>				
Liabilities:				
Accounts Payable	\$85,083	\$57,763	\$0	\$190,838
Accrued Wages and Benefits	437,518	90,183	0	0
Due to Other Funds	93,294	0	0	0
Intergovernmental Payables	127,440	158,864	0	64,400
Due to Others	0	0	0	0
Accrued Interest Payable	0	0	0	0
Customer Deposits	0	0	0	0
Deferred Revenue	1,498,202	442,040	883,406	10,047
Claimant Liability	0	0	0	0
General Obligation Notes Payable	0	0	0	0
Compensated Absences Payable	0	0	0	0
Capital Lease Payable	0	0	0	0
General Obligation Bonds Payable	0	0	0	0
Special Assessment Bond Payable				
with Governmental Commitment	0	0	0	0
Ohio Public Works Commission Loan Payable	0	0	0	0
Ohio Water Development Authority Loan Payable	0	0	0	0
Accrued Pension Liability	0	0	0	0
Total Liabilities	<u>2,241,537</u>	<u>748,850</u>	<u>883,406</u>	<u>265,285</u>
Equity and Other Credits:				
Investment in General Fixed Assets	0	0	0	0
Contributed Capital	0	0	0	0
Retained Earnings - Unreserved	0	0	0	0
Fund Balances:				
Reserved for Encumbrances	58,222	55,642	0	1,036,201
Reserved for Supplies Inventory	19,501	33,548	0	0
Reserved for Prepaid Items	36,659	4,155	0	9,879
Reserved for Debt Service	0	0	1,616,429	0
Reserved for Endowments	0	0	0	0
Unreserved:				
Designated for Employee Benefits	640,499	0	0	0
Undesignated	1,954,221	1,931,418	0	141,238
Total Equity and Other Credits	<u>2,709,102</u>	<u>2,024,763</u>	<u>1,616,429</u>	<u>1,187,318</u>
Total Liabilities, Equity and Other Credits	<u>\$4,950,639</u>	<u>\$2,773,613</u>	<u>\$2,499,835</u>	<u>\$1,452,603</u>

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

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

<i>Proprietary Fund Types</i>	<i>Fiduciary Fund Types</i>	<i>Account Groups</i>		Totals (Memorandum Only)	
Enterprise Funds	Internal Service Funds	Trust and Agency Funds	General Fixed Assets	General Long-Term Obligations	
\$153,096	\$0	\$868	\$0	\$0	\$487,648
171,468	0	289	0	0	699,458
0	0	46,153	0	0	139,447
20,400	0	36,009	0	0	407,113
0	0	2,602,688	0	0	2,602,688
70,141	0	0	0	0	70,141
189,631	0	0	0	0	189,631
0	0	278	0	0	2,833,973
0	0	38,929	0	0	38,929
600,000	0	0	0	0	600,000
112,697	0	0	0	572,078	684,775
0	0	0	0	276,683	276,683
3,295,000	0	0	0	0	3,295,000
0	0	0	0	410,000	410,000
22,565	0	0	0	0	22,565
664,202	0	0	0	0	664,202
0	0	0	0	2,837,716	2,837,716
5,299,200	0	2,725,214	0	4,096,477	16,259,969
0	0	0	11,126,519	0	11,126,519
8,650,816	0	0	0	0	8,650,816
(346,534)	194,793	0	0	0	(151,741)
0	0	0	0	0	1,150,065
0	0	0	0	0	53,049
0	0	0	0	0	50,693
0	0	0	0	0	1,616,429
0	0	220,640	0	0	220,640
0	0	0	0	0	640,499
0	0	523,018	0	0	4,549,895
8,304,282	194,793	743,658	11,126,519	0	27,906,864
<u>\$13,603,482</u>	<u>\$194,793</u>	<u>\$3,468,872</u>	<u>\$11,126,519</u>	<u>\$4,096,477</u>	<u>\$44,166,833</u>



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

	<i>Governmental Fund Types</i>			<i>Fiduciary Fund Type</i>	Totals (Memorandum Only)	
	General Fund	Special Revenue Funds	Debt Service Fund	Capital Projects Fund		Expendable Trust Funds
Revenues:						
Taxes	\$5,835,824	\$290,093	\$401,400	\$1,177,056	\$0	\$7,704,373
Intergovernmental Revenues	2,466,288	3,754,693	55,304	42,359	0	6,318,644
Charges for Services	273,600	173,615	0	0	41,096	488,311
Licenses and Permits	115,686	0	0	0	0	115,686
Investment Earnings	593,530	22,666	0	20,751	26,792	663,739
Special Assessments	0	0	154,473	0	0	154,473
Fines and Forfeitures	572,266	347,579	0	0	0	919,845
All Other Revenues	227,602	151,359	0	39,086	2,796	420,843
Total Revenues	10,084,796	4,740,005	611,177	1,279,252	70,684	16,785,914
Expenditures:						
Current:						
Security of Persons and Property	5,488,291	269,299	0	0	0	5,757,590
Public Health and Welfare Services	397,170	1,976,163	0	0	0	2,373,333
Leisure Time Activities	0	0	0	0	20,280	20,280
Community Environment	269,613	1,097,427	0	0	0	1,367,040
Transportation	547,132	753,535	0	0	0	1,300,667
General Government	2,798,897	418,004	0	0	168,051	3,384,952
Capital Outlay	0	0	0	1,545,779	0	1,545,779
Debt Service:						
Principal Retirement	35,862	0	125,000	36,277	0	197,139
Interest and Fiscal Charges	121,750	0	28,265	0	0	150,015
Total Expenditures	9,658,715	4,514,428	153,265	1,582,056	188,331	16,096,795
Excess (Deficiency) of Revenues Over (Under) Expenditures	426,081	225,577	457,912	(302,804)	(117,647)	689,119
Other Financing Sources (Uses):						
Proceeds from Sale of Fixed Assets	0	0	0	20,350	0	20,350
Operating Transfers In	0	55,864	0	89,582	96,610	242,056
Operating Transfers Out	(110,092)	(35,216)	0	0	(10,166)	(155,474)
Other Financing Sources-Capital Lease	0	0	0	312,960	0	312,960
Total Other Financing Sources (Uses)	(110,092)	20,648	0	422,892	86,444	419,892
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	315,989	246,225	457,912	120,088	(31,203)	1,109,011
Fund Balance Beginning of Year	2,381,811	1,777,132	1,158,517	1,067,230	554,221	6,938,911
Increase in Inventory Reserve	11,302	1,406	0	0	0	12,708
Fund Balance End of Year	\$2,709,102	\$2,024,763	\$1,616,429	\$1,187,318	\$523,018	\$8,060,630

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

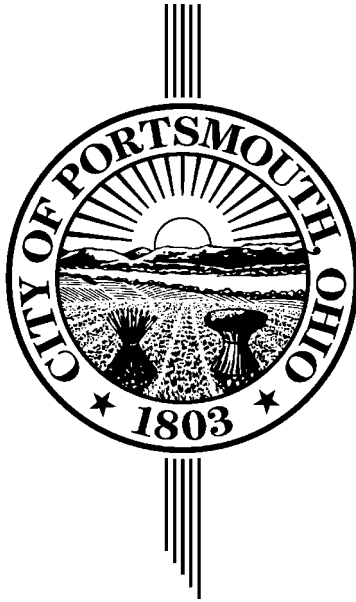
THE CITY OF PORTSMOUTH, OHIO
COMBINED STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2000

	<i>General Fund</i>			<i>Special Revenue Funds</i>		
	Revised Budget	Actual	Variance: Favorable (Unfavorable)	Revised Budget	Actual	Variance: Favorable (Unfavorable)
Revenues:						
Taxes	\$5,915,184	\$5,915,590	\$406	\$276,438	\$276,437	(\$1)
Intergovernmental Revenues	2,751,000	2,754,750	3,750	3,932,748	3,953,869	21,121
Charges for Services	273,573	273,631	58	173,641	173,641	0
Licenses and Permits	115,980	116,096	116	0	0	0
Investment Earnings	566,606	567,402	796	20,462	21,877	1,415
Special Assessments	0	0	0	0	0	0
Fines and Forfeitures	616,000	616,646	646	362,047	362,047	0
All Other Revenues	191,808	227,515	35,707	153,284	153,805	521
Total Revenues	10,430,151	10,471,630	41,479	4,918,620	4,941,676	23,056
Expenditures:						
Current:						
Security of Persons and Property	5,492,167	5,726,880	(234,713)	664,728	503,123	161,605
Public Health and Welfare Services	418,909	401,484	17,425	2,479,370	2,017,666	461,704
Community Environment	268,588	262,789	5,799	1,148,757	964,396	184,361
Transportation	488,581	545,130	(56,549)	805,093	760,621	44,472
General Government	3,129,725	2,766,719	363,006	632,663	422,154	210,509
Capital Outlay	0	0	0	0	0	0
Debt Service:						
Principal Retirement	0	0	0	0	0	0
Interest and Fiscal Charges	0	0	0	0	0	0
Total Expenditures	9,797,970	9,703,002	94,968	5,730,611	4,667,960	1,062,651
Excess (Deficiency) of Revenues Over (Under) Expenditures	632,181	768,628	136,447	(811,991)	273,716	1,085,707
Other Financing Sources (Uses):						
Operating Transfers In	0	0	0	52,225	55,864	3,639
Operating Transfers Out	(8,500)	(110,092)	(101,592)	(35,216)	(35,216)	0
Advances In	0	0	0	0	0	0
Advances Out	0	0	0	0	0	0
Total Other Financing Sources (Uses)	(8,500)	(110,092)	(101,592)	17,009	20,648	3,639
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	623,681	658,536	34,855	(794,982)	294,364	1,089,346
Fund Balance at Beginning of Year	1,604,249	1,604,249	0	1,761,602	1,761,602	0
Prior Year Encumbrances	52,113	52,113	0	41,827	41,827	0
Fund Balance (Deficit) at End of Year	\$2,280,043	\$2,314,898	\$34,855	\$1,008,447	\$2,097,793	\$1,089,346

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

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

<i>Debt Service Fund</i>			<i>Capital Projects Fund</i>			<i>Totals (Memorandum Only)</i>		
Revised Budget	Actual	Variance: Favorable (Unfavorable)	Revised Budget	Actual	Variance: Favorable (Unfavorable)	Revised Budget	Actual	Variance: Favorable (Unfavorable)
\$378,511	\$379,278	\$767	\$1,165,189	\$1,165,189	\$0	\$7,735,322	\$7,736,494	\$1,172
56,071	55,304	(767)	42,359	42,359	0	6,782,178	6,806,282	24,104
0	0	0	0	0	0	447,214	447,272	58
0	0	0	0	0	0	115,980	116,096	116
0	0	0	17,718	17,718	0	604,786	606,997	2,211
154,473	154,473	0	0	0	0	154,473	154,473	0
0	0	0	0	0	0	978,047	978,693	646
0	0	0	39,086	39,086	0	384,178	420,406	36,228
589,055	589,055	0	1,264,352	1,264,352	0	17,202,178	17,266,713	64,535
0	0	0	0	0	0	6,156,895	6,230,003	(73,108)
0	0	0	0	0	0	2,898,279	2,419,150	479,129
0	0	0	0	0	0	1,417,345	1,227,185	190,160
0	0	0	0	0	0	1,293,674	1,305,751	(12,077)
0	0	0	0	0	0	3,762,388	3,188,873	573,515
0	0	0	2,360,036	2,311,922	48,114	2,360,036	2,311,922	48,114
125,000	125,000	0	0	0	0	125,000	125,000	0
27,931	28,265	(334)	0	0	0	27,931	28,265	(334)
152,931	153,265	(334)	2,360,036	2,311,922	48,114	18,041,548	16,836,149	1,205,399
436,124	435,790	(334)	(1,095,684)	(1,047,570)	48,114	(839,370)	430,564	1,269,934
0	0	0	89,582	89,582	0	141,807	145,446	3,639
0	0	0	0	0	0	(43,716)	(145,308)	(101,592)
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0	0	89,582	89,582	0	98,091	138	(97,953)
436,124	435,790	(334)	(1,006,102)	(957,988)	48,114	(741,279)	430,702	1,171,981
1,141,059	1,141,059	0	745,668	745,668	0	5,252,578	5,252,578	0
0	0	0	113,029	113,029	0	206,969	206,969	0
<u>\$1,577,183</u>	<u>\$1,576,849</u>	<u>(\$334)</u>	<u>(\$147,405)</u>	<u>(\$99,291)</u>	<u>\$48,114</u>	<u>\$4,718,268</u>	<u>\$5,890,249</u>	<u>\$1,171,981</u>



THE CITY OF PORTSMOUTH, OHIO
COMBINED STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN RETAINED EARNINGS/FUND BALANCES
ALL PROPRIETARY FUND TYPES AND NONEXPENDABLE TRUST FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2000

	Proprietary Fund Types		Fiduciary Fund Type	Totals (Memorandum Only)
	Enterprise Funds	Internal Service Funds	Non- Expendable Trust Funds	
<u>Operating Revenues:</u>				
Charges for Service	\$7,546,830	\$0	\$27	\$7,546,857
Investment Earnings	0	0	6,394	6,394
Other Operating Revenues	72,147	0	48,000	120,147
Total Operating Revenues	7,618,977	0	54,421	7,673,398
<u>Operating Expenses:</u>				
Personal Services	3,677,108	5,056	0	3,682,164
Materials and Supplies	830,610	4,493	0	835,103
Contractual Services	1,410,489	11,438	9,797	1,431,724
Depreciation	382,054	0	0	382,054
Total Operating Expenses	6,300,261	20,987	9,797	6,331,045
Operating Income (Loss)	1,318,716	(20,987)	44,624	1,342,353
<u>Non-Operating Revenues (Expenses):</u>				
Intergovernmental Grant	31,830	0	0	31,830
Investment Earnings	28,824	0	0	28,824
Interest and Fiscal Charges	(284,092)	0	0	(284,092)
Loss on Disposal of Fixed Asset	(1,780)	0	0	(1,780)
Total Non-Operating Revenues (Expenses)	(225,218)	0	0	(225,218)
Income (Loss) Before Operating Transfers	1,093,498	(20,987)	44,624	1,117,135
<u>Operating Transfers:</u>				
Operating Transfers In	3,000	0	0	3,000
Operating Transfers Out	(89,582)	0	0	(89,582)
Total Operating Transfers	(86,582)	0	0	(86,582)
Net Income (Loss)	1,006,916	(20,987)	44,624	1,030,553
Retained Earnings (Accumulated Deficit)/				
Fund Balance at Beginning of Year	(1,353,450)	215,780	176,016	(961,654)
Retained Earnings (Accumulated Deficit)/				
Fund Balance at End of Year	(\$346,534)	\$194,793	\$220,640	\$68,899

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

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

	<i>Proprietary Fund Types</i>		<i>Fiduciary Fund Type</i>	Totals (Memorandum Only)
	Enterprise Funds	Internal Service Funds	Non- Expendable Trust Funds	
<u>Cash Flows from Operating Activities:</u>				
Cash Received from Customers	\$7,711,135	\$0	\$48,027	\$7,759,162
Cash Payments for Goods and Services	(2,183,337)	(10,818)	(9,797)	(2,203,952)
Cash Payments to Employees	(3,681,235)	(5,056)	0	(3,686,291)
Customer Deposits Received	82,920	0	0	82,920
Customer Deposits Refunded	(73,683)	0	0	(73,683)
Net Cash Provided (Used) by Operating Activities	1,855,800	(15,874)	38,230	1,878,156
<u>Cash Flows from Noncapital Financing Activities:</u>				
Proceeds from Intergovernmental Grants	31,830	0	0	31,830
Transfers In from Other Funds	3,000	0	0	3,000
Transfers Out to Other Funds	(89,582)	0	0	(89,582)
Net Cash Used for Noncapital Financing Activities	(54,752)	0	0	(54,752)
<u>Cash Flows from Capital and Related Financing Activities:</u>				
Proceeds from General Obligation Notes	600,000	0	0	600,000
Proceeds from Intergovernmental Grants	256,292	0	0	256,292
Acquisition and Construction of Assets	(2,141,017)	0	0	(2,141,017)
Principal Paid on General Obligation Bond	(245,000)	0	0	(245,000)
Principal Paid on Ohio Public Works Commission Loan	(7,084)	0	0	(7,084)
Principal Paid on Ohio Water Development Authority Loans	(233,904)	0	0	(233,904)
Interest Paid on All Debt	(263,787)	0	0	(263,787)
Net Cash Used for Capital and Related Financing Activities	(2,034,500)	0	0	(2,034,500)
<u>Cash Flows from Investing Activities:</u>				
Receipt of Interest	26,887	0	7,190	34,077
Sale of Investment	2,769,185	188,828	120,000	3,078,013
Purchase of Investment	0	0	(64)	(64)
Net Cash Provided by Investing Activities	2,796,072	188,828	127,126	3,112,026
Net Increase in Cash and Cash Equivalents	2,562,620	172,954	165,356	2,900,930
Cash and Cash Equivalents at Beginning of Year	320,261	21,839	47,441	389,541
Cash and Cash Equivalents at End of Year	\$2,882,881	\$194,793	\$212,797	\$3,290,471

(Continued)

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

	<u>Proprietary</u>		<u>Fiduciary</u>	Totals (Memorandum Only)
	<u>Fund Types</u>		<u>Fund Type</u>	
	Enterprise Funds	Internal Service Funds	Non- Expendable Trust Funds	
<u>Reconciliation of Cash and Cash Equivalent per the Balance Sheet:</u>				
Cash and Cash Equivalents	\$2,693,250	\$194,793	\$558,104	\$3,446,147
Restricted Cash and Cash Equivalents	189,631	0	343,392	533,023
Less: Cash and Cash Equivalent in Expendable Trust Funds	0	0	(558,104)	(558,104)
Less: Cash and Cash Equivalent in Agency Funds	0	0	(130,595)	(130,595)
Cash and Cash Equivalents at End of Year	<u>\$2,882,881</u>	<u>\$194,793</u>	<u>\$212,797</u>	<u>\$3,290,471</u>
<u>Reconciliation of Operating Income (Loss) to Net Cash</u>				
<u>Provided (Used) by Operating Activities:</u>				
Operating Income (Loss)	\$1,318,716	(\$20,987)	\$44,624	\$1,342,353
Adjustments to Reconcile Operating Income (Loss) to				
Net Cash Provided (Used) by Operating Activities:				
Depreciation Expense	382,054	0	0	382,054
Investment Earnings	0	0	(6,394)	(6,394)
Changes in Assets and Liabilities:				
Decrease in Accounts Receivable	92,158	0	0	92,158
(Increase) Decrease in Inventory	(41,331)	4,493	0	(36,838)
Decrease in Prepaid Items	8,408	628	0	9,036
Increase (Decrease) in Accounts Payable	74,287	(8)	0	74,279
Decrease in Accrued Wages and Benefits	(5,835)	0	0	(5,835)
Increase in Intergovernmental Payable	19,940	0	0	19,940
Increase in Customer Deposits	9,237	0	0	9,237
Decrease in Compensated Absences	(1,834)	0	0	(1,834)
Total Adjustments	<u>537,084</u>	<u>5,113</u>	<u>(6,394)</u>	<u>535,803</u>
Net Cash Provided (Used) by Operating Activities	<u>\$1,855,800</u>	<u>(\$15,874)</u>	<u>\$38,230</u>	<u>\$1,878,156</u>

Schedule of Noncash Investing, Capital and Financing Activities:

During 2000, the Water and Sewer Funds received \$450,354 and \$89,419, respectively, of capital assets contributed by other funds.

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

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Portsmouth, Ohio (the "City") is a home-rule municipal corporation created under the laws of the State of Ohio. The City operates under its own Charter. The current Charter, which provides for a Council-Mayor form of government, was adopted in 1928 and has been amended several times.

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

A. Reporting Entity

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

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

B. Basis of Presentation - Fund Accounting

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation - Fund Accounting (Continued)

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

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

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

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

Debt Service Fund - This fund is used for the accumulation of resources for and payment of general and special assessment long-term debt principal and interest.

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

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

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation - Fund Accounting (Continued)

Internal Service Funds - These funds are used to account for the financing of goods or services by one department or agency to other departments or agencies of the governmental unit, or to other governmental units, on a cost reimbursement basis.

Fiduciary Funds

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

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

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

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

C. Basis of Accounting

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

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

Revenue considered susceptible to accrual at year end includes income taxes withheld by employers, interest on investments, other local taxes (including hotel and motel tax and estate taxes) and certain charges for services. Other revenue, including licenses, permits, certain charges for services, income taxes other than those withheld by employers and miscellaneous revenues are recorded as revenue when received in cash because generally these revenues are not measurable until received.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Accounting (Continued)

Special assessment installments and related accrued interest, which are measurable but not available at December 31, are recorded as deferred revenues. Property taxes measurable as of December 31, 2000 but not received within the available period are recorded as deferred revenue as these resources are not intended to pay liabilities of the current period. Delinquent property taxes, whose availability is indeterminate, are recorded as deferred revenue as further described in Note 5.

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

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

D. Budgetary Process

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

All funds other than agency funds are legally required to be budgeted and appropriated; however, only governmental funds are required to be reported. The legal level of budgetary control is by fund at the major object level (i.e. personal services, materials and supplies, contractual services) by department for most funds. However, the legal level of budgetary control for some of the special revenue funds is at the fund level. Budgetary control is maintained by not permitting expenditures to exceed appropriations at the object level within each fund without the approval of City Council. Administrative control is maintained through the establishment of more detailed line-item budgets. Budgetary modifications above the object level by fund may only be made by ordinance of the City Council.

1. Tax Budget

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Budgetary Process (Continued)

2. Estimated Resources

The County Budget Commission reviews estimated revenue and determines if the budget substantiates a need to levy all or part of previously authorized taxes. The Budget Commission then certifies its actions to the City by September 1 of each year. As part of the certification process, the City receives an official certificate of estimated resources stating the projected receipts by fund. Prior to December 31, the City must revise its budget so that the total contemplated expenditures from any fund during the ensuing fiscal year do not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriations measure.

On or about January 1, the certificate of estimated resources is amended to include any unencumbered fund balances from the preceding year. The certificate may be further amended during the year if a new source of revenue is identified or actual receipts exceed current estimates. The amounts reported on the budgetary statement reflect the amounts in the final amended official certificate of estimated resources issued during 2000.

3. Appropriations

A temporary appropriation ordinance to control expenditures may be passed on or about January 1 of each year for the period January 1 through February 28. An annual appropriation ordinance must be passed by March 1 of each year for the period January 1 through December 31. The appropriation ordinance establishes spending controls at the fund and department level. The appropriation ordinance may be amended during the year as additional information becomes available provided that total fund appropriations do not exceed the current estimated resources as certified. The allocation of appropriations among departments within a fund may be modified during the year by an ordinance of City Council. During 2000, several supplemental appropriations were necessary to budget for intergovernmental grant proceeds. Administrative control is maintained through the establishment of more detailed line-item budgets. The budgetary figures which appear in the "Combined Statement of Revenues, Expenditures, and Changes in Fund Balances--Budget and Actual--All Governmental Fund Types" are provided on the budgetary basis to provide a comparison of actual results to the final budget, including all amendments and modifications.

4. Encumbrances

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Budgetary Process (Continued)

5. Lapsing of Appropriations

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

6. Budgetary Basis of Accounting

The City's budgetary process accounts for certain transactions on a basis other than generally accepted accounting principles (GAAP). The major differences between the budgetary basis and the GAAP basis lie in the manner in which revenues and expenditures are recorded. Under the budgetary basis, revenues and expenditures are recognized on a cash basis. Utilizing the cash basis, revenues are recorded when received in cash and expenditures when paid. Under the GAAP basis, revenues and expenditures are recorded on the modified accrual basis of accounting.

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

	Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses			
	General Fund	Special Revenue Funds	Debt Service Fund	Capital Project Fund
GAAP Basis (as reported)	\$315,989	\$246,225	\$457,912	\$120,088
Increase (Decrease):				
Accrued Revenues at December 31, 2000 received during 2001	(997,900)	(109,299)	(39,580)	(243,160)
Accrued Revenues at December 31, 1999 received during 2000	1,317,122	116,299	17,458	228,260
Accrued Expenditures at December 31, 2000 paid during 2001	739,406	306,810	0	255,238
Accrued Expenditures at December 31, 1999 paid during 2000	(628,057)	(183,677)	0	(19,727)
1999 Prepays for 2000	32,114	8,939	0	0
2000 Prepays for 2001	(36,659)	(4,155)	0	(9,879)
Outstanding Encumbrances	(83,479)	(86,778)	0	(1,288,808)
Budget Basis	<u>\$658,536</u>	<u>\$294,364</u>	<u>\$435,790</u>	<u>(\$957,988)</u>

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Cash and Cash Equivalents

Cash and cash equivalents include amounts in demand deposits and certificates of deposit with original maturity dates of three months or less. The City pools its cash, except for cash and investments in certain fiduciary funds and monies held for construction in enterprise funds, for maximum investing efficiency. Each fund's equity in pooled cash and investments represents the balance on hand as if each fund maintained its own cash and investment account. For purposes of the statement of cash flows, the share of equity in the pooled cash and investments of the proprietary funds is considered to be cash equivalents. See Note 4, "Cash, Cash Equivalents and Investments."

F. Investments

Investment procedures and interest allocations are restricted by provisions of the Ohio Constitution and the Ohio Revised Code. In accordance with GASB Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools", the City reports its investments at fair value. Nonparticipating investment contracts (certificates of deposit and repurchase agreements) are reported at cost which approximates fair value. All investment income, including changes in the fair value of investments, are recognized as revenue in the operating statements. Fair value is determined by quoted market prices.

G. Inventory

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

H. Fixed Assets and Depreciation

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

1. Property, Plant and Equipment-General Governmental Purposes

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

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. Fixed Assets and Depreciation (Continued)

1. Property, Plant and Equipment-General Governmental Purposes (Continued)

General fixed assets were initially determined at December 31, 1990 by identifying historical costs when such information was available. In cases where information supporting original cost was not obtainable, estimated historical costs were developed. For certain fixed assets, the estimates were arrived at by indexing estimated current costs back to the estimated year of acquisition.

2. Property, Plant and Equipment - Proprietary Funds

Property, plant and equipment acquired by the proprietary funds are stated at appraised historical cost. Contributed fixed assets are recorded at fair market value at the date received.

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

Description	Estimated Lives (Years)
Buildings	25 - 60
Improvements other than Buildings	20 - 50
Machinery, Equipment, Furniture and Fixtures	3 - 25

I. Long-Term Obligations

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

Obligation	Fund
General Obligation Bond Payable	Water Fund
Special Assessments Bond Payable	Bond Retirement Fund
Ohio Water Development Authority Loan Payable	Sewer Fund
Ohio Public Works Commission Loan Payable	Sanitation Fund
Compensated Absences	General Fund, Water Fund, Sewer Fund, Sanitation Fund
Capital Leases Payable	Capital Improvement Fund
Accrued Pension Liability	General Fund

J. Compensated Absences

All full-time City employees earn vacation at a rate of 1.25 days per calendar month of active service. An employee's vacation must be used during the period in which it is earned unless the Department Head allows the balance to be carried over to the following year. Upon separation from the City, the employee (or his estate) shall receive 100% of all vacation, sick leave and compensatory time earned prior to July 1, 1981. After that date they will receive 100% of vacation and compensatory time and one-third of all sick time.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. Compensated Absences (Continued)

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

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

For governmental funds, that portion of unpaid compensated absences that is expected to be paid using expendable, available resources is reported as an expenditure in the fund from which the individual earning the leave is paid, and a corresponding liability is reflected in the account "Compensated Absences Payable." The long-term portion of the liability is reported in the General Long-Term Obligations Account Group.

K. Pensions

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

L. Interfund Transactions

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

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

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

M. Reservations of Fund Balance

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

N. Designations of Fund Balance

The designation of fund balance in the general fund is not legally required, but is segregated by the City for the payment of employees' compensated absences upon their retirement or termination.

O. Total Columns on Combined Financial Statements - Overview

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

NOTE 2 - COMPLIANCE AND ACCOUNTABILITY

A. Fund Deficit

The accumulated deficit of \$2,992,079 in the Sewer Fund (enterprise fund) is created by the recognition of contributed capital on an accrual basis which is not recognized on a cash basis. A deficit does not exist under the cash basis of accounting. Operating transfers are provided when cash is required, not when accruals occur.

B. Estimated Resources Exceeded by Appropriations

For the year ended December 31, 2000, the City Council adopted appropriations which exceeded the estimated resources as certified by the Scioto County Budget Commission for the Teenage Pregnancy Prevention Fund (special revenue fund) and the Capital Improvement Fund (capital projects fund).

NOTE 2 - COMPLIANCE AND ACCOUNTABILITY (Continued)

C. Excess Expenditures over Appropriations

For the year ended December 31, 2000, expenditures exceeded appropriations at the object level (i.e. the legal level of budgetary control) as follows:

<u>Fund</u>	<u>Excess</u>	<u>Fund</u>	<u>Excess</u>
General Fund:		Special Revenue Funds:	
Police:		OCJS Awards Municipal Court Fund:	
Personal Services	\$60,560	Personal Services	2,457
Fire:		Municipal Court Special Projects Fund:	
Personal Services	192,184	Personal Services	3,810
Building Inspection:		Municipal Court Programs Fund:	
Personal Services	8,482	Personal Services	2,137
Administration:		Contractual Services	42
Personal Services	3,718	Municipal Court Computer Fund:	
Contractual Services	16,775	Personal Services	12,744
Traffic Lights:		Street Construction, Maintenance and	
Personal Services	40,972	Repair Fund:	
Cemetery Grounds:		Contractual Services	29,986
Personal Services	32,479	Community Development Fund:	
Executive:		Personal Services	6,703
Personal Services	4,593	State Grant Health Fund:	
Contractual Services	194	State Grant-Family Living:	
Legal:		Contractual Services	337
Personal Services	1,266	State Grant-Women's Health Month:	
Finance:		Contractual Services	50
Personal Services	2,503	State Grant-Tobacco Use Prevention:	
Contractual Services	480	Contractual Services	249
Capital Outlay	1	Materials and Supplies	926
Income Tax:		Capital Outlay	356
Personal Services	96	Rural AIDS State Grant Fund:	
Public Service:		Personal Services	467
Personal Services	14,337	Wellness Block Grant Fund:	
Garage		Materials and Supplies	1,020
Contractual Services	15,172	Regional HIV Prevention Fund:	
Materials and Supplies	19,727	Capital Outlay	20
Operating Transfers Out	101,592	Debt Service Fund:	
		Interest and Fiscal Charges	334

The excess expenditures were funded from available fund balances.

NOTE 3 - RESTATEMENT OF FUND BALANCE/RETAINED EARNINGS

The fund balances at December 31, 1999 of the Community Development Fund (special revenue fund) and the Council Trust for Recreation Fund were restated from amounts previously reported to reclassify certain expenditures. The retained earnings balances at December 31, 1999 of the Water, Sewer, and Sanitation Funds (enterprise funds) were restated from amounts previously reported to eliminate the reporting of Property, Plant and Equipment below the capitalization threshold, which was increased from \$300 to \$1,000. The increase in the capitalization threshold also resulted in the General Fixed Asset account group being restated from the balance previously reported of \$11,556,660 to \$10,532,741, a decrease of \$1,023,919.

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

Description	Special Revenue Funds	Enterprise Funds	Expendable Trust Funds
Balance at December 31, 1999 (as reported)	\$1,837,932	(\$1,294,469)	\$493,421
Reclassification of Expenditure	(\$60,800)	\$0	\$60,800
Restatement of Property, Plant and Equipment	<u>0</u>	<u>(58,981)</u>	<u>0</u>
Restated Balance at December 31, 1999	<u><u>\$1,777,132</u></u>	<u><u>(\$1,353,450)</u></u>	<u><u>\$554,221</u></u>

NOTE 4 - CASH, CASH EQUIVALENTS, AND INVESTMENTS

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

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

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

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

- United States treasury notes, bills, bonds, or any other obligation or security issued by the United States treasury or any other obligation guaranteed as to principal or interest by the United States;
- Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the federal national mortgage association, federal home loan bank, federal farm credit bank, federal home loan mortgage corporation, government national mortgage association, and student loan marketing association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;

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

- Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
- Interim deposits in eligible institutions applying for interim funds;
- Bonds and other obligations of the State of Ohio;
- No-load money market mutual funds consisting exclusively of obligations described in the first two bullets of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions, and
- The State Treasury Asset Reserve of Ohio (STAR Ohio).

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

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

Deposits:

- Category 1 Insured or collateralized with securities held by the City or by its agent in the City's name.
- Category 2 Collateralized with securities held by the pledging financial institution's trust department or agent in the City's name.
- Category 3 Uncollateralized. (This includes any bank balance that is collateralized with securities held by the pledging financial institution or by its trust department or agent but not in the City's name.)

Investments:

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

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

A. Deposits

At year end the carrying amount of the City's deposits was \$4,439,049 and the bank balance was \$4,949,862. Federal depository insurance covered \$400,000 of the bank balance. All remaining deposits were classified as Category 3.

Investment earnings of \$567,402 earned by other funds was credited to the General Fund as required by state statute.

B. Investments

The City's investments at December 31, 2000 were as follows:

<u>Categorized Investments</u>	<u>Category 2</u>	<u>Fair Value</u>
Repurchase Agreement	\$6,897,435	\$6,897,435

C. Reconciliation of Cash, Cash Equivalents and Investments

The classification of cash, cash equivalents and investments on the combined financial statements is based on criteria set forth in GASB Statement No. 9. Investments with an original maturity of three months or less are treated as cash and cash equivalents. The classification of cash and cash equivalents (deposits) for purposes of this note is based on criteria set forth in GASB Statement No. 3.

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

	<u>Cash and Cash Equivalents</u>	<u>Investments</u>
Per Combined Balance Sheet	\$9,053,484	\$2,283,000
Certificates of Deposit (with maturities of more than 3 months)	2,283,000	(2,283,000)
Investments:		
Repurchase Agreement	(6,897,435)	6,897,435
Per GASB Statement No. 3	<u>\$4,439,049</u>	<u>\$6,897,435</u>

NOTE 5 - TAXES

A. Property Taxes

Property taxes include amounts levied against all real estate and public utility property, and tangible personal property used in business and located in the City. Real property taxes (other than public utility) collected during 2000 were levied after October 1, 1999 on assessed values as of January 1, 1999, the lien date. Assessed values are established by the County Auditor at 35

NOTE 5 - TAXES (Continued)

A. Property Taxes (Continued)

percent of appraised market value. All property is required to be reappraised every six years and equalization adjustments made in the third year following reappraisal. The last revaluation was completed in 1998. Real property taxes are payable annually or semi-annually. The first payment is due January 20; the remainder payable by June 20.

Taxes collected from tangible personal property (other than public utility) in one calendar year are levied in the prior calendar year on assessed values during and at the close of the most recent fiscal year of the taxpayer that ended on or before March 31 of that calendar year, and at the tax rates determined in the preceding year.

Tangible personal property used in business (except for public utilities) is currently assessed for ad valorem taxation purposes at 25 percent of its true value. Amounts paid by multi-county taxpayers are due September 20 of the year assessed. Single county taxpayers may pay annually or semi-annually: the first payment is due April 30; the remainder payable by September 20.

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

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

The full tax rate for all City operations for the year ended December 31, 2000 was \$12.25 per \$1,000 of assessed value. The assessed value upon which the 2000 tax collections were based was \$190,624,890. This amount constituted \$148,070,350 in real property assessed value, \$19,303,220 in public utility assessed value and \$23,251,320 in tangible personal property assessed value.

Ohio law prohibits taxation of property from all taxing authorities in excess of 1% of assessed value without a vote of the people. Under current procedures, the City's share is 1.225% (12.25 mills) of assessed value.

B. Income Tax

The City levies a tax of 1.4% on all salaries, wages, commissions and other compensation and on net profits earned within the City as well as on incomes of residents earned outside the City. In the latter case, the City allows a credit of 100% of the tax paid to another municipality to a maximum of the total amount assessed.

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

NOTE 6 - RECEIVABLES

Receivables at December 31, 2000 consisted of taxes, interest, accounts receivable, loans and special assessments.

NOTE 7 - INTERFUND RECEIVABLES AND PAYABLES

Individual interfund receivables and payables balances at December 31, 2000 are as follows:

	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
General Fund	\$30,499	\$93,294
Special Revenue Funds:		
Municipal Court Special Project Fund	3,588	0
Municipal Court Probation Services Fund	2,520	0
Municipal Court Programs Fund	1,253	0
Municipal Court Computer Fund	2,438	0
Fire Pension Fund	4,750	0
Police Pension Fund	4,750	0
Indigent Drivers Alcohol Treatment Fund	1,152	0
Enforcement & Education Fund	478	0
Mandatory Fines Fund	744	0
Community Development Fund	24,453	0
Flood Defense Fund	<u>15,832</u>	<u>0</u>
Total Special Revenue Funds	61,958	0
Debt Service Fund:		
Bond Retirement Fund	39,580	0
Nonexpendable Trust Funds:		
Cemetery Trust Fund	2,700	0
Mausoleum Trust Fund	<u>1,229</u>	<u>0</u>
Total Nonexpendable Trust Funds	<u>3,929</u>	<u>0</u>
Agency Funds:		
Law Library Fund	3,481	0
Municipal Court Fund	<u>0</u>	<u>46,153</u>
Total Agency Funds	<u>3,481</u>	<u>46,153</u>
Totals	<u><u>\$139,447</u></u>	<u><u>\$139,447</u></u>

NOTE 8 - OPERATING TRANSFERS

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

Fund	Transfer In	Transfer Out
General Fund	\$0	\$110,092
Special Revenue Funds:		
Municipal Court Grants Fund	8,461	0
OCJS Awards-Municipal Court Fund	23,464	0
Municipal Court Special Projects Fund	0	23,464
Municipal Court Computer Fund	0	8,461
Local Law Block Grant Fund	3,291	0
Enforcement and Education Fund	0	3,291
Street Construction, Maintenance and Repair Fund	1,982	0
Environmental State Grants Fund	8,500	0
Community Development Fund	10,166	0
Total Special Revenue Funds	<u>55,864</u>	<u>35,216</u>
Capital Project Fund:		
Capital Improvement Fund	89,582	0
Expendable Trust Fund:		
Council Trust for Recreation Fund	96,610	10,166
Enterprise Funds:		
Water Fund	0	89,582
Sanitation Fund	3,000	0
Total Enterprise Funds	<u>3,000</u>	<u>89,582</u>
Totals	<u>\$245,056</u>	<u>\$245,056</u>

NOTE 9 - FIXED ASSETS

A. General Fixed Assets

Summary by category of changes in general fixed assets:

Category	Restated December 31, 1999	Additions	Deletions	December 31, 2000
Land	\$565,399	\$0	\$0	\$565,399
Buildings and Improvements	2,276,300	0	0	2,276,300
Land Improvements	835,042	18,475	0	853,517
Machinery and Equipment	6,731,953	746,013	(517,399)	6,960,567
Construction in Progress	124,047	365,165	(18,476)	470,736
Totals	<u>\$10,532,741</u>	<u>\$1,129,653</u>	<u>(\$535,875)</u>	<u>\$11,126,519</u>

NOTE 9 - FIXED ASSETS (Continued)

A. General Fixed Assets (Continued)

Schedule of General Fixed Assets at December 31, 2000:

General Fixed Assets		Investment in General Fixed Assets	
		General Fund	\$160,833
		Special Revenue Funds	898,021
Land	\$565,399	Capital Projects Fund	9,735,119
Buildings and Improvements	2,276,300	Expendable Trust Funds	181,965
Land Improvements	853,517	Proprietary Funds	103,119
Machinery and Equipment	6,960,567	Internal Service Funds	10,391
Construction in Progress	470,736	Grants	29,071
Total	\$11,126,519	Donated	8,000
		Total	\$11,126,519

B. Proprietary Fixed Assets

Summary by Category at December 31, 2000:

Category	Historical Cost	Accumulated Depreciation	Book Value
Land	\$55,424	\$0	\$55,424
Buildings	853,320	(252,413)	600,907
Improvements Other than Buildings	17,964,570	(13,214,366)	4,750,204
Machinery and Equipment	2,542,665	(1,576,339)	966,326
Construction In Progress	2,497,410	0	2,497,410
Property, Plant and Equipment	\$23,913,389	(\$15,043,118)	\$8,870,271

NOTE 10 – DEFINED BENEFIT PENSION PLANS

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

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

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

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

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

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

The Ohio Revised Code provides statutory authority for employee and employer contributions. The employee contribution rate is 8.5%. The Retirement Board instituted a temporary employer contribution rate rollback for calendar year 2000. The rate rollback was 20% for state and local government divisions. The 2000 employer contribution rate for local government employer units was 10.84%, of covered payroll, 6.54% to fund the pension and 4.3% to fund health care. The 1999 and 1998 employer contribution rates were 13.55%. The contribution requirements of plan members and the City are established and may be amended by the Public Employees Retirement Board. The City's contributions to the PERS of Ohio for the years ending December 31, 2000, 1999 and 1998 were \$602,412, \$753,495 and \$717,701, respectively, which were equal to the required contributions for each year.

The PERS of Ohio provides postemployment health care benefits to age and service retirants with ten or more years of qualifying Ohio service credit and to primary survivor recipients of such retirants. Health care coverage for disability recipients is also available. The health care coverage provided by the PERS of Ohio is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 12. A portion of each employer's contribution to the PERS of Ohio is set aside for the funding of post retirement health care. The Ohio Revised Code provides statutory authority requiring public employers to fund postemployment health care through their contributions to the PERS of Ohio. The portion of the 2000 employer contribution rate (identified above) that was used to fund health care for the year 2000 was 4.3% of covered payroll which amounted to \$238,964.

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

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

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

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

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

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

Plan members are required to contribute 10.0% of their annual covered salary, while employers are required to contribute 19.5% and 24.0% respectively for police officers and firefighters. The City's contributions to the OP&F Fund for the years ending December 31, 2000, 1999 and 1998 were \$309,353, \$311,125 and \$288,258 for police and \$377,472, \$351,910 and \$342,760 for firefighters, respectively, which were equal to the required contributions for each year.

The OP&F Fund provides postemployment health care coverage to any person who received or is eligible to receive a monthly benefit check or is a spouse or eligible dependent child of such person. An eligible dependent child is any child under the age of 18 whether or not the child is attending school, or under the age of 22 if attending school on a full-time or two-thirds basis. The Ohio Revised Code provides that health care costs paid from the funds of the OP&F Fund shall be included in the employer's contribution rate. The Ohio Revised Code also provides statutory authority allowing the Fund's Board of Trustees to provide postemployment health care coverage to all eligible individuals from the employer's contributions to the OP&F Fund.

The portion of the 2000 covered payroll that was used to fund postemployment health care benefits was \$115,016 representing 7.25% of covered payroll for police and \$114,028 representing 7.25% of covered payroll for fire. Health care funding and accounting was on a pay-as-you-go basis. In addition, since July 1, 1992 most retirees have been required to contribute a portion of the cost of their health care coverage through a deduction from their monthly benefit payment. As of December 31, 1999, the date of the last actuarial evaluation available, the number of participants eligible to receive health care benefits was 12,467 for police and 9,807 for firefighters. The OP&F Fund does not provide separate data on the funded status and funding progress of postemployment health care benefits. The Fund's total health care expenses for the year ended December 31, 1999 were \$95,004,633, which was net of member contributions of \$5,518,098.

NOTE 11 - NOTES PAYABLE

The Ohio Revised Code provides that notes including renewal notes issued in anticipation of the issuance of general obligation bonds may be issued and outstanding from time to time up to a maximum period of 20 years from the date of issuance of the original notes. Bond anticipation notes may be retired at maturity from the proceeds of the sale of renewal notes or of the bonds anticipated by the notes, or from available funds of the City or a combination of these sources. The City is retiring its notes by the issuance of one year renewal notes with a portion of the principal being retired in accordance with the above provisions.

	Maturity Date	Balance January 1, 2000	Issued (Retired)	Balance December 31, 2000
Water Fund Note Payable:				
4.60% Water System Improvement	02/27/2001	\$0	\$600,000	\$600,000
Total Enterprise Fund Notes Payable		\$0	\$600,000	\$600,000

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

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

		Balance December 31, 1999	Issued (Retired)	Balance December 31, 2000	
Enterprise Funds Long-Term Debt:					
Ohio Water Development Authority Loan:					
1987	7.73% Pure Water	2003	\$898,106	(\$233,904)	\$664,202
Ohio Public Works Commission Loan:					
1993	3.0% Solid Waste Facility	2004	29,649	(7,084)	22,565
General Obligation Bond:					
1996	4.5-6% Waterworks Improvement	2010	3,540,000	(245,000)	3,295,000
	Total Enterprise Long-Term Debt		\$4,467,755	(\$485,988)	\$3,981,767
General Obligation Long-Term Debt:					
Special Assessment Bond					
with Governmental Commitment:					
1994	4.625-5.25% Downtown Improvement	2003	\$535,000	(\$125,000)	\$410,000
Other General Long-Term Obligations:					
	Compensated Absences		605,352	(33,274)	572,078
	Capital Lease Payable		0	312,960	312,960
				(36,277)	276,683
	Accrued Pension Liability		2,873,578	(35,862)	2,837,716
	Total Other General Long-Term Obligations		3,478,930	207,547	3,686,477
	Total General Long-Term Debt and Other Long-Term Obligations		\$4,013,930	\$82,547	\$4,096,477

During 1994, the City issued \$1,150,000 in special assessment general obligation bonds to finance downtown improvement. These ten year bonds have interest rates that range from 4.625% to 5.25%. Debt service is financed by assessments to affected property owners. However, the City is ultimately responsible for the debt service if the assessments are not collected.

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

A. Principal and Interest Requirements

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

Years	Special Assessment Bond		General Obligation Bond		OWDA Loan	
	Principal	Interest	Principal	Interest	Principal	Interest
2001	\$130,000	\$21,525	\$255,000	\$181,491	\$251,985	\$51,343
2002	135,000	14,700	270,000	168,525	271,463	31,864
2003	145,000	7,613	285,000	154,294	140,754	10,910
2004	0	0	300,000	138,562	0	0
2005	0	0	315,000	65,156	0	0
2006-2010	0	0	1,870,000	350,100	0	0
2011-2015	0	0	0	0	0	0
2016-2020	0	0	0	0	0	0
2021-2035	0	0	0	0	0	0
Totals	<u>\$410,000</u>	<u>\$43,838</u>	<u>\$3,295,000</u>	<u>\$1,058,128</u>	<u>\$664,202</u>	<u>\$94,117</u>

Years	OPWC Loan		Police/Fire Accrued Pension Liability		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest
2001	\$7,299	\$623	\$37,402	\$120,210	\$681,686	\$375,192
2002	7,519	402	39,009	118,603	722,991	334,094
2003	7,747	175	40,684	116,928	619,185	289,920
2004	0	0	42,431	115,181	342,431	253,743
2005	0	0	44,254	113,358	359,254	178,514
2006-2010	0	0	251,467	536,593	2,121,467	886,693
2011-2015	0	0	310,315	477,745	310,315	477,745
2016-2020	0	0	382,934	405,126	382,934	405,126
2021-2035	0	0	1,689,220	589,066	1,689,220	589,066
Totals	<u>\$22,565</u>	<u>\$1,200</u>	<u>\$2,837,716</u>	<u>\$2,592,810</u>	<u>\$7,229,483</u>	<u>\$3,790,093</u>

B. Police and Firemen's Pension Fund

The City's liability for past service costs relating to the Police and Firemen's Pension Fund at December 31, 2000 was \$5,430,526 in principal and interest payments through the year 2035. Only the principal amount due of \$2,837,716 was included in the General Long-Term Obligations Account Group.

NOTE 13 - CAPITALIZED LEASES

The City leases fifteen vehicles under capital leases. The cost of the equipment obtained under capital leases is included in the General Fixed Assets Account Group and the related liability included in the General Long-Term Obligations Account Group.

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

<u>Year Ending December 31,</u>	<u>Capital Leases</u>
2001	\$72,554
2002	72,553
2003	72,554
2004	72,553
2005	<u>36,277</u>
Minimum Lease Payments	326,491
Less amount representing interest at the City's incremental borrowing rate of interest	<u>(49,808)</u>
Present value of minimum lease payments	<u><u>\$276,683</u></u>

NOTE 14 - CONSTRUCTION COMMITMENTS

As of December 31, 2000, the City had the following contracts with respect to construction projects:

<u>Capital Projects</u>	<u>Remaining Construction Contract</u>	<u>Expected Date of Completion</u>
Renovation of Municipal Building Annex	\$1,195,955	2001
US 52 Water Replacement	643,368	2002
Naval Reserve	39,340	2002

NOTE 15 - CONTINGENCIES

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

NOTE 16 - SEGMENT INFORMATION FOR ENTERPRISE FUNDS

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

	Water Fund	Sewer Fund	Sanitation Fund	Total
Operating Revenues	\$4,149,244	\$2,265,506	\$1,204,227	\$7,618,977
Depreciation	239,316	106,704	36,034	382,054
Operating Income	879,711	349,831	89,174	1,318,716
Operating Grants	31,830	0	0	31,830
Operating Transfers In	0	0	3,000	3,000
Operating Transfers Out	(89,582)	0	0	(89,582)
Net Income	636,865	278,627	91,424	1,006,916
Property, Plant and Equipment:				
Additions	2,339,178	182,760	144,353	2,666,291
Deletions	(78,918)	(92,112)	0	(171,030)
Assets	11,098,093	1,359,624	1,145,765	13,603,482
Net Working Capital	2,539,436	474,086	514,953	3,528,475
Bonds and Loans Payable	3,295,000	664,202	22,565	3,981,767
Contributed Capital Additions	706,646	89,419	0	796,065
Total Equity	6,737,273	487,686	1,079,323	8,304,282

NOTE 17 - INSURANCE AND RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City has provided bodily injury, personal injury, general liability, boiler and machinery coverage and fleet (automotive) insurance through the Portsmouth Insurance Agency. Police and fire professional liability and elected officials liability are also covered by the Portsmouth Insurance Agency. The City also carries commercial insurance for employee health coverage and life insurance. There has been no significant reduction in insurance coverages from coverages in the prior year. In addition, settled claims resulting from these risks have not exceeded commercial insurance coverages in any of the past three fiscal years.

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

NOTE 18 - CONTRIBUTED CAPITAL

A schedule of changes in contributed capital is presented below:

	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Total</u>
Balance at Beginning of Year	\$4,464,405	\$3,390,346	\$7,854,751
Additions:			
Intergovernmental Grants	256,292	0	256,292
Contributions from Other Funds	<u>450,354</u>	<u>89,419</u>	<u>539,773</u>
Balance at End of Year	<u>\$5,171,051</u>	<u>\$3,479,765</u>	<u>\$8,650,816</u>

NOTE 19 – CONDUIT DEBT

From time to time, the City has issued Industrial Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the City, the state, nor any political subdivision thereof is obligated in any manner for repayment on the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying general purpose financial statements.

As of December 31, 2000, there was one series of Industrial Revenue Bonds outstanding, with a principal amount payable of \$1,800,000.

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

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

GENERAL FUND

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

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

GENERAL FUND

	<u>Revised Budget</u>	<u>Actual</u>	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Taxes	\$5,915,184	\$5,915,590	\$406
Intergovernmental Revenues	2,751,000	2,754,750	3,750
Charges for Services	273,573	273,631	58
Licenses and Permits	115,980	116,096	116
Investment Earnings	566,606	567,402	796
Fines and Forfeitures	616,000	616,646	646
All Other Revenues	<u>191,808</u>	<u>227,515</u>	<u>35,707</u>
Total Revenues	<u>10,430,151</u>	<u>10,471,630</u>	<u>41,479</u>
<u>Expenditures:</u>			
Security of Persons and Property:			
Police:			
Personal Services	2,454,009	2,514,569	(60,560)
Contractual Services	89,151	87,914	1,237
Materials and Supplies	20,146	20,066	80
Capital Outlay	<u>1,536</u>	<u>1,536</u>	<u>0</u>
Total Police	<u>2,564,842</u>	<u>2,624,085</u>	<u>(59,243)</u>
Fire:			
Personal Services	2,623,129	2,815,313	(192,184)
Contractual Services	103,912	93,328	10,584
Materials and Supplies	32,458	28,756	3,702
Capital Outlay	<u>1,000</u>	<u>593</u>	<u>407</u>
Total Fire	<u>2,760,499</u>	<u>2,937,990</u>	<u>(177,491)</u>
Street Lighting:			
Contractual Services	162,000	159,979	2,021
Materials and Supplies	<u>1,826</u>	<u>1,826</u>	<u>0</u>
Total Street Lighting	<u>163,826</u>	<u>161,805</u>	<u>2,021</u>
Flood Defense:			
Contractual Services	<u>3,000</u>	<u>3,000</u>	<u>0</u>
Total Flood Defense	<u>3,000</u>	<u>3,000</u>	<u>0</u>
Total Security of Persons and Property	<u>5,492,167</u>	<u>5,726,880</u>	<u>(234,713)</u>
Public Health and Welfare Services:			
Health:			
Personal Services	360,733	347,105	13,628
Contractual Services	47,996	44,683	3,313
Materials and Supplies	9,278	8,855	423
Capital Outlay	<u>902</u>	<u>841</u>	<u>61</u>
Total Health	<u>418,909</u>	<u>401,484</u>	<u>17,425</u>
Total Public Health and Welfare Services	<u>418,909</u>	<u>401,484</u>	<u>17,425</u>

(Continued)

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

GENERAL FUND

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
Community Environment:			
Building Inspection:			
Personal Services	106,840	115,322	(8,482)
Contractual Services	85,878	65,352	20,526
Materials and Supplies	<u>3,476</u>	<u>2,396</u>	<u>1,080</u>
Total Building Inspection	<u>196,194</u>	<u>183,070</u>	<u>13,124</u>
Administration:			
Personal Services	46,775	50,493	(3,718)
Contractual Services	10,855	27,630	(16,775)
Materials and Supplies	<u>14,764</u>	<u>1,596</u>	<u>13,168</u>
Total Administration	<u>72,394</u>	<u>79,719</u>	<u>(7,325)</u>
Total Community Environment	<u>268,588</u>	<u>262,789</u>	<u>5,799</u>
Transportation:			
Traffic Lights:			
Personal Services	34,211	75,183	(40,972)
Contractual Services	39,054	34,486	4,568
Materials and Supplies	18,433	15,616	2,817
Capital Outlay	<u>4,070</u>	<u>4,070</u>	<u>0</u>
Total Traffic Lights	<u>95,768</u>	<u>129,355</u>	<u>(33,587)</u>
Cemetery Grounds:			
Personal Services	326,079	358,558	(32,479)
Contractual Services	53,984	47,117	6,867
Materials and Supplies	12,050	9,569	2,481
Capital Outlay	<u>700</u>	<u>531</u>	<u>169</u>
Total Cemetery Grounds	<u>392,813</u>	<u>415,775</u>	<u>(22,962)</u>
Total Transportation	<u>488,581</u>	<u>545,130</u>	<u>(56,549)</u>
General Government:			
City Council:			
Personal Services	36,561	35,901	660
Contractual Services	9,512	6,311	3,201
Materials and Supplies	<u>1,100</u>	<u>683</u>	<u>417</u>
Total City Council	<u>47,173</u>	<u>42,895</u>	<u>4,278</u>
Executive:			
Personal Services	66,885	71,478	(4,593)
Contractual Services	14,200	14,394	(194)
Materials and Supplies	<u>1,507</u>	<u>1,507</u>	<u>0</u>
Total Executive	<u>82,592</u>	<u>87,379</u>	<u>(4,787)</u>

(Continued)

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

GENERAL FUND

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
General Government (Continued):			
Legal:			
Personal Services	152,195	153,461	(1,266)
Contractual Services	21,171	20,238	933
Materials and Supplies	1,479	1,218	261
Total Legal	<u>174,845</u>	<u>174,917</u>	<u>(72)</u>
Finance:			
Personal Services	133,254	135,757	(2,503)
Contractual Services	42,797	43,277	(480)
Materials and Supplies	4,597	4,597	0
Capital Outlay	953	954	(1)
Total Finance	<u>181,601</u>	<u>184,585</u>	<u>(2,984)</u>
Civil Service:			
Personal Services	9,232	9,202	30
Contractual Services	4,050	4,050	0
Total Civil Service	<u>13,282</u>	<u>13,252</u>	<u>30</u>
Municipal Court:			
Personal Services	593,450	591,936	1,514
Contractual Services	86,734	70,863	15,871
Materials and Supplies	27,855	17,444	10,411
Capital Outlay	5,650	2,213	3,437
Total Municipal Court	<u>713,689</u>	<u>682,456</u>	<u>31,233</u>
Income Tax:			
Personal Services	119,271	119,367	(96)
Contractual Services	74,220	72,146	2,074
Materials and Supplies	2,162	1,640	522
Capital Outlay	550	300	250
Total Income Tax	<u>196,203</u>	<u>193,453</u>	<u>2,750</u>
Engineering:			
Personal Services	91,012	86,408	4,604
Contractual Services	47,900	25,945	21,955
Materials and Supplies	2,000	1,820	180
Capital Outlay	500	500	0
Total Engineering	<u>141,412</u>	<u>114,673</u>	<u>26,739</u>

(Continued)

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

GENERAL FUND

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
General Government (Continued):			
Public Service:			
Personal Services	11,039	25,376	(14,337)
Contractual Services	14,833	14,068	765
Materials and Supplies	2,700	2,268	432
Capital Outlay	442	442	0
Total Public Service	<u>29,014</u>	<u>42,154</u>	<u>(13,140)</u>
City Building:			
Personal Services	135,702	114,330	21,372
Contractual Services	73,650	70,567	3,083
Materials and Supplies	6,400	6,026	374
Total City Building	<u>215,752</u>	<u>190,923</u>	<u>24,829</u>
Garage:			
Personal Services	95,800	90,714	5,086
Contractual Services	14,361	29,533	(15,172)
Materials and Supplies	80,281	100,008	(19,727)
Total Garage	<u>190,442</u>	<u>220,255</u>	<u>(29,813)</u>
Non-Departmental:			
Personal Services	398,000	170,549	227,451
Contractual Services	740,720	644,228	96,492
Materials and Supplies	5,000	5,000	0
Total Non-Departmental	<u>1,143,720</u>	<u>819,777</u>	<u>323,943</u>
Total General Government	<u>3,129,725</u>	<u>2,766,719</u>	<u>363,006</u>
Total Expenditures	<u>9,797,970</u>	<u>9,703,002</u>	<u>94,968</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	632,181	768,628	136,447
Other Financing Sources (Uses):			
Operating Transfers Out	(8,500)	(110,092)	(101,592)
Total Other Financing Sources (Uses)	<u>(8,500)</u>	<u>(110,092)</u>	<u>(101,592)</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	623,681	658,536	34,855
Fund Balance at Beginning of Year	1,604,249	1,604,249	0
Prior Year Encumbrances	52,113	52,113	0
Fund Balance at End of Year	<u>\$2,280,043</u>	<u>\$2,314,898</u>	<u>\$34,855</u>

SPECIAL REVENUE FUNDS

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

Municipal Court Grants Fund

To account for the Community Corrections Act grant used to support the advancement of court programs.

Ohio Criminal Justice System (OCJS) Awards - Municipal Court Fund

To account for revenues derived from the Ohio Criminal Justice System grant used to support the advancement of court programs.

Municipal Court Special Projects Fund

To account for revenues derived from fines levied by the court and are to be used by the court for special projects.

Municipal Court Probation Services Fund

To account for fees assessed to criminal and traffic offenders who are placed by the Municipal Court on probation or other community control sanctions to cover the cost of Probation department services and related expenditures.

Municipal Court Programs Fund

To account for revenues derived from the Guardian Interlock grant, the home monitoring fees and the Municipal Corrections grant and are used to support the guardian interlock and home monitoring programs.

Municipal Court Computer Fund

To account for revenues derived from mandatory fines to be used for computers and update of court computer functions.

Fire Pension Fund

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

Police Pension Fund

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

(Continued)

SPECIAL REVENUE FUNDS

D.A.R.E. State Grant Fund

To account for revenues and expenditures relative to D.A.R.E. activities.
(The Balance Sheet is not presented because there are no assets or liabilities at year end.)

Local Law Block Grant Fund

To account for grant monies to be used specifically for the improvement of public safety and the reduction of crime.

Community Oriented Policing Services (COPS) Fast Grant Fund

To account for federal and state grant monies designated for the cost of additional police officers.

Indigent Drivers Alcohol Treatment Fund

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

Enforcement and Education Fund

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

Mandatory Fines Fund

To account for mandatory fines for drug offenses.

Law Enforcement Fund

To account for revenues derived from drug related crimes and expenditures to be as drug deterrents.

Street Construction, Maintenance and Repair Fund

To account for revenues distributed by the State from the motor vehicle and gasoline taxes. Expenditures may only be for street construction and maintenance.

State Highway Improvement Fund

To account for the revenues distributed by the State from the motor vehicle taxes, permissive fees and gasoline taxes. Expenditures may only be for street and state highway improvements and maintenance.

Environmental State Grants Fund

To account for various state grant funds to be used to improve the quality of the environment in the City.

(Continued)

SPECIAL REVENUE FUNDS

Community Development Fund

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

Tourism and Cultural Development Fund

To account for revenue derived from Hotel/Motel tax and distributed to various area cultural and recreational organizations.

Teenage Pregnancy Prevention Fund

To account for receipt of donated funds to be used to cover the costs of education and supplies related to the Teenage Pregnancy Prevention Program.

State Grant Health Fund

To account for various State grants which are designated for Health purposes.

Rural AIDS State Grant Fund

To account for receipt of various State grant funds to be used to cover the costs of education and supplies related to the HIV Prevention Program.

Litter Control Grant Fund

To account for monies received from the Ohio Department of Natural Resources for the purpose of litter control.

Wellness Block Grant Fund

To account for receipt of funds from the Scioto County Family and Children First Council to be used to cover the costs of education and supplies related to the Wellness Education Program.

Federal Emergency Management Agency (FEMA) Grant Fund

To account for Federal Emergency Management Agency funds received as reimbursement for flood damage.

Regional HIV Prevention Fund

To account for federal grant funds to be used to educate the public about HIV.

Flood Defense Fund

To account for a property tax levy designated for flood defense improvements.

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

	Municipal Court Grants	OCJS Awards Municipal Court	Municipal Court Special Projects	Municipal Court Probation Services	Municipal Court Programs	Municipal Court Computer
Assets:						
Cash and Cash Equivalents	\$4,903	\$23,083	\$26,253	\$68,131	\$11,731	\$74,442
Receivables (net of allowances for doubtful accounts)						
Taxes	0	0	0	0	0	0
Loans	0	0	0	0	0	0
Interest	0	0	0	0	0	0
Due from Other Funds	0	0	3,588	2,520	1,253	2,438
Intergovernmental Receivables	0	0	0	0	6,667	0
Inventory of Supplies at Cost	0	0	0	0	0	0
Prepaid Items	0	0	0	0	0	0
Total Assets	\$4,903	\$23,083	\$29,841	\$70,651	\$19,651	\$76,880
Liabilities and Fund Equity:						
Liabilities:						
Accounts Payable	\$0	\$949	\$0	\$0	\$0	\$79
Accrued Wages and Benefits	2,135	3,618	1,613	0	2,266	1,477
Intergovernmental Payable	0	0	0	0	0	0
Deferred Revenue	0	0	0	0	0	0
Total Liabilities	2,135	4,567	1,613	0	2,266	1,556
Fund Equity:						
Reserved for Encumbrances	0	0	0	0	0	0
Reserved for Supplies Inventory	0	0	0	0	0	0
Reserved for Prepaid Items	0	0	0	0	0	0
Unreserved - Undesignated	2,768	18,516	28,228	70,651	17,385	75,324
Total Fund Equity	2,768	18,516	28,228	70,651	17,385	75,324
Total Liabilities and Fund Equity	\$4,903	\$23,083	\$29,841	\$70,651	\$19,651	\$76,880

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

Fire Pension	Police Pension	D.A.R.E. State Grant	Local Law Block Grant	COPS Fast Grant	Indigent Drivers Alcohol Treatment	Enforcement and Education	Mandatory Fines	Law Enforcement
\$7,843	\$7,650	\$3,156	\$38,951	\$25,714	\$201,039	\$20,278	\$28,248	\$25,256
50,020	50,020	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
4,750	4,750	0	0	0	1,152	478	744	0
0	0	0	0	0	0	0	39	0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
<u>\$62,613</u>	<u>\$62,420</u>	<u>\$3,156</u>	<u>\$38,951</u>	<u>\$25,714</u>	<u>\$202,191</u>	<u>\$20,756</u>	<u>\$29,031</u>	<u>\$25,256</u>
\$0	\$0	\$0	\$0	\$0	\$14,735	\$0	\$0	\$0
5,000	5,000	0	531	259	0	0	0	0
0	0	0	0	0	0	0	0	0
50,020	50,020	0	0	0	0	0	0	0
<u>55,020</u>	<u>55,020</u>	<u>0</u>	<u>531</u>	<u>259</u>	<u>14,735</u>	<u>0</u>	<u>0</u>	<u>0</u>
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
7,593	7,400	3,156	38,420	25,455	187,456	20,756	29,031	25,256
<u>7,593</u>	<u>7,400</u>	<u>3,156</u>	<u>38,420</u>	<u>25,455</u>	<u>187,456</u>	<u>20,756</u>	<u>29,031</u>	<u>25,256</u>
<u>\$62,613</u>	<u>\$62,420</u>	<u>\$3,156</u>	<u>\$38,951</u>	<u>\$25,714</u>	<u>\$202,191</u>	<u>\$20,756</u>	<u>\$29,031</u>	<u>\$25,256</u>

(Continued)

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

	Street Construction, Maintenance and Repair	State Highway Improvement	Environmental State Grants	Community Development	Tourism and Cultural Development	Teenage Pregnancy Prevention
Assets:						
Cash and Cash Equivalents	\$235,997	\$10,325	\$215,379	\$501,795	\$15,392	\$9,963
Receivables (net of allowances for doubtful accounts)						
Taxes	0	0	0	0	9,540	0
Loans	0	0	0	179,281	0	0
Interest	758	379	0	0	0	0
Due from Other Funds	0	0	0	24,453	0	0
Intergovernmental Receivables	28,264	1,705	0	0	0	0
Inventory of Supplies at Cost	12,593	0	3,290	0	0	0
Prepaid Items	894	0	383	396	0	0
Total Assets	\$278,506	\$12,409	\$219,052	\$705,925	\$24,932	\$9,963
Liabilities and Fund Equity:						
Liabilities:						
Accounts Payable	\$426	\$0	\$1,007	\$3,810	\$0	\$0
Accrued Wages and Benefits	23,460	2,221	16,035	1,509	0	0
Intergovernmental Payable	0	0	0	158,864	0	0
Deferred Revenue	7	4	0	179,281	0	0
Total Liabilities	23,893	2,225	17,042	343,464	0	0
Fund Equity:						
Reserved for Encumbrances	3,900	0	340	0	0	0
Reserved for Supplies Inventory	12,593	0	3,290	0	0	0
Reserved for Prepaid Items	894	0	383	396	0	0
Unreserved - Undesignated	237,226	10,184	197,997	362,065	24,932	9,963
Total Fund Equity	254,613	10,184	202,010	362,461	24,932	9,963
Total Liabilities and Fund Equity	\$278,506	\$12,409	\$219,052	\$705,925	\$24,932	\$9,963

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

State Grant Health	Rural AIDS State Grant	Litter Control Grant	Wellness Block Grant	F.E.M.A. Grant	Regional HIV Prevention	Flood Defense	Totals
\$273,283	\$18,841	\$9,447	\$34,363	\$2,222	\$1,159	\$289,727	\$2,184,571
0	0	0	0	0	0	162,708	272,288
0	0	0	0	0	0	0	179,281
0	0	0	0	0	0	0	1,137
0	0	0	0	0	0	15,832	61,958
0	0	0	0	0	0	0	36,675
16,230	1,137	0	298	0	0	0	33,548
1,597	885	0	0	0	0	0	4,155
<u>\$291,110</u>	<u>\$20,863</u>	<u>\$9,447</u>	<u>\$34,661</u>	<u>\$2,222</u>	<u>\$1,159</u>	<u>\$468,267</u>	<u>\$2,773,613</u>
\$6,994	\$1,530	\$0	\$477	\$0	\$0	\$27,756	\$57,763
18,694	4,567	0	1,798	0	0	0	90,183
0	0	0	0	0	0	0	158,864
0	0	0	0	0	0	162,708	442,040
<u>25,688</u>	<u>6,097</u>	<u>0</u>	<u>2,275</u>	<u>0</u>	<u>0</u>	<u>190,464</u>	<u>748,850</u>
9,526	125	0	7,056	0	0	34,695	55,642
16,230	1,137	0	298	0	0	0	33,548
1,597	885	0	0	0	0	0	4,155
<u>238,069</u>	<u>12,619</u>	<u>9,447</u>	<u>25,032</u>	<u>2,222</u>	<u>1,159</u>	<u>243,108</u>	<u>1,931,418</u>
<u>265,422</u>	<u>14,766</u>	<u>9,447</u>	<u>32,386</u>	<u>2,222</u>	<u>1,159</u>	<u>277,803</u>	<u>2,024,763</u>
<u>\$291,110</u>	<u>\$20,863</u>	<u>\$9,447</u>	<u>\$34,661</u>	<u>\$2,222</u>	<u>\$1,159</u>	<u>\$468,267</u>	<u>\$2,773,613</u>

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

	Municipal Court Grants	OCJS Awards Municipal Court	Municipal Court Special Projects	Municipal Court Probation Services	Municipal Court Programs	Municipal Court Computer
Revenues:						
Taxes	\$0	\$0	\$0	\$0	\$0	\$0
Intergovernmental Revenues	65,146	70,393	0	0	100	0
Charges for Services	0	0	0	0	0	0
Investment Earnings	0	0	0	0	0	0
Fines and Forfeitures	0	0	63,877	40,678	128,083	48,936
All Other Revenues	1,395	1,798	131	0	402	322
Total Revenues	<u>66,541</u>	<u>72,191</u>	<u>64,008</u>	<u>40,678</u>	<u>128,585</u>	<u>49,258</u>
Expenditures:						
Current:						
Security of Persons and Property	0	0	0	0	0	0
Public Health and Welfare Services	0	0	0	0	0	0
Community Environment	0	0	0	0	0	0
Transportation	0	0	0	0	0	0
General Government	76,010	88,372	34,367	0	112,824	56,463
Total Expenditures	<u>76,010</u>	<u>88,372</u>	<u>34,367</u>	<u>0</u>	<u>112,824</u>	<u>56,463</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(9,469)	(16,181)	29,641	40,678	15,761	(7,205)
Other Financing Sources (Uses):						
Operating Transfers In	8,461	23,464	0	0	0	0
Operating Transfers Out	0	0	(23,464)	0	0	(8,461)
Total Other Financing Sources (Uses)	<u>8,461</u>	<u>23,464</u>	<u>(23,464)</u>	<u>0</u>	<u>0</u>	<u>(8,461)</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(1,008)	7,283	6,177	40,678	15,761	(15,666)
Fund Balance (Deficit) at Beginning of Year	3,776	11,233	22,051	29,973	1,624	90,990
Increase (Decrease) in Inventory Reserve	0	0	0	0	0	0
Fund Balance at End of Year	<u>\$2,768</u>	<u>\$18,516</u>	<u>\$28,228</u>	<u>\$70,651</u>	<u>\$17,385</u>	<u>\$75,324</u>

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

Fire Pension	Police Pension	D.A.R.E. State Grant	Local Law Block Grant	COPS Fast Grant	Indigent Drivers Alcohol Treatment	Enforcement and Education	Mandatory Fines	Law Enforcement
\$48,169	\$48,169	\$0	\$0	\$0	\$0	\$0	\$0	\$0
6,637	6,637	0	55,584	35,668	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0	0	1,415	0	0	0	0	0
0	0	0	0	0	28,825	11,232	9,916	16,032
0	0	165	135	617	0	0	0	20
<u>54,806</u>	<u>54,806</u>	<u>165</u>	<u>57,134</u>	<u>36,285</u>	<u>28,825</u>	<u>11,232</u>	<u>9,916</u>	<u>16,052</u>
50,000	50,000	0	33,157	10,011	0	0	0	35,125
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	49,192	776	0	0
<u>50,000</u>	<u>50,000</u>	<u>0</u>	<u>33,157</u>	<u>10,011</u>	<u>49,192</u>	<u>776</u>	<u>0</u>	<u>35,125</u>
4,806	4,806	165	23,977	26,274	(20,367)	10,456	9,916	(19,073)
0	0	0	3,291	0	0	0	0	0
0	0	0	0	0	0	(3,291)	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>3,291</u>	<u>0</u>	<u>0</u>	<u>(3,291)</u>	<u>0</u>	<u>0</u>
4,806	4,806	165	27,268	26,274	(20,367)	7,165	9,916	(19,073)
2,787	2,594	2,991	11,152	(819)	207,823	13,591	19,115	44,329
0	0	0	0	0	0	0	0	0
<u>\$7,593</u>	<u>\$7,400</u>	<u>\$3,156</u>	<u>\$38,420</u>	<u>\$25,455</u>	<u>\$187,456</u>	<u>\$20,756</u>	<u>\$29,031</u>	<u>\$25,256</u>

(Continued)

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

	Street Construction, Maintenance and Repair	State Highway Improvement	Environmental State Grants	Community Development	Tourism and Cultural Development	Teenage Pregnancy Prevention
Revenues:						
Taxes	\$0	\$0	\$0	\$0	\$45,594	\$0
Intergovernmental Revenues	739,875	42,824	392,898	1,011,984	0	0
Charges for Services	0	0	0	0	0	0
Investment Earnings	11,717	5,858	0	3,676	0	0
Fines and Forfeitures	0	0	0	0	0	0
All Other Revenues	18,006	1,282	16,230	30,667	0	15
Total Revenues	769,598	49,964	409,128	1,046,327	45,594	15
Expenditures:						
Current:						
Security of Persons and Property	0	0	0	0	0	0
Public Health and Welfare Services	0	0	479,697	0	0	480
Community Environment	0	0	0	1,053,349	44,078	0
Transportation	697,014	56,521	0	0	0	0
General Government	0	0	0	0	0	0
Total Expenditures	697,014	56,521	479,697	1,053,349	44,078	480
Excess (Deficiency) of Revenues Over (Under) Expenditures	72,584	(6,557)	(70,569)	(7,022)	1,516	(465)
Other Financing Sources (Uses):						
Operating Transfers In	1,982	0	8,500	10,166	0	0
Operating Transfers Out	0	0	0	0	0	0
Total Other Financing Sources (Uses)	1,982	0	8,500	10,166	0	0
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	74,566	(6,557)	(62,069)	3,144	1,516	(465)
Fund Balance (Deficit) at Beginning of Year	180,229	16,741	261,828	359,317	23,416	10,962
Increase (Decrease) in Inventory Reserve	(182)	0	2,251	0	0	(534)
Fund Balance at End of Year	\$254,613	\$10,184	\$202,010	\$362,461	\$24,932	\$9,963

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

State Grant Health	Rural AIDS State Grant	Litter Control Grant	Wellness Block Grant	F.E.M.A. Grant	Regional HIV Prevention	Flood Defense	Totals
\$0	\$0	\$0	\$0	\$0	\$0	\$148,161	\$290,093
558,923	192,751	0	76,060	0	479,401	19,812	3,754,693
173,615	0	0	0	0	0	0	173,615
0	0	0	0	0	0	0	22,666
0	0	0	0	0	0	0	347,579
76,021	3,936	0	217	0	0	0	151,359
808,559	196,687	0	76,277	0	479,401	167,973	4,740,005
0	0	0	0	19,133	0	71,873	269,299
745,083	189,499	1,200	70,572	0	489,632	0	1,976,163
0	0	0	0	0	0	0	1,097,427
0	0	0	0	0	0	0	753,535
0	0	0	0	0	0	0	418,004
745,083	189,499	1,200	70,572	19,133	489,632	71,873	4,514,428
63,476	7,188	(1,200)	5,705	(19,133)	(10,231)	96,100	225,577
0	0	0	0	0	0	0	55,864
0	0	0	0	0	0	0	(35,216)
0	0	0	0	0	0	0	20,648
63,476	7,188	(1,200)	5,705	(19,133)	(10,231)	96,100	246,225
195,292	12,963	10,647	28,079	21,355	11,390	181,703	1,777,132
6,654	(5,385)	0	(1,398)	0	0	0	1,406
<u>\$265,422</u>	<u>\$14,766</u>	<u>\$9,447</u>	<u>\$32,386</u>	<u>\$2,222</u>	<u>\$1,159</u>	<u>\$277,803</u>	<u>\$2,024,763</u>

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

MUNICIPAL COURT GRANTS FUND

	<u>Revised Budget</u>	<u>Actual</u>	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental Revenues	\$65,146	\$65,146	\$0
All Other Revenues	1,395	1,395	0
Total Revenues	<u>66,541</u>	<u>66,541</u>	<u>0</u>
<u>Expenditures:</u>			
General Government:			
Personal Services	64,097	64,097	0
Contractual Services	1,850	0	1,850
Capital Outlay	<u>16,398</u>	<u>13,345</u>	<u>3,053</u>
Total Expenditures	<u>82,345</u>	<u>77,442</u>	<u>4,903</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(15,804)	(10,901)	4,903
<u>Other Financing Sources:</u>			
Operating Transfers In	<u>8,461</u>	<u>8,461</u>	<u>0</u>
Total Other Financing Sources	<u>8,461</u>	<u>8,461</u>	<u>0</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(7,343)	(2,440)	4,903
Fund Balance at Beginning of Year	<u>7,343</u>	<u>7,343</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$0</u></u>	<u><u>\$4,903</u></u>	<u><u>\$4,903</u></u>

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

OCJS AWARDS MUNICIPAL COURT FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental Revenues	\$70,393	\$70,393	\$0
All Other Revenues	1,798	1,798	0
Total Revenues	72,191	72,191	0
<u>Expenditures:</u>			
General Government:			
Personal Services	74,707	77,164	(2,457)
Contractual Services	1,820	907	913
Materials and Supplies	5,181	3,601	1,580
Capital Outlay	7,600	7,597	3
Total Expenditures	89,308	89,269	39
Excess (Deficiency) of Revenues Over (Under) Expenditures	(17,117)	(17,078)	39
<u>Other Financing Sources:</u>			
Operating Transfers In	23,464	23,464	0
Total Other Financing Sources	23,464	23,464	0
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	6,347	6,386	39
Fund Balance at Beginning of Year	15,791	15,791	0
Fund Balance at End of Year	\$22,138	\$22,177	\$39

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

MUNICIPAL COURT SPECIAL PROJECTS FUND

	<u>Revised Budget</u>	<u>Actual</u>	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Fines and Forfeitures	\$66,045	\$66,045	\$0
All Other Revenues	<u>131</u>	<u>131</u>	<u>0</u>
Total Revenues	<u>66,176</u>	<u>66,176</u>	<u>0</u>
<u>Expenditures:</u>			
General Government:			
Personal Services	29,515	33,325	(3,810)
Contractual Services	535	0	535
Materials and Supplies	<u>85</u>	<u>0</u>	<u>85</u>
Total Expenditures	<u>30,135</u>	<u>33,325</u>	<u>(3,190)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	36,041	32,851	(3,190)
<u>Other Financing Sources:</u>			
Operating Transfers Out	<u>(23,464)</u>	<u>(23,464)</u>	<u>0</u>
Total Other Financing Sources	<u>(23,464)</u>	<u>(23,464)</u>	<u>0</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	12,577	9,387	(3,190)
Fund Balance at Beginning of Year	<u>16,866</u>	<u>16,866</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$29,443</u></u>	<u><u>\$26,253</u></u>	<u><u>(\$3,190)</u></u>

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

MUNICIPAL COURT PROBATION SERVICES FUND

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
<u>Revenues:</u>			
Fines and Forfeitures	\$44,692	\$44,692	\$0
Total Revenues	<u>44,692</u>	<u>44,692</u>	<u>0</u>
<u>Expenditures:</u>			
Total Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of			
Revenues Over (Under) Expenditures	44,692	44,692	0
Fund Balance at Beginning of Year	<u>23,439</u>	<u>23,439</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$68,131</u></u>	<u><u>\$68,131</u></u>	<u><u>\$0</u></u>

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

MUNICIPAL COURT PROGRAMS FUND

	<u>Revised Budget</u>	<u>Actual</u>	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental Revenues	\$100	\$100	\$0
Fines and Forfeitures	129,171	129,171	0
All Other Revenues	<u>402</u>	<u>402</u>	<u>0</u>
Total Revenues	<u>129,673</u>	<u>129,673</u>	<u>0</u>
<u>Expenditures:</u>			
General Government:			
Personal Services	35,207	37,344	(2,137)
Contractual Services	80,490	80,532	(42)
Materials and Supplies	<u>3,277</u>	<u>3,277</u>	<u>0</u>
Total Expenditures	<u>118,974</u>	<u>121,153</u>	<u>(2,179)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	10,699	8,520	(2,179)
Fund Balance at Beginning of Year	<u>3,211</u>	<u>3,211</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$13,910</u></u>	<u><u>\$11,731</u></u>	<u><u>(\$2,179)</u></u>

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

MUNICIPAL COURT COMPUTER FUND

	<u>Revised Budget</u>	<u>Actual</u>	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Fines and Forfeitures	\$54,045	\$54,045	\$0
All Other Revenues	<u>322</u>	<u>322</u>	<u>0</u>
Total Revenues	<u>54,367</u>	<u>54,367</u>	<u>0</u>
<u>Expenditures:</u>			
General Government:			
Personal Services	9,380	22,124	(12,744)
Contractual Services	6,400	6,020	380
Materials and Supplies	<u>65,888</u>	<u>33,449</u>	<u>32,439</u>
Total Expenditures	<u>81,668</u>	<u>61,593</u>	<u>20,075</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(27,301)	(7,226)	20,075
<u>Other Financing Sources:</u>			
Operating Transfers Out	<u>(8,461)</u>	<u>(8,461)</u>	<u>0</u>
Total Other Financing Sources	<u>(8,461)</u>	<u>(8,461)</u>	<u>0</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(35,762)	(15,687)	20,075
Fund Balance at Beginning of Year	<u>90,129</u>	<u>90,129</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$54,367</u></u>	<u><u>\$74,442</u></u>	<u><u>\$20,075</u></u>

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

FIRE PENSION FUND

	<u>Revised Budget</u>	<u>Actual</u>	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Taxes	\$45,513	\$45,513	\$0
Intergovernmental Revenues	<u>6,637</u>	<u>6,637</u>	<u>0</u>
Total Revenues	<u>52,150</u>	<u>52,150</u>	<u>0</u>
<u>Expenditures:</u>			
Security of Persons and Property:			
Personal Services	<u>55,693</u>	<u>50,000</u>	<u>5,693</u>
Total Expenditures	<u>55,693</u>	<u>50,000</u>	<u>5,693</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,543)	2,150	5,693
Fund Balance at Beginning of Year	<u>5,693</u>	<u>5,693</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$2,150</u></u>	<u><u>\$7,843</u></u>	<u><u>\$5,693</u></u>

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

POLICE PENSION FUND

	<u>Revised Budget</u>	<u>Actual</u>	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Taxes	\$45,513	\$45,513	\$0
Intergovernmental Revenues	<u>6,637</u>	<u>6,637</u>	<u>0</u>
Total Revenues	<u>52,150</u>	<u>52,150</u>	<u>0</u>
<u>Expenditures:</u>			
Security of Persons and Property:			
Personal Services	<u>55,500</u>	<u>50,000</u>	<u>5,500</u>
Total Expenditures	<u>55,500</u>	<u>50,000</u>	<u>5,500</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,350)	2,150	5,500
Fund Balance at Beginning of Year	<u>5,500</u>	<u>5,500</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$2,150</u></u>	<u><u>\$7,650</u></u>	<u><u>\$5,500</u></u>

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

D.A.R.E. STATE GRANT FUND

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
<u>Revenues:</u>			
All Other Revenues	\$165	\$165	\$0
Total Revenues	<u>165</u>	<u>165</u>	<u>0</u>
<u>Expenditures:</u>			
Security of Persons and Property:			
Personal Services	219	219	0
Total Expenditures	<u>219</u>	<u>219</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(54)	(54)	0
Fund Balance at Beginning of Year	<u>3,210</u>	<u>3,210</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$3,156</u></u>	<u><u>\$3,156</u></u>	<u><u>\$0</u></u>

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

LOCAL LAW BLOCK GRANT FUND

	<u>Revised Budget</u>	<u>Actual</u>	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental Revenues	\$34,462	\$55,584	\$21,122
Investment Earnings	0	1,415	1,415
All Other Revenues	<u>0</u>	<u>135</u>	<u>135</u>
Total Revenues	<u>34,462</u>	<u>57,134</u>	<u>22,672</u>
<u>Expenditures:</u>			
Security of Persons and Property:			
Personal Services	19,031	13,649	5,382
Capital Outlay	<u>27,533</u>	<u>21,477</u>	<u>6,056</u>
Total Expenditures	<u>46,564</u>	<u>35,126</u>	<u>11,438</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(12,102)	22,008	34,110
<u>Other Financing Sources:</u>			
Operating Transfers In	<u>0</u>	<u>3,291</u>	<u>3,291</u>
Total Other Financing Sources	<u>0</u>	<u>3,291</u>	<u>3,291</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(12,102)	25,299	37,401
Fund Balance at Beginning of Year	<u>13,652</u>	<u>13,652</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$1,550</u></u>	<u><u>\$38,951</u></u>	<u><u>\$37,401</u></u>

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

COPS FAST GRANT FUND

	<u>Revised Budget</u>	<u>Actual</u>	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental Revenues	\$35,668	\$35,668	\$0
All Other Revenues	<u>617</u>	<u>617</u>	<u>0</u>
Total Revenues	<u>36,285</u>	<u>36,285</u>	<u>0</u>
<u>Expenditures:</u>			
Security of Persons and Property:			
Personal Services	<u>36,285</u>	<u>10,571</u>	<u>25,714</u>
Total Expenditures	<u>36,285</u>	<u>10,571</u>	<u>25,714</u>
Excess (Deficiency) of			
Revenues Over (Under) Expenditures	0	25,714	25,714
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$0</u></u>	<u><u>\$25,714</u></u>	<u><u>\$25,714</u></u>

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

INDIGENT DRIVERS ALCOHOL TREATMENT FUND

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
<u>Revenues:</u>			
Fines and Forfeitures	\$30,174	\$30,174	\$0
Total Revenues	<u>30,174</u>	<u>30,174</u>	<u>0</u>
<u>Expenditures:</u>			
General Government:			
Contractual Services	<u>209,000</u>	<u>38,417</u>	<u>170,583</u>
Total Expenditures	<u>209,000</u>	<u>38,417</u>	<u>170,583</u>
Excess (Deficiency) of			
Revenues Over (Under) Expenditures	(178,826)	(8,243)	170,583
Fund Balance at Beginning of Year	<u>209,282</u>	<u>209,282</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$30,456</u></u>	<u><u>\$201,039</u></u>	<u><u>\$170,583</u></u>

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

ENFORCEMENT AND EDUCATION FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Fines and Forfeitures	\$11,870	\$11,870	\$0
Total Revenues	11,870	11,870	0
<u>Expenditures:</u>			
General Government:			
Contractual Services	21,233	955	20,278
Total Expenditures	21,233	955	20,278
Excess (Deficiency) of Revenues Over (Under) Expenditures	(9,363)	10,915	20,278
<u>Other Financing Sources (Uses):</u>			
Operating Transfers Out	(3,291)	(3,291)	0
Total Other Financing Sources (Uses)	(3,291)	(3,291)	0
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(12,654)	7,624	20,278
Fund Balance at Beginning of Year	12,654	12,654	0
Fund Balance at End of Year	\$0	\$20,278	\$20,278

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

MANDATORY FINES FUND

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
<u>Revenues:</u>			
Fines and Forfeitures	\$10,018	\$10,018	\$0
Total Revenues	<u>10,018</u>	<u>10,018</u>	<u>0</u>
<u>Expenditures:</u>			
Security of Persons and Property:			
Contractual Services	18,230	0	18,230
Total Expenditures	<u>18,230</u>	<u>0</u>	<u>18,230</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(8,212)	10,018	18,230
Fund Balance at Beginning of Year	<u>18,230</u>	<u>18,230</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$10,018</u></u>	<u><u>\$28,248</u></u>	<u><u>\$18,230</u></u>

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

LAW ENFORCEMENT FUND

	<u>Revised Budget</u>	<u>Actual</u>	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Fines and Forfeitures	\$16,032	\$16,032	\$0
All Other Revenues	<u>20</u>	<u>20</u>	<u>0</u>
Total Revenues	<u>16,052</u>	<u>16,052</u>	<u>0</u>
<u>Expenditures:</u>			
Security of Persons and Property:			
Materials and Supplies	<u>58,605</u>	<u>35,125</u>	<u>23,480</u>
Total Expenditures	<u>58,605</u>	<u>35,125</u>	<u>23,480</u>
Excess (Deficiency) of			
Revenues Over (Under) Expenditures	(42,553)	(19,073)	23,480
Fund Balance at Beginning of Year	<u>44,329</u>	<u>44,329</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$1,776</u></u>	<u><u>\$25,256</u></u>	<u><u>\$23,480</u></u>

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

STREET CONSTRUCTION, MAINTENANCE AND REPAIR FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental Revenues	\$765,863	\$765,863	\$0
Investment Earnings	11,191	11,191	0
All Other Revenues	18,006	18,006	0
Total Revenues	795,060	795,060	0
<u>Expenditures:</u>			
Transportation:			
Personal Services	548,268	536,988	11,280
Contractual Services	40,714	70,700	(29,986)
Materials and Supplies	142,111	80,139	61,972
Capital Outlay	18,000	16,794	1,206
Total Expenditures	749,093	704,621	44,472
Excess (Deficiency) of Revenues Over (Under) Expenditures	45,967	90,439	44,472
<u>Other Financing Sources:</u>			
Operating Transfers In	1,634	1,982	348
Total Other Financing Sources	1,634	1,982	348
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	47,601	92,421	44,820
Fund Balance at Beginning of Year	135,721	135,721	0
Prior Year Encumbrances	3,680	3,680	0
Fund Balance at End of Year	\$187,002	\$231,822	\$44,820

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

STATE HIGHWAY IMPROVEMENT FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental Revenues	\$44,852	\$44,852	\$0
Investment Earnings	5,595	5,595	0
All Other Revenues	1,109	1,282	173
Total Revenues	51,556	51,729	173
<u>Expenditures:</u>			
Transportation:			
Personal Services	56,000	56,000	0
Total Expenditures	56,000	56,000	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,444)	(4,271)	173
Fund Balance at Beginning of Year	14,596	14,596	0
Fund Balance at End of Year	\$10,152	\$10,325	\$173

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

ENVIRONMENTAL STATE GRANTS FUND

	<u>Revised Budget</u>	<u>Actual</u>	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental Revenues	\$393,840	\$393,840	\$0
All Other Revenues	<u>16,230</u>	<u>16,230</u>	<u>0</u>
Total Revenues	<u>410,070</u>	<u>410,070</u>	<u>0</u>
<u>Expenditures:</u>			
Public Health and Welfare Services:			
Personal Services	426,263	354,929	71,334
Contractual Services	76,503	47,575	28,928
Materials and Supplies	22,015	20,352	1,663
Capital Outlay	<u>126,575</u>	<u>60,429</u>	<u>66,146</u>
Total Expenditures	<u>651,356</u>	<u>483,285</u>	<u>168,071</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(241,286)	(73,215)	168,071
<u>Other Financing Sources (Uses):</u>			
Operating Transfers In	<u>8,500</u>	<u>8,500</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>8,500</u>	<u>8,500</u>	<u>0</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(232,786)	(64,715)	168,071
Fund Balance at Beginning of Year	273,260	273,260	0
Prior Year Encumbrances	<u>6,134</u>	<u>6,134</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$46,608</u></u>	<u><u>\$214,679</u></u>	<u><u>\$168,071</u></u>

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

COMMUNITY DEVELOPMENT FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental Revenues	\$1,011,984	\$1,011,984	\$0
Investment Earnings	3,676	3,676	0
All Other Revenues	32,961	32,961	0
Total Revenues	1,048,621	1,048,621	0
<u>Expenditures:</u>			
Community Environment:			
Personal Services	37,259	43,962	(6,703)
Contractual Services	1,064,688	876,330	188,358
Materials and Supplies	2,732	26	2,706
Total Expenditures	1,104,679	920,318	184,361
Excess (Deficiency) of Revenues Over (Under) Expenditures	(56,058)	128,303	184,361
<u>Other Financing Sources (Uses):</u>			
Operating Transfers In	10,166	10,166	0
Total Other Financing Sources (Uses)	10,166	10,166	0
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(45,892)	138,469	184,361
Fund Balance at Beginning of Year	362,082	362,082	0
Prior Year Encumbrances	1,244	1,244	0
Fund Balance at End of Year	\$317,434	\$501,795	\$184,361

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

TOURISM AND CULTURAL DEVELOPMENT FUND

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
<u>Revenues:</u>			
Taxes	\$46,775	\$46,774	(\$1)
Total Revenues	<u>46,775</u>	<u>46,774</u>	<u>(1)</u>
<u>Expenditures:</u>			
Community Environment:			
Contractual Services	<u>44,078</u>	<u>44,078</u>	<u>0</u>
Total Expenditures	<u>44,078</u>	<u>44,078</u>	<u>0</u>
Excess (Deficiency) of			
Revenues Over (Under) Expenditures	2,697	2,696	(1)
Fund Balance at Beginning of Year	<u>12,696</u>	<u>12,696</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$15,393</u></u>	<u><u>\$15,392</u></u>	<u><u>(\$1)</u></u>

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

TEENAGE PREGNANCY PREVENTION FUND

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
<u>Revenues:</u>			
All Other Revenues	<u>\$15</u>	<u>\$15</u>	<u>\$0</u>
Total Revenues	<u>15</u>	<u>15</u>	<u>0</u>
<u>Expenditures:</u>			
Public Health and Welfare Services:			
Materials and Supplies	<u>12,854</u>	<u>480</u>	<u>12,374</u>
Total Expenditures	<u>12,854</u>	<u>480</u>	<u>12,374</u>
Excess (Deficiency) of			
Revenues Over (Under) Expenditures	(12,839)	(465)	12,374
Fund Balance at Beginning of Year	<u>10,428</u>	<u>10,428</u>	<u>0</u>
Fund Balance at End of Year	<u><u>(\$2,411)</u></u>	<u><u>\$9,963</u></u>	<u><u>\$12,374</u></u>

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

STATE GRANT HEALTH FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental Revenues	\$558,923	\$558,923	\$0
Charges for Services	173,641	173,641	0
All Other Revenues	75,960	76,173	213
Total Revenues	808,524	808,737	213
<u>Expenditures:</u>			
Public Health and Welfare Services:			
Child Abuse:			
Personal Services	25,204	15,471	9,733
Contractual Services	405	300	105
Materials and Supplies	450	387	63
Total Child Abuse	26,059	16,158	9,901
Child and Family Health			
Services Donations:			
Personal Services	65,015	9,646	55,369
Contractual Services	15,251	9,807	5,444
Materials and Supplies	56,254	32,075	24,179
Capital Outlay	13,507	13,386	121
Total Child and Family Health Services Donations	150,027	64,914	85,113
State Grant - Health:			
Personal Services	310,386	257,785	52,601
Contractual Services	189,801	145,389	44,412
Materials and Supplies	89,117	52,523	36,594
Total State Grant - Health	589,304	455,697	133,607
Prevention:			
Personal Services	17,900	11,582	6,318
Contractual Services	4,619	4,581	38
Materials and Supplies	1,000	1,000	0
Total Prevention	23,519	17,163	6,356

(Continued)

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

STATE GRANT HEALTH FUND

(Continued)

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
AIDS Grant:			
Personal Services	69,501	67,610	1,891
Contractual Services	10,972	10,666	306
Materials and Supplies	8,382	7,658	724
Capital Outlay	2,295	2,295	0
Total AIDS Grant	<u>91,150</u>	<u>88,229</u>	<u>2,921</u>
State Grant - Lead Poisoning			
Personal Services	25,252	15,528	9,724
Contractual Services	1,367	1,182	185
Materials and Supplies	553	353	200
Total State Grant - Lead Poisoning	<u>27,172</u>	<u>17,063</u>	<u>10,109</u>
State Grant - Family Living			
Contractual Services	100	437	(337)
Materials and Supplies	5,504	1,308	4,196
Total State Grant-Family Living	<u>5,604</u>	<u>1,745</u>	<u>3,859</u>
State Grant - Women's Health Month			
Contractual Services	900	950	(50)
Materials and Supplies	600	200	400
Total State Grant-Women's Health Month	<u>1,500</u>	<u>1,150</u>	<u>350</u>
State Grant - Temporary Assistance to Needy Families			
Contractual Services	32,130	30,908	1,222
Materials and Supplies	14,370	11,046	3,324
Total State Grant - Temporary Assistance to Needy Families	<u>46,500</u>	<u>41,954</u>	<u>4,546</u>
State Grant -Tobacco Use Prevention			
Personal Services	40,208	39,031	1,177
Contractual Services	1,043	1,292	(249)
Materials and Supplies	26,899	27,825	(926)
Capital Outlay	654	1,010	(356)
Total State Grant - Tobacco Use Preventi	<u>68,804</u>	<u>69,158</u>	<u>(354)</u>

(Continued)

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

STATE GRANT HEALTH FUND

(Continued)

Gene Screening:			
Contractual Services	4,271	0	4,271
Materials and Supplies	39	38	1
Total Gene Screening	<u>4,310</u>	<u>38</u>	<u>4,272</u>
Total Expenditures	<u>1,033,949</u>	<u>773,269</u>	<u>260,680</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(225,425)	35,468	260,893
Fund Balance at Beginning of Year	225,459	225,459	0
Prior Year Encumbrances	962	962	0
Fund Balance at End of Year	<u><u>\$996</u></u>	<u><u>\$261,889</u></u>	<u><u>\$260,893</u></u>

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

RURAL AIDS STATE GRANT FUND

	<u>Revised Budget</u>	<u>Actual</u>	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental Revenues	\$192,751	\$192,751	\$0
All Other Revenues	<u>3,936</u>	<u>3,936</u>	<u>0</u>
Total Revenues	<u>196,687</u>	<u>196,687</u>	<u>0</u>
<u>Expenditures:</u>			
Public Health and Welfare Services:			
Personal Services	103,044	103,511	(467)
Contractual Services	48,240	47,408	832
Materials and Supplies	<u>41,468</u>	<u>39,991</u>	<u>1,477</u>
Total Expenditures	<u>192,752</u>	<u>190,910</u>	<u>1,842</u>
Excess (Deficiency) of			
Revenues Over (Under) Expenditures	3,935	5,777	1,842
Fund Balance at Beginning of Year	<u>12,939</u>	<u>12,939</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$16,874</u></u>	<u><u>\$18,716</u></u>	<u><u>\$1,842</u></u>

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

LITTER CONTROL GRANT FUND

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
<u>Revenues:</u>			
Total Revenues	\$0	\$0	\$0
<u>Expenditures:</u>			
Public Health and Welfare Services:			
Contractual Services	1,200	1,200	0
Materials and Supplies	9,447	0	9,447
Total Public Health and Welfare Services	<u>10,647</u>	<u>1,200</u>	<u>9,447</u>
Total Expenditures	<u>10,647</u>	<u>1,200</u>	<u>9,447</u>
Excess (Deficiency) of			
Revenues Over (Under) Expenditures	(10,647)	(1,200)	9,447
Fund Balance at Beginning of Year	<u>10,647</u>	<u>10,647</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$0</u></u>	<u><u>\$9,447</u></u>	<u><u>\$9,447</u></u>

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

WELLNESS BLOCK GRANT FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Intergovernmental Revenues	\$76,060	\$76,060	\$0
All Other Revenues	217	217	0
Total Revenues	76,277	76,277	0
<u>Expenditures:</u>			
Public Health and Welfare Services:			
Personal Services	44,730	36,735	7,995
Contractual Services	5,100	3,944	1,156
Materials and Supplies	37,191	38,211	(1,020)
Total Expenditures	87,021	78,890	8,131
Excess (Deficiency) of			
Revenues Over (Under) Expenditures	(10,744)	(2,613)	8,131
Fund Balance at Beginning of Year	29,353	29,353	0
Prior Year Encumbrances	95	95	0
Fund Balance at End of Year	\$18,704	\$26,835	\$8,131

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

FEMA GRANT FUND

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
<u>Revenues:</u>			
Intergovernmental Revenues	\$170,218	\$170,218	\$0
Total Revenues	<u>170,218</u>	<u>170,218</u>	<u>0</u>
<u>Expenditures:</u>			
Security of Persons and Property:			
Contractual Services	191,573	189,351	2,222
Total Expenditures	<u>191,573</u>	<u>189,351</u>	<u>2,222</u>
Excess (Deficiency) of			
Revenues Over (Under) Expenditures	(21,355)	(19,133)	2,222
Fund Balance at Beginning of Year	<u>21,355</u>	<u>21,355</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$0</u></u>	<u><u>\$2,222</u></u>	<u><u>\$2,222</u></u>

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

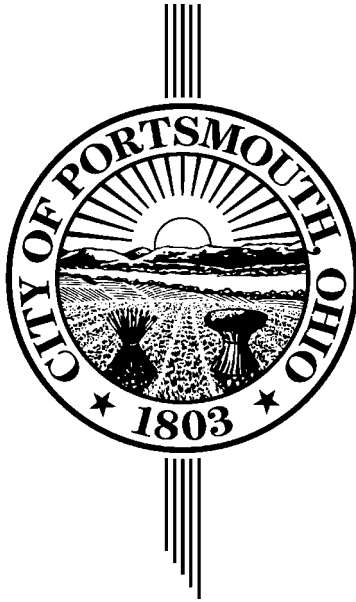
REGIONAL HIV PREVENTION FUND

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance: Favorable (Unfavorable)</u>
<u>Revenues:</u>			
Intergovernmental Revenues	\$479,401	\$479,401	\$0
Total Revenues	<u>479,401</u>	<u>479,401</u>	<u>0</u>
<u>Expenditures:</u>			
Public Health and Welfare Services:			
Contractual Services	490,254	489,075	1,179
Capital Outlay	<u>537</u>	<u>557</u>	<u>(20)</u>
Total Expenditures	<u>490,791</u>	<u>489,632</u>	<u>1,159</u>
Excess (Deficiency) of			
Revenues Over (Under) Expenditures	(11,390)	(10,231)	1,159
Fund Balance at Beginning of Year	<u>11,390</u>	<u>11,390</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$0</u></u>	<u><u>\$1,159</u></u>	<u><u>\$1,159</u></u>

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

FLOOD DEFENSE FUND

	Revised Budget	Actual	Variance: Favorable (Unfavorable)
<u>Revenues:</u>			
Taxes	\$138,637	\$138,637	\$0
Intergovernmental Revenues	19,813	19,812	(1)
Total Revenues	158,450	158,449	(1)
<u>Expenditures:</u>			
Security of Persons and Property:			
Contractual Services	42,347	7,854	34,493
Materials and Supplies	15,000	6,519	8,481
Capital Outlay	144,712	118,358	26,354
Total Expenditures	202,059	132,731	69,328
Excess (Deficiency) of			
Revenues Over (Under) Expenditures	(43,609)	25,718	69,327
Fund Balance at Beginning of Year	172,347	172,347	0
Prior Year Encumbrances	29,712	29,712	0
Fund Balance at End of Year	\$158,450	\$227,777	\$69,327



ENTERPRISE FUNDS

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

Water Fund

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

Sewer Fund

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

Sanitation Fund

To account for the operation of the City's refuse collection and disposal service.

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

	Water	Sewer	Sanitation	Totals
<u>Assets:</u>				
Cash and Cash Equivalents	\$2,230,792	\$147,308	\$315,150	\$2,693,250
Receivables (net of allowances for doubtful accounts):				
Accounts	824,025	446,847	218,896	1,489,768
Interest	1,849	0	88	1,937
Inventory of Supplies at Cost	319,918	28,263	1,352	349,533
Prepaid Items	4,345	2,064	2,683	9,092
Restricted Assets:				
Cash and Cash Equivalents	189,631	0	0	189,631
Property, Plant and Equipment	11,468,938	9,012,866	934,175	21,415,979
Less Accumulated Depreciation	(6,363,485)	(8,353,054)	(326,579)	(15,043,118)
Net Fixed Assets	5,105,453	659,812	607,596	6,372,861
Construction in Progress	2,422,080	75,330	0	2,497,410
Total Assets	<u>\$11,098,093</u>	<u>\$1,359,624</u>	<u>\$1,145,765</u>	<u>\$13,603,482</u>
<u>Liabilities and Fund Equity:</u>				
Liabilities:				
Accounts Payable	\$62,309	\$90,260	\$527	\$153,096
Accrued Wages and Benefits	94,893	53,886	22,689	171,468
Intergovernmental Payables	14,150	6,250	0	20,400
Accrued Interest Payable	70,141	0	0	70,141
Customer Deposits	189,631	0	0	189,631
General Obligation Notes Payable	600,000	0	0	600,000
Compensated Absences Payable	34,696	57,340	20,661	112,697
General Obligation Bonds Payable	3,295,000	0	0	3,295,000
Ohio Public Works Commission Loan Payable	0	0	22,565	22,565
Ohio Water Development Authority Loan Payable	0	664,202	0	664,202
Total Liabilities	<u>4,360,820</u>	<u>871,938</u>	<u>66,442</u>	<u>5,299,200</u>
Fund Equity:				
Contributed Capital	5,171,051	3,479,765	0	8,650,816
Retained Earnings/(Accumulated Deficit):				
Unreserved	1,566,222	(2,992,079)	1,079,323	(346,534)
Total Fund Equity	<u>6,737,273</u>	<u>487,686</u>	<u>1,079,323</u>	<u>8,304,282</u>
Total Liabilities and Fund Equity	<u>\$11,098,093</u>	<u>\$1,359,624</u>	<u>\$1,145,765</u>	<u>\$13,603,482</u>

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

	Water	Sewer	Sanitation	Totals
<u>Operating Revenues:</u>				
Charges for Service	\$4,102,921	\$2,239,682	\$1,204,227	\$7,546,830
Other Operating Revenues	46,323	25,824	0	72,147
Total Operating Revenues	<u>4,149,244</u>	<u>2,265,506</u>	<u>1,204,227</u>	<u>7,618,977</u>
<u>Operating Expenses:</u>				
Personal Services	1,881,063	1,191,871	604,174	3,677,108
Materials and Supplies	569,922	188,567	72,121	830,610
Contractual Services	579,232	428,533	402,724	1,410,489
Depreciation	239,316	106,704	36,034	382,054
Total Operating Expenses	<u>3,269,533</u>	<u>1,915,675</u>	<u>1,115,053</u>	<u>6,300,261</u>
Operating Income	879,711	349,831	89,174	1,318,716
<u>Non-Operating Revenues (Expenses):</u>				
Intergovernmental Grant	31,830	0	0	31,830
Investment Earnings	28,736	0	88	28,824
Interest and Fiscal Charges	(213,830)	(69,424)	(838)	(284,092)
Loss on Sale of Fixed Assets	0	(1,780)	0	(1,780)
Total Non-Operating Revenues (Expenses)	<u>(153,264)</u>	<u>(71,204)</u>	<u>(750)</u>	<u>(225,218)</u>
Income Before Operating Transfers	726,447	278,627	88,424	1,093,498
<u>Operating Transfers:</u>				
Operating Transfers In	0	0	3,000	3,000
Operating Transfers Out	(89,582)	0	0	(89,582)
Total Operating Transfers	<u>(89,582)</u>	<u>0</u>	<u>3,000</u>	<u>(86,582)</u>
Net Income	636,865	278,627	91,424	1,006,916
Retained Earnings/(Accumulated Deficit) at Beginning of Year	<u>929,357</u>	<u>(3,270,706)</u>	<u>987,899</u>	<u>(1,353,450)</u>
Retained Earnings/(Accumulated Deficit) at End of Year	<u>\$1,566,222</u>	<u>(\$2,992,079)</u>	<u>\$1,079,323</u>	<u>(\$346,534)</u>

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

	Water	Sewer	Sanitation	Total
<u>Cash Flows from Operating Activities:</u>				
Cash Received from Customers	\$4,233,166	\$2,278,688	\$1,199,281	\$7,711,135
Cash Payments for Goods and Services	(1,140,591)	(566,665)	(476,081)	(2,183,337)
Cash Payments to Employees	(1,886,691)	(1,210,848)	(583,696)	(3,681,235)
Customer Deposits Received	82,920	0	0	82,920
Customer Deposits Refunded	(73,683)	0	0	(73,683)
Net Cash Provided by Operating Activities	<u>1,215,121</u>	<u>501,175</u>	<u>139,504</u>	<u>1,855,800</u>
<u>Cash Flows from Noncapital Financing Activities:</u>				
Proceeds from Intergovernmental Grants	31,830	0	0	31,830
Transfers In from Other Funds	0	0	3,000	3,000
Transfers Out to Other Funds	(89,582)	0	0	(89,582)
Net Cash Provided (Used) by Noncapital Financing Activities	<u>(57,752)</u>	<u>0</u>	<u>3,000</u>	<u>(54,752)</u>
<u>Cash Flows from Capital and Related Financing Activities:</u>				
Proceeds from General Obligation Notes	600,000	0	0	600,000
Proceeds from Intergovernmental Grants	256,292	0	0	256,292
Acquisition and Construction of Assets	(1,894,083)	(102,581)	(144,353)	(2,141,017)
Principal Paid on General Obligation Bond	(245,000)	0	0	(245,000)
Principal Paid on Ohio Public Works Commission Loan	0	0	(7,084)	(7,084)
Principal Paid on Ohio Water Development Authority Loans	0	(233,904)	0	(233,904)
Interest Paid on All Debt	(193,525)	(69,424)	(838)	(263,787)
Net Cash Used by Capital and Related Financing Activities	<u>(1,476,316)</u>	<u>(405,909)</u>	<u>(152,275)</u>	<u>(2,034,500)</u>
<u>Cash Flows from Investing Activities:</u>				
Receipt of Interest	26,887	0	0	26,887
Sale of Investments	2,431,299	46,647	291,239	2,769,185
Net Cash Provided by Investing Activities	<u>2,458,186</u>	<u>46,647</u>	<u>291,239</u>	<u>2,796,072</u>
Net Increase in Cash and Cash Equivalents	2,139,239	141,913	281,468	2,562,620
Cash and Cash Equivalents at Beginning of Year	281,184	5,395	33,682	320,261
Cash and Cash Equivalents at End of Year	<u>\$2,420,423</u>	<u>\$147,308</u>	<u>\$315,150</u>	<u>\$2,882,881</u>
<u>Reconciliation of Cash and Cash Equivalent per the Balance Sheet:</u>				
Cash and Cash Equivalents	\$2,230,792	\$147,308	\$315,150	\$2,693,250
Restricted Cash and Cash Equivalents	189,631	0	0	189,631
Cash and Cash Equivalents at End of Year	<u>\$2,420,423</u>	<u>\$147,308</u>	<u>\$315,150</u>	<u>\$2,882,881</u>

(Continued)

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

	<u>Water</u>	<u>Sewer</u>	<u>Sanitation</u>	<u>Total</u>
<u>Reconciliation of Operating Income to Net Cash</u>				
<u>Provided by Operating Activities:</u>				
Operating Income	\$879,711	\$349,831	\$89,174	\$1,318,716
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:				
Depreciation Expense	239,316	106,704	36,034	382,054
Changes in Assets and Liabilities:				
(Increase) Decrease in Accounts Receivable	83,922	13,182	(4,946)	92,158
(Increase) Decrease in Inventory	(31,341)	(11,194)	1,204	(41,331)
(Increase) Decrease in Prepaid Items	10,838	(7)	(2,423)	8,408
Increase in Accounts Payable	15,692	58,283	312	74,287
Increase (Decrease) in Accrued Wages and Benefits	1,053	(6,376)	(512)	(5,835)
Increase in Intergovernmental Payable	13,940	6,000	0	19,940
Increase in Customer Deposits	9,237	0	0	9,237
Increase (Decrease) in Compensated Absences	(7,247)	(15,248)	20,661	(1,834)
Total Adjustments	<u>335,410</u>	<u>151,344</u>	<u>50,330</u>	<u>537,084</u>
Net Cash Provided by Operating Activities	<u>\$1,215,121</u>	<u>\$501,175</u>	<u>\$139,504</u>	<u>\$1,855,800</u>

Schedule of Noncash Investing, Capital and Financing Activities:

During 2000, the Water and Sewer Funds received \$450,354 and \$89,419, respectively, of capital assets contributed by other funds.

INTERNAL SERVICE FUNDS

The internal service funds are used to account for the financing of goods or services provided by one department to other departments of the City on a cost-reimbursement basis.

Garage Revolving Fund

To account for the resources from billings for work done by the City garage for various departments of the City.

Store Room Revolving Fund

To account for the resources and expenditures to provide stationery and copies and supplies to various departments within the City.

Employees Insurance Account “B” Fund

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

THE CITY OF PORTSMOUTH, OHIO
COMBINING BALANCE SHEET
INTERNAL SERVICES FUNDS
DECEMBER 31, 2000

	<u>Garage Revolving</u>	<u>Store Room Revolving</u>	<u>Employee Insurance Account "B"</u>	<u>Total</u>
<u>Assets:</u>				
Cash and Cash Equivalents	\$26,098	\$9,824	\$158,871	\$194,793
Total Assets	<u>\$26,098</u>	<u>\$9,824</u>	<u>\$158,871</u>	<u>\$194,793</u>
<u>Liabilities and Fund Equity:</u>				
<u>Liabilities:</u>				
Total Liabilities	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>Fund Equity:</u>				
Retained Earnings:				
Unreserved	26,098	9,824	158,871	194,793
Total Fund Equity	<u>26,098</u>	<u>9,824</u>	<u>158,871</u>	<u>194,793</u>
Total Liabilities and Fund Equity	<u>\$26,098</u>	<u>\$9,824</u>	<u>\$158,871</u>	<u>\$194,793</u>

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

	<u>Garage Revolving</u>	<u>Store Room Revolving</u>	<u>Employee Insurance Account "B"</u>	<u>Total</u>
<u>Operating Revenues:</u>				
Total Operating Revenues	\$0	\$0	\$0	\$0
<u>Operating Expenses:</u>				
Personal Services	0	0	5,056	5,056
Materials and Supplies	4,493	0	0	4,493
Contractual Services	575	10,440	423	11,438
Total Operating Expenses	5,068	10,440	5,479	20,987
Net Loss	(5,068)	(10,440)	(5,479)	(20,987)
Retained Earnings at Beginning of Year	31,166	20,264	164,350	215,780
Retained Earnings at End of Year	<u>\$26,098</u>	<u>\$9,824</u>	<u>\$158,871</u>	<u>\$194,793</u>

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

	Garage Revolving	Store Room Revolving	Employee Insurance Account "B"	Total
<u>Cash Flows from Operating Activities:</u>				
Cash Payments for Goods and Services	(\$583)	(\$9,812)	(\$423)	(\$10,818)
Cash Payments to Employees	0	0	(5,056)	(5,056)
Net Cash Used by Operating Activities	<u>(583)</u>	<u>(9,812)</u>	<u>(5,479)</u>	<u>(15,874)</u>
<u>Cash Flows from Investing Activities:</u>				
Sale of Investments	23,915	17,600	147,313	188,828
Net Cash Provided by Investing Activities	<u>23,915</u>	<u>17,600</u>	<u>147,313</u>	<u>188,828</u>
Net Increase in Cash and Cash Equivalents	23,332	7,788	141,834	172,954
Cash and Cash Equivalents at Beginning of Year	<u>2,766</u>	<u>2,036</u>	<u>17,037</u>	<u>21,839</u>
Cash and Cash Equivalents at End of Year	<u>\$26,098</u>	<u>\$9,824</u>	<u>\$158,871</u>	<u>\$194,793</u>
<u>Reconciliation of Operating Loss to Net Cash</u>				
<u>Used by Operating Activities:</u>				
Operating Loss	(\$5,068)	(\$10,440)	(\$5,479)	(\$20,987)
Adjustments to Reconcile Operating Loss to Net Cash Used by Operating Activities:				
Changes in Assets and Liabilities:				
Decrease in Inventory	4,493	0	0	4,493
Decrease in Prepaid Items	0	628	0	628
Decrease in Accounts Payable	<u>(8)</u>	<u>0</u>	<u>0</u>	<u>(8)</u>
Total Adjustments	<u>4,485</u>	<u>628</u>	<u>0</u>	<u>5,113</u>
Net Cash Used by Operating Activities	<u>(\$583)</u>	<u>(9,812)</u>	<u>(5,479)</u>	<u>(15,874)</u>

FIDUCIARY FUND TYPES

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

EXPENDABLE TRUST FUNDS

Council Trust for Recreation Fund

To account for revenue from investment interest, rents, leases and user fees from various City recreational facilities and expenditures for improvements to these same facilities.

Unclaimed Monies Fund

To account for revenue from voided and unpaid City checks and to pay claims upon request for unpaid checks.

Playground Trust Fund

To account for revenue and expenditures of interest earned on investment of specific bequests to the City to provide recreational needs for the City.

NONEXPENDABLE TRUST FUNDS

Cemetery Trust Fund

To account for revenue received from investment of specified bequests to the City for upkeep of Cemetery plots. Expenditures to be made only from interest earned on investments.

Mausoleum Trust Fund

To account for revenue received from investment of specified bequests to the City for upkeep of the Mausoleum. Expenditures to be made only from interest earned on investments.

(Continued)

FIDUCIARY FUND TYPES

AGENCY FUNDS

Performance Bonds Fund

To account for funds placed in escrow for various construction projects.

Law Library Fund

To account for revenue and expenditures of State Patrol fines to the County Law Library.

Ohio Board of Building Standards Fund

To account for funds from the three percent (3%) fees as required by Ohio Revised Code.

Municipal Court Fund

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

Insurance Fund

To account for insurance premiums paid for employee's health insurance coverage. The Balance Sheet is not presented because there are no assets or liabilities at year end.).

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

	<i>Expendable Trust Funds</i>			<i>Nonexpendable Trust Funds</i>	
	Council Trust for Recreation	Unclaimed Monies	Playground Trust	Cemetery Trust	Mausoleum Trust
<u>Assets:</u>					
Cash and Cash Equivalents	\$510,313	\$47,495	\$296	\$0	\$0
Investments	0	0	5,000	0	0
Receivables (net of allowance for doubtful accounts):					
Accounts	0	0	0	0	0
Interest	177	0	101	853	61
Due from Other Funds	0	0	0	2,700	1,229
Restricted Assets:					
Cash and Cash Equivalents	0	0	0	212,522	275
Investments	0	0	0	0	3,000
Total Assets	<u>\$510,490</u>	<u>\$47,495</u>	<u>\$5,397</u>	<u>\$216,075</u>	<u>\$4,565</u>
<u>Liabilities and Fund Equity:</u>					
Liabilities:					
Accounts Payable	\$868	\$0	\$0	\$0	\$0
Accrued Wages and Benefits	289	0	0	0	0
Due to Other Funds	0	0	0	0	0
Intergovernmental Payables	0	0	0	0	0
Due to Others	0	0	0	0	0
Deferred Revenue	177	0	101	0	0
Claimant Liability	0	38,929	0	0	0
Total Liabilities	<u>1,334</u>	<u>38,929</u>	<u>101</u>	<u>0</u>	<u>0</u>
Fund Equity:					
Reserved for Endowments	0	0	0	216,075	4,565
Unreserved - Undesignated	509,156	8,566	5,296	0	0
Total Fund Equity	<u>509,156</u>	<u>8,566</u>	<u>5,296</u>	<u>216,075</u>	<u>4,565</u>
Total Liabilities and Fund Equity	<u>\$510,490</u>	<u>\$47,495</u>	<u>\$5,397</u>	<u>\$216,075</u>	<u>\$4,565</u>

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

<i>Agency Funds</i>				
Performance Bonds	Law Library	Ohio Board of Building Standards	Municipal Court	Totals
\$0	\$0	\$0	\$0	\$558,104
0	0	0	0	5,000
0	0	0	2,550,774	2,550,774
0	0	0	0	1,192
0	3,481	0	0	7,410
19,996	0	184	110,415	343,392
0	0	0	0	3,000
<u>\$19,996</u>	<u>\$3,481</u>	<u>\$184</u>	<u>\$2,661,189</u>	<u>\$3,468,872</u>
\$0	\$0	\$0	\$0	\$868
0	0	0	0	289
0	0	0	46,153	46,153
0	0	0	36,009	36,009
19,996	3,481	184	2,579,027	2,602,688
0	0	0	0	278
0	0	0	0	38,929
<u>19,996</u>	<u>3,481</u>	<u>184</u>	<u>2,661,189</u>	<u>2,725,214</u>
0	0	0	0	220,640
0	0	0	0	523,018
0	0	0	0	743,658
<u>\$19,996</u>	<u>\$3,481</u>	<u>\$184</u>	<u>\$2,661,189</u>	<u>\$3,468,872</u>

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

	Council Trust for Recreation	Unclaimed Monies	Playground Trust	Totals
<u>Revenues:</u>				
Charges for Services	\$41,096	\$0	\$0	\$41,096
Investment Earnings	26,792	0	0	26,792
All Other Revenue	2,796	0	0	2,796
Total Revenues	70,684	0	0	70,684
<u>Expenditures:</u>				
Leisure Time Activities	20,280	0	0	20,280
General Government	168,051	0	0	168,051
Total Expenditures	188,331	0	0	188,331
Excess (Deficiency) of Revenues Over (Under) Expenditures	(117,647)	0	0	(117,647)
<u>Other Financing Sources (Uses):</u>				
Operating Transfers In	96,610	0	0	96,610
Operating Transfers Out	(10,166)	0	0	(10,166)
Total Other Financing Sources (Uses)	86,444	0	0	86,444
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(31,203)	0	0	(31,203)
Fund Balance at Beginning of Year	540,359	8,566	5,296	554,221
Fund Balance at End of Year	<u>\$509,156</u>	<u>\$8,566</u>	<u>\$5,296</u>	<u>\$523,018</u>

THE CITY OF PORTSMOUTH, OHIO
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES
NONEXPENDABLE TRUST FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2000

	Cemetery Trust	Mausoleum Trust	Totals
<u>Revenues:</u>			
Charges for Services	\$27	\$0	\$27
Investment Earnings	6,333	61	6,394
Other Operating Revenue	48,000	0	48,000
Total Revenues	<u>54,360</u>	<u>61</u>	<u>54,421</u>
<u>Expenses:</u>			
Contractual Services	9,797	0	9,797
Total Expenses	<u>9,797</u>	<u>0</u>	<u>9,797</u>
Net Income	44,563	61	44,624
Fund Balance at Beginning of Year	<u>171,512</u>	<u>4,504</u>	<u>176,016</u>
Fund Balance at End of Year	<u><u>\$216,075</u></u>	<u><u>\$4,565</u></u>	<u><u>\$220,640</u></u>

THE CITY OF PORTSMOUTH, OHIO
COMBINING STATEMENT OF CASH FLOWS
NONEXPENDABLE TRUST FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2000

	Cemetery Trust	Mausoleum Trust	Total
<u>Cash Flows from Operating Activities:</u>			
Cash Received from Customers	\$48,027	\$0	\$48,027
Cash Payments for Goods and Services	(9,797)	0	(9,797)
Net Cash Provided by Operating Activities	<u>38,230</u>	<u>0</u>	<u>38,230</u>
<u>Cash Flows from Investing Activities:</u>			
Receipts of Interest	7,190	0	7,190
Sale of Investment	120,000	0	120,000
Purchase of Investment	0	(64)	(64)
Net Cash Provided (Used) by Investing Activities	<u>127,190</u>	<u>(64)</u>	<u>127,126</u>
Net Increase (Decrease) in Cash and Cash Equivalents	165,420	(64)	165,356
Cash and Cash Equivalents at Beginning of Year	47,102	339	47,441
Cash and Cash Equivalents at End of Year	<u>\$212,522</u>	<u>\$275</u>	<u>\$212,797</u>
<u>Reconciliation of Operating Income to Net Cash Provided by Operating Activities:</u>			
Operating Income	\$44,563	\$61	\$44,624
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:			
Investment Earnings	(6,333)	(61)	(6,394)
Total Adjustments	<u>(6,333)</u>	<u>(61)</u>	<u>(6,394)</u>
Net Cash Provided by Operating Activities	<u>\$38,230</u>	<u>\$0</u>	<u>\$38,230</u>

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

	Balance December 31, 1999	Additions	Deductions	Balance December 31, 2000
<u>Performance Bonds Fund</u>				
Restricted Assets:				
Cash and Cash Equivalents	\$6,874	\$41,305	(\$28,183)	\$19,996
Total Assets	<u>\$6,874</u>	<u>\$41,305</u>	<u>(\$28,183)</u>	<u>\$19,996</u>
Liabilities:				
Due to Others	\$6,874	\$41,305	(\$28,183)	\$19,996
Total Liabilities	<u>\$6,874</u>	<u>\$41,305</u>	<u>(\$28,183)</u>	<u>\$19,996</u>
<u>Law Library Fund</u>				
Assets:				
Due from Other Funds	\$9,274	\$3,481	(\$9,274)	\$3,481
Restricted Assets:				
Cash and Cash Equivalents	28,497	68,987	(97,484)	0
Total Assets	<u>\$37,771</u>	<u>\$72,468</u>	<u>(\$106,758)</u>	<u>\$3,481</u>
Liabilities:				
Due to Others	\$37,771	\$72,468	(\$106,758)	\$3,481
Total Liabilities	<u>\$37,771</u>	<u>\$72,468</u>	<u>(\$106,758)</u>	<u>\$3,481</u>
<u>Ohio Board of Building Standards Fund</u>				
Restricted Assets:				
Cash and Cash Equivalents	\$366	\$545	(\$727)	\$184
Total Assets	<u>\$366</u>	<u>\$545</u>	<u>(\$727)</u>	<u>\$184</u>
Liabilities:				
Due to Others	\$366	\$545	(\$727)	\$184
Total Liabilities	<u>\$366</u>	<u>\$545</u>	<u>(\$727)</u>	<u>\$184</u>
<u>Municipal Court Fund</u>				
Assets:				
Accounts Receivable	\$2,262,222	\$2,550,774	(\$2,262,222)	\$2,550,774
Restricted Assets:				
Cash and Cash Equivalents	305,984	1,986,554	(2,182,123)	110,415
Total Assets	<u>\$2,568,206</u>	<u>\$4,537,328</u>	<u>(\$4,444,345)</u>	<u>\$2,661,189</u>
Liabilities:				
Due to Other Funds	\$117,500	\$828,568	(\$899,915)	\$46,153
Intergovernmental Payables	77,624	657,356	(698,971)	36,009
Due to Others	2,373,082	3,051,404	(2,845,459)	2,579,027
Total Liabilities	<u>\$2,568,206</u>	<u>\$4,537,328</u>	<u>(\$4,444,345)</u>	<u>\$2,661,189</u>

(Continued)

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

	Balance December 31, 1999	Additions	Deductions	Balance December 31, 2000
<u>Insurance Fund</u>				
Assets:				
Cash and Cash Equivalents	\$0	\$1,574,941	(\$1,574,941)	\$0
Total Assets	<u>\$0</u>	<u>\$1,574,941</u>	<u>(\$1,574,941)</u>	<u>\$0</u>
Liabilities:				
Due to Others	\$0	\$1,574,941	(\$1,574,941)	\$0
Total Liabilities	<u>\$0</u>	<u>\$1,574,941</u>	<u>(\$1,574,941)</u>	<u>\$0</u>
 <u>Totals - All Agency Funds</u>				
Assets:				
Accounts Receivable	\$2,262,222	\$2,550,774	(\$2,262,222)	\$2,550,774
Due from Other Funds	9,274	3,481	(9,274)	3,481
Restricted Assets:				
Cash and Cash Equivalents	341,721	3,672,332	(3,883,458)	130,595
Total Assets	<u>\$2,613,217</u>	<u>\$6,226,587</u>	<u>(\$6,154,954)</u>	<u>\$2,684,850</u>
Liabilities:				
Due to Other Funds	\$117,500	\$828,568	(\$899,915)	\$46,153
Intergovernmental Payables	77,624	657,356	(698,971)	36,009
Due to Others	2,418,093	4,740,663	(4,556,068)	2,602,688
Total Liabilities	<u>\$2,613,217</u>	<u>\$6,226,587</u>	<u>(\$6,154,954)</u>	<u>\$2,684,850</u>

GENERAL FIXED ASSETS ACCOUNT GROUP

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

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

<u>General Fixed Assets</u>	
Land	\$565,399
Buildings and Improvements	2,276,300
Land Improvements	853,517
Machinery and Equipment	6,960,567
Construction in Progress	470,736
	<hr/>
Total General Fixed Assets	<u><u>\$11,126,519</u></u>
<u>Investment in General Fixed Assets</u>	
General Fund	\$160,833
Special Revenue Funds	898,021
Capital Projects Fund	9,735,119
Expendable Trust Funds	181,965
Proprietary Funds	103,119
Internal Service Funds	10,391
Grants	29,071
Donated	8,000
	<hr/>
Total Investment in General Fixed Assets	<u><u>\$11,126,519</u></u>

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

Function and Activity	Land	Buildings and Improvements	Land Improvements	Machinery and Equipment	Construction in Progress	Totals
General Government:						
City Council	\$50,078	\$213,637	\$0	\$29,557	\$14,256	\$307,528
Executive	0	351,475	0	331,439	456,480	1,139,394
Legal	0	0	0	13,765	0	13,765
Finance	0	0	0	67,787	0	67,787
Municipal Court	0	0	0	282,633	0	282,633
Income Tax	0	0	0	45,230	0	45,230
Engineering	0	8,058	0	471,543	0	479,601
Public Service	0	6,000	302,560	282,554	0	591,114
City Garage	0	0	0	129,336	0	129,336
Total	<u>50,078</u>	<u>579,170</u>	<u>302,560</u>	<u>1,653,844</u>	<u>470,736</u>	<u>3,056,388</u>
Security of Persons and Property:						
Police	3,372	1,649	0	1,405,460	0	1,410,481
Fire	196,346	526,787	2,000	1,756,595	0	2,481,728
Flood Defense	0	5,425	367,578	96,762	0	469,765
Total	<u>199,718</u>	<u>533,861</u>	<u>369,578</u>	<u>3,258,817</u>	<u>0</u>	<u>4,361,974</u>
Transportation:						
General Street Construction	0	0	0	779,192	0	779,192
Public Health and Welfare:						
Cemetery	17,632	122,998	0	129,585	0	270,215
Air Pollution	0	12,174	0	457,026	0	469,200
Health	0	0	0	261,521	0	261,521
Total	<u>17,632</u>	<u>135,172</u>	<u>0</u>	<u>848,132</u>	<u>0</u>	<u>1,000,936</u>
Leisure Time Activities:						
Recreation	297,971	676,730	140,400	23,939	0	1,139,040
Community Environment:						
Community Development	0	0	0	53,243	0	53,243
Grounds Maintenance	0	351,367	40,979	343,400	0	735,746
Total	<u>0</u>	<u>351,367</u>	<u>40,979</u>	<u>396,643</u>	<u>0</u>	<u>788,989</u>
Total General Fixed Assets	<u><u>\$565,399</u></u>	<u><u>\$2,276,300</u></u>	<u><u>\$853,517</u></u>	<u><u>\$6,960,567</u></u>	<u><u>\$470,736</u></u>	<u><u>\$11,126,519</u></u>

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

<u>Function and Activity</u>	Restated December 31, 1999	Transfers	Additions	Deletions	December 31, 2000
<u>General Government:</u>					
City Council	\$327,918	\$0	\$0	(\$20,390)	\$307,528
Executive	734,628	0	408,116	(3,350)	1,139,394
Legal	13,765	0	0	0	13,765
Finance	67,787	0	0	0	67,787
Municipal Court	265,074	0	29,370	(11,811)	282,633
Income Tax	38,690	0	6,540	0	45,230
Engineering	476,841	3,692	35,929	(36,861)	479,601
Public Service	581,873	0	28,267	(19,026)	591,114
City Garage	135,236	0	0	(5,900)	129,336
Total	<u>2,641,812</u>	<u>3,692</u>	<u>508,222</u>	<u>(97,338)</u>	<u>3,056,388</u>
<u>Security of Persons and Property:</u>					
Police	1,211,738	(3,692)	388,845	(186,410)	1,410,481
Fire	2,480,652	0	1,076	0	2,481,728
Flood Defense	436,910	0	32,855	0	469,765
Total	<u>4,129,300</u>	<u>(3,692)</u>	<u>422,776</u>	<u>(186,410)</u>	<u>4,361,974</u>
<u>Transportation:</u>					
General Street Construction	854,713	0	93,881	(169,402)	779,192
<u>Public Health and Welfare:</u>					
Cemetery	293,255	0	0	(23,040)	270,215
Air Pollution	420,483	(8,998)	66,713	(8,998)	469,200
Health	233,514	8,998	19,009	0	261,521
Total	<u>947,252</u>	<u>0</u>	<u>85,722</u>	<u>(32,038)</u>	<u>1,000,936</u>
<u>Leisure Time Activities:</u>					
Recreation	1,141,251	0	0	(2,211)	1,139,040
<u>Community Environment:</u>					
Community Development	53,243	0	0	0	53,243
Grounds Maintenance	765,170	0	19,052	(48,476)	735,746
Total	<u>818,413</u>	<u>0</u>	<u>19,052</u>	<u>(48,476)</u>	<u>788,989</u>
Total General Fixed Assets	<u>\$10,532,741</u>	<u>\$0</u>	<u>\$1,129,653</u>	<u>(\$535,875)</u>	<u>\$11,126,519</u>

STATISTICAL SECTION

STATISTICAL TABLES

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

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

Year	Security of Persons and Property	Public Health and Welfare	Leisure Time Activities	Community Development	Trans- portation	General Government	Capital Outlay	Debt Service	Other Expenditures	Total
1991	\$4,455,326	\$1,240,332	\$45,846	\$870,875	\$977,874	\$1,608,788	\$44,058	\$206,221	\$11,896	\$9,461,216
1992	4,605,145	1,438,392	33,241	1,273,292	982,343	1,313,776	27,837	202,415	10,410	9,886,851
1993	4,953,160	1,506,893	32,896	1,343,850	750,653	1,612,184	160,789	181,169	44,380	10,585,974
1994	5,129,491	1,550,378	35,155	906,211	766,076	1,705,419	248,111	142,324	35,789	10,518,954
1995	5,551,715	1,723,341	31,301	947,433	821,275	1,777,814	0	147,919	23,143	11,023,941
1996	5,500,828	2,002,293	26,000	407,838	956,992	1,712,984	18,727	354,522	376,515	11,356,699
1997	6,153,104	2,230,704	31,530	875,748	869,675	2,093,090	0	273,230	0	12,527,081
1998	5,582,700	2,131,045	31,894	620,186	1,272,074	2,381,353	0	149,219	0	12,168,471
1999	6,164,798	2,223,463	0	629,626	1,232,025	2,796,094	0	149,017	0	13,195,023
2000	5,757,590	2,373,333	0	1,367,040	1,300,667	3,216,901	0	310,877	0	14,326,408

(1) Includes General Fund, Special Revenue Funds and Debt Service Funds
Beginning in 1997 Capital Outlay and Other Expenditures are included as part of the function.

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

Year	Taxes	Inter-Governmental Revenue	Charges for Service	Licenses and Permits	Investment Earnings	Special Assessments	Fines and Forfeitures	All Other	Total
1991	\$6,380,507	\$1,459,760	\$33,125	\$423,649	\$306,669	\$0	\$546,947	\$34,194	\$9,184,851
1992	5,502,971	2,735,244	138,584	462,628	196,822	0	502,682	134,902	9,673,833
1993	5,789,641	3,735,129	70,706	469,353	121,467	0	579,287	214,955	10,980,538
1994	5,336,650	3,576,812	204,923	158,172	258,449	142,673	708,961	230,979	10,617,619
1995	5,455,624	3,925,048	242,290	150,948	444,030	176,846	803,757	166,279	11,364,822
1996	6,523,779	3,020,356	646,521	369,651	243,060	153,023	526,276	74,512	11,557,178
1997	5,937,500	5,437,149	159,324	181,608	225,588	155,328	639,164	418,313	13,153,974
1998	6,278,109	5,193,377	311,426	135,488	348,187	153,762	759,546	980,986	14,160,881
1999	6,362,924	5,523,929	482,319	143,608	297,843	150,666	886,273	302,438	14,150,000
2000	6,527,317	6,276,285	447,215	115,686	616,196	154,473	919,845	378,961	15,435,978

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

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

Collection Year	Total Tax Levy	Current Tax Collections	Delinquent Tax Collections	Total Tax Collections	Percent of Total Tax Collections To Tax Levy	Accumulated Outstanding Delinquent Taxes	Percentage of Accumulated Delinquent Taxes to Total Tax Levy
1991	\$1,670,015	\$1,594,138	\$83,151	\$1,677,289	100.44%	\$127,522	7.64%
1992	1,422,071	1,126,552	52,380	1,178,932	82.90%	130,285	9.16%
1993	1,550,660	1,231,188	56,604	1,287,792	83.05%	138,984	8.96%
1994	1,591,789	1,267,021	64,375	1,331,396	83.64%	143,747	9.03%
1995	1,646,035	1,301,373	56,857	1,358,230	82.52%	154,741	9.40%
1996	1,672,774	1,242,636	88,206	1,330,842	79.56%	184,250	11.01%
1997	1,722,059	1,275,753	53,156	1,328,909	77.17%	206,764	12.01%
1998	1,752,294	1,267,799	65,714	1,333,513	76.10%	209,353	11.95%
1999	2,003,568	1,703,494	84,586	1,788,080	89.24%	215,489	10.76%
2000	1,495,334	1,229,187	66,651	1,295,838	86.66%	113,661	7.60%

Source: Scioto County Auditor

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

<u>Year Paid</u>	<u>Amount</u>
1991	\$189,088
1992	161,417
1993	162,445
1994	166,956
1995	258,316
1996	268,551
1997	252,094
1998	286,439
1999	284,762
2000	253,013

Source: Scioto County Auditor

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

Tax Year	Real Property		Public Utility Personal		Tangible Personal Property		Total		Assessed Value as a Percent of Actual Value
	Assessed	Actual	Assessed	Actual	Assessed	Actual	Assessed	Actual	
1991	\$116,132,210	\$331,816,314	\$19,909,560	\$19,909,560	\$20,492,236	\$75,897,170	\$156,534,006	\$427,623,044	36.61%
1992	130,634,100	373,240,286	21,782,390	21,782,390	19,325,812	74,330,046	171,742,302	469,352,722	36.59%
1993	130,246,900	372,134,000	21,834,250	21,834,250	19,746,437	78,985,748	171,827,587	472,953,998	36.33%
1994	130,247,500	372,135,714	22,617,210	22,617,210	19,508,895	78,035,580	172,373,605	472,788,504	36.46%
1995	133,642,900	381,836,857	21,001,600	21,001,600	20,777,570	83,110,280	175,422,070	485,948,737	36.10%
1996	133,504,450	381,441,286	20,350,420	20,350,420	21,938,600	87,754,400	175,793,470	489,546,106	35.91%
1997	133,223,830	380,639,517	19,590,920	19,590,920	21,359,650	85,438,600	174,174,400	485,669,037	35.86%
1998	149,596,150	427,417,570	20,887,470	20,887,470	22,480,710	89,922,840	192,964,330	538,227,880	35.85%
1999	148,070,350	423,058,143	19,303,220	19,303,220	23,251,320	93,005,280	190,624,890	535,366,643	35.61%
2000	148,177,780	423,365,086	19,557,500	19,557,500	22,747,690	90,990,760	190,482,970	533,913,346	35.68%

Source: Scioto County Auditor

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

Collection Year	City of Portsmouth						Scioto County			Total
	General Fund	Bond Payment Fund	Fire Pension Fund	Police Pension Fund	Flood Defense Fund	Total City	Portsmouth School District	Joint Vocational School District	Scioto County	
1991	7.95	2.60	0.30	0.30	0.00	11.15	34.32	4.57	8.09	58.13
1992	7.95	2.60	0.30	0.30	1.00	12.15	34.32	4.63	8.09	59.19
1993	8.15	2.60	0.30	0.30	1.00	12.35	34.32	4.63	7.68	58.98
1994	8.15	2.60	0.30	0.30	1.00	12.35	34.53	4.37	7.68	58.93
1995	8.15	2.60	0.30	0.30	1.00	12.35	34.53	5.37	7.98	60.23
1996	8.15	2.60	0.30	0.30	1.00	12.35	34.53	5.37	7.98	60.23
1997	8.15	2.60	0.30	0.30	1.00	12.35	34.53	5.37	7.98	60.23
1998	8.15	2.60	0.30	0.30	1.00	12.35	34.53	5.37	7.98	60.23
1999	8.15	2.50	0.30	0.30	1.00	12.25	34.53	5.37	7.98	60.13
2000	8.15	2.50	0.30	0.30	1.00	12.25	34.53	5.37	7.98	60.13

Source: Scioto County Auditor
Scioto County Treasurer

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

Collection Year	Amount Billed	Amount Collected	Percent Collected
1991	N/A	N/A	0.00%
1992	N/A	N/A	0.00%
1993	N/A	N/A	0.00%
1994	\$148,270	\$142,673	96.23%
1995	392,794	160,493	40.86%
1996	423,642	160,622	37.91%
1997	475,990	181,440	38.12%
1998	154,496	150,974	97.72%
1999	168,238	180,069	107.03%
2000	166,174	176,376	106.14%

These figures represent amounts certified to and collected by the Scioto County Auditor.
Source: Scioto County, Ohio: County Auditor

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

	Total Debt	Unvoted Debt
Net Assessed Valuation	\$190,482,970	\$190,482,970
Legal Debt Limitation (%) (1)	10.50%	5.50%
Legal Debt Limitation (\$) (1)	20,000,712	10,476,563
Applicable City Debt Outstanding (2)	0	0
Less: Applicable Debt Service Fund Amounts	(1,616,429)	(1,616,429)
Net Indebtedness Subject to Limitation	0	0
Legal Debt Margin	\$20,000,712	\$10,476,563

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

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

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

Year	Population (1)	Assessed Value (2)	Gross Bonded Debt (3)	Debt Service Funds Available	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Valuation	Net Bonded Debt Per Capita
1991	22,676	\$156,534,006	\$325,000	\$41,237	\$283,763	0.18%	\$12.51
1992	22,676	171,742,302	170,000	234,425	0	0.00%	0.00
1993	22,676	171,827,587	0	328,161	0	0.00%	0.00
1994	22,676	172,373,605	0	433,095	0	0.00%	0.00
1995	22,676	175,422,070	0	698,595	0	0.00%	0.00
1996	22,676	175,793,470	0	645,596	0	0.00%	0.00
1997	22,676	174,174,400	0	778,312	0	0.00%	0.00
1998	22,676	192,964,330	0	669,529	0	0.00%	0.00
1999	22,676	190,624,890	0	1,158,517	0	0.00%	0.00
2000	20,909	190,482,970	0	1,616,429	0	0.00%	0.00

(1) Source: U.S. Bureau of Census, Federal 1990 Census (1991-1999) and Federal 2000 Census

(2) Source: Scioto County Auditor

(3) Includes all general obligation bonded debt supported by property taxes

THE CITY OF PORTSMOUTH, OHIO
RATIO OF ANNUAL DEBT SERVICE EXPENDITURES
FOR GENERAL OBLIGATION BONDED DEBT TO TOTAL GENERAL GOVERNMENTAL EXPENDITURES
LAST TEN YEARS

<u>Year</u>	<u>Debt Principal</u>	<u>Debt Interest</u>	<u>Total Debt Service</u>	<u>Total General Governmental Expenditures</u>	<u>Ratio of Tax Debt Service to General Fund Expenditures</u>
1991	\$155,000	\$51,221	\$206,221	\$9,461,216	2.18%
1992	155,000	47,415	202,415	9,886,851	2.05%
1993	0	0	0	10,585,974	0.00%
1994	0	0	0	10,518,954	0.00%
1995	0	0	0	11,023,941	0.00%
1996	0	0	0	11,356,699	0.00%
1997	0	0	0	12,527,081	0.00%
1998	0	0	0	12,168,471	0.00%
1999	0	0	0	13,195,023	0.00%
2000	0	0	0	14,326,408	0.00%

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

<u>Jurisdiction</u>	<u>Net Debt Outstanding</u>	<u>Percentage Applicable to City of Portsmouth</u>	<u>Amount Applicable to City of Portsmouth</u>
Direct			
City of Portsmouth	\$0	100.00%	\$0
Overlapping Subdivisions			
Scioto County	17,504,270	26.99%	<u>4,724,402</u>
		Subtotal	<u>4,724,402</u>
		Total	<u><u>\$4,724,402</u></u>

Source: Ohio Municipal Advisory Council

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

Year	Gross Revenues	Direct Operating Expenses (1)	Net Revenue Available For Debt Service	Debt Service Requirement	Coverage
1991	\$2,733,867	\$2,437,459	\$296,408	\$224,625	1.32
1992	2,626,695	2,413,195	213,500	233,640	0.91
1993	2,662,472	2,760,427	(97,955)	237,080	(0.41)
1994	3,150,566	2,671,403	479,163	0	N/A
1995	3,089,897	3,227,120	(137,223)	0	N/A
1996	4,087,239	4,069,622	17,617	0	N/A
1997	3,366,141	2,917,188	448,953	0	N/A
1998	3,877,192	3,031,008	846,184	0	N/A
1999	4,418,882	3,131,048	1,287,834	0	N/A
2000	4,149,244	3,030,217	1,119,027	0	N/A

(1) Total expenses include operating expenses less depreciation

THE CITY OF PORTSMOUTH, OHIO
DEMOGRAPHIC STATISTICS
LAST TEN YEARS

Year	City of Portsmouth Population (1)	Scioto County Population (1)	Unemployment Rate County Area (2)	School Enrollment (3)
1991	22,676	80,327	9.30%	3,982
1992	22,676	80,327	11.00%	3,882
1993	22,676	80,327	10.20%	3,982
1994	22,676	80,327	9.40%	3,996
1995	22,676	80,327	8.70%	3,413
1996	22,676	80,327	9.70%	3,285
1997	22,676	80,327	9.90%	3,207
1998	22,676	80,327	9.50%	3,081
1999	22,676	80,327	8.50%	3,059
2000	20,909	79,195	8.80%	2,918

Source: (1) U.S. Bureau of Census of Population - Federal 1990 Census (1991-1999) and Federal 2000 Census
(2) Ohio Bureau of Employment Services
(3) Portsmouth City School District, Board of Education

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

Year	Residential		Commercial	
	Number of Permits	Property Value	Number of Permits	Property Value
1991	324	\$2,178,676	65	\$3,067,330
1992	333	1,968,713	88	3,490,150
1993	247	1,999,477	77	6,202,966
1994	273	1,278,968	101	10,700,905
1995	775	1,411,631	46	3,610,304
1996	572	5,113,193	97	12,174,791
1997	550	6,772,679	148	11,468,737
1998	555	8,770,768	95	10,531,766
1999	597	1,689,196	72	15,358,210
2000	449	1,021,482	53	6,207,912

Source: City of Portsmouth Building Department

THE CITY OF PORTSMOUTH, OHIO
PRINCIPAL TAXPAYERS (PERSONAL PROPERTY TAX)
DECEMBER 31, 2000

	<u>Taxpayer</u>	<u>Type of Business</u>	<u>2000 Assessed Valuation (Tax Duplicate)</u>	<u>Percentage of Total Assessed Valuation</u>
1	Osco Industries Inc.	Manufacturing	\$2,519,720	11.08%
2	Mitchellace Inc.	Manufacturing	1,265,520	5.56%
3	Oberling Ford Inc.	Automobile Sales	1,119,940	4.92%
4	KSA Limited Partnership	Construction	1,041,830	4.58%
5	Kroger Company	Grocery	754,720	3.32%
6	Siemens Credit Corporation	Finance	687,110	3.02%
7	B.P. AMOCO Corporation	Gasoline Distributor	521,340	2.29%
8	Capitol Pontiac Buick	Automobile Sales	499,960	2.20%
9	Century Ohio Cable Television Corp.	Television Cable	463,510	2.04%
10	Martings Brothers Company	Retail	<u>370,050</u>	<u>1.63%</u>
		Subtotal	9,243,700	40.64%
		All Others	<u>13,503,990</u>	<u>59.36%</u>
		Total	<u><u>\$22,747,690</u></u>	<u><u>100.00%</u></u>

Source: Scioto County Auditor - Land and Buildings

THE CITY OF PORTSMOUTH, OHIO
PRINCIPAL TAXPAYERS (REAL PROPERTY AND PUBLIC UTILITY PERSONAL PROPERTY TAX)
DECEMBER 31, 2000

	<u>Taxpayer</u>	<u>Type of Business</u>	<u>2000 Assessed Valuation (Tax Duplicate)</u>	<u>Percentage of Total Assessed Valuation</u>
1	Ohio Power	Utility - Electric	\$8,925,400	5.32%
2	Columbia Gas	Utility - Gas	3,222,760	1.92%
3	N&W Railway Company	Railway	2,490,250	1.48%
4	Neal and Vicky Hatcher	Real Estate	1,967,720	1.17%
5	SOMC Title Holding Company	Medical Offices	1,870,980	1.12%
6	Hillview Retirement	Retirement Community	1,648,280	0.98%
7	Fifth Third Bank	Bank	909,370	0.54%
8	Scioto Memorial Hospital	Hospital	870,220	0.52%
9	General Telephone	Utility - Telephone	827,300	0.50%
10	PGS Rentals Inc.	Real Estate	<u>793,320</u>	<u>0.48%</u>
		Subtotal	23,525,600	14.03%
		All Others	<u>144,209,680</u>	<u>85.97%</u>
		Total	<u><u>\$167,735,280</u></u>	<u><u>100.00%</u></u>

Source: Scioto County Auditor - Land and Buildings

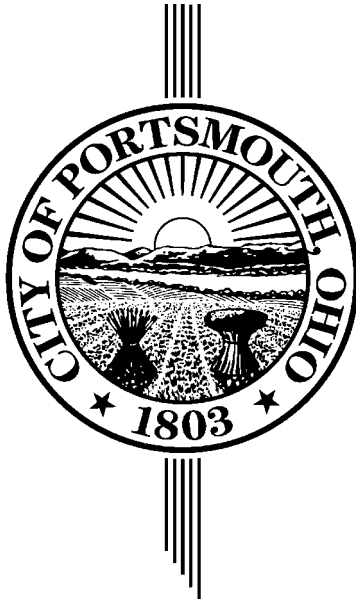
***THE CITY OF PORTSMOUTH, OHIO
PRINCIPAL EMPLOYERS
DECEMBER 31, 2000***

	<u>Employer</u>	<u>Type of Business</u>	<u>Number of Employees</u>
1	Southern Ohio Medical Center	Health Care Services	2,000
2	Scioto County	Government	684
3	Shawnee State University	Education	461
4	State of Ohio	Government	460
5	Portsmouth City Schools	Education	349
6	City of Portsmouth	Government	298
7	Oscosteel Industries	Manufacturing	250
8	United States Enrichment Corp.	Uranium Enrichment Plant	187
9	Mitchell Inc.	Manufacturing	184
10	Norfolk & Southern	Railroad	154

Source: City of Portsmouth Income Tax Department

THE CITY OF PORTSMOUTH, OHIO
MISCELLANEOUS STATISTICS
DECEMBER 31, 2000

Date of Incorporation	1815	Police Services:		Water System:	
Form of Government	Council/Mayor	Number of Stations	1	Number of Purification Plants	1
Area (square miles)	12	Number of Police Personnel and Officers	41	Number of Fire Hydrants	865
Facilities and Services:		Number of Patrol Units	31	Number of Service Connections	14,525
Miles of Streets	220	Number of Law Violations:		Average Daily Consumption (gallons)	7M
Number of Steet Lights	1,479	Criminal /Juvenile Citations and Charges	2,963	Maximum Daily Capacity of Plant (gallons)	12M
Recreation and Culture:		Traffic Citations Issued	1,820	Sewerage System:	
Number of Parks	17	Parking Tickets Written	762	Number of Treatment Plants	2
Park Area (acres)	223	Fire/Emergency Medical Services:		Miles of Storm Sewers	30
Number of Ball Fields:		Number of Stations	3	Number of Service Connections	9,117
Lighted	4	Number of Fire Officers and Firefighters/Paramedics:		Average Daily Treatment (gallons)	5M
Unlighted	7	Fire Personnel	40	Maximum Daily Capacity of Treatment (gallons)	12M
Number of Tennis Courts:		Fire Dispatchers - 911	7	Education:	
Lighted	4	Number of Calls Answered	824	Elementary Schools	5
Unlighted	7	Number of Inspections	234	Elementary Students	1,428
Number of Libraries	1	Number of Cemeteries	1	Secondary Schools	5
Number of Hospitals	2	Cemetery Area (acres)	40	Secondary School Students	1,490
Number of Patient Beds	421			Elementary/Secondary School Instructors	218
Number of Bassinets	23			Colleges	1
				College Students	3,280





STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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CITY OF PORTSMOUTH

SCIOTO 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 27, 2001**