

# **City of Steubenville Jefferson County**

Financial Statements  
Together with Auditor's Report  
As of December 31, 1999

**BODKIN WILSON & KOZICKI** PLLC  
CERTIFIED PUBLIC ACCOUNTANTS



**STATE OF OHIO**  
**OFFICE OF THE AUDITOR**  

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**JIM PETRO, AUDITOR OF STATE**

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To the Mayor and Members of Council  
City of Steubenville  
Steubenville, OH 43952

We have reviewed the Independent Auditor's Report of the City of Steubenville, Jefferson County, prepared by Bodkin Wilson & Kozicki PLLC, for the audit period January 1, 1999 to December 31, 1999. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

**JIM PETRO**  
Auditor of State

February 15, 2001

**CITY OF STEUBENVILLE**  
**JEFFERSON COUNTY, OHIO**

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**CITY OF STEUBENVILLE**  
**JEFFERSON COUNTY, OHIO**

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**JEFFERSON COUNTY**  
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**JEFFERSON COUNTY**  
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JEFFERSON COUNTY  
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**JEFFERSON COUNTY**  
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**CITY OF STEUBENVILLE**  
**JEFFERSON COUNTY, OHIO**  
**ELECTED OFFICIALS**  
**AS OF DECEMBER 31, 1999**

**ELECTIVE**

	<b><u>TERM</u></b>
<b>MAYOR:</b> Domenick Mucci, Jr.	01/01/98 to 12/31/01
<b>COUNCIL MEMBERS:</b> LaDonna Delatore William P. Sullivan James D. Fox Aldo R. Isidore N. David Fortunato Deborah A. Welsch David M. Lalich	01/01/96 to 12/31/99 01/01/96 to 12/31/99 01/01/98 to 12/31/01 01/01/96 to 12/31/99 01/01/98 to 12/31/01 01/01/96 to 12/31/99 01/01/98 to 12/31/01
<b>JUDGE:</b> Richard L. Powell	01/01/96 to 12/31/01
<b>OFFICIAL ADDRESS:</b> City of Steubenville 302 Market Street Steubenville, OH 43952	

**CITY OF STEUBENVILLE**  
**JEFFERSON COUNTY, OHIO**  
**ADMINISTRATIVE PERSONNEL**  
**AS OF DECEMBER 31, 1999**

	<u>Term</u>	<u>Surety</u>	<u>Amount</u>	<u>Period</u>
<u>City Manager</u> Gary DuFour	5/01/90 - Indefinite Serves at the pleasure of Council	(B)	\$100,000	08/01/97-08/01/00
<u>Finance Director</u> Michael J. Marshall	01/01/96 - Indefinite Appointed by City Manager and Approved by Council	(B)	\$100,000	08/01/97-08/01/00
<u>Legal Council</u> S. Gary Repella Director of Law	Continuing Appointed by City Manager and Approved by Council	(A)	\$100,000	08/01/97-08/01/00
<u>Clerk of Municipal Court</u> Mary C. Murray	Continuing Serves at the Pleasure of the Municipal Court Judge	(B)	\$25,000	01/11/99-01/11/02

- (A) Continental Casualty Company  
(B) Ohio Farmers Insurance

**BODKIN WILSON & KOZICKI** PLLC  
CERTIFIED PUBLIC ACCOUNTANTS

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**INDEPENDENT AUDITOR'S REPORT**

To the Mayor and Members of City Council  
City of Steubenville  
Steubenville, Ohio 43952

We have audited the accompanying general purpose financial statements of the City of Steubenville, Jefferson County, Ohio, (the City), as of and for the year ended December 31, 1999, as listed in the table of contents. These general purpose financial statements are the responsibility of the City of Steubenville'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 general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The general purpose financial statements referred to above do not include the fixed asset group of accounts and the proprietary fund type fixed assets which should be included in order to conform with generally accepted accounting principles.

Also, the general purpose financial statements referred to above do not include a liability related to the landfill closure (See Note 11), which should be included in order to conform with generally accepted accounting principles.

In our opinion, except for the effect on the financial statements of the omissions described in the preceding paragraphs, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the City of Steubenville, as of December 31, 1999, and the results of its operations and cash flows of its proprietary fund types and nonexpendable trust funds for the year then ended in conformity with generally accepted accounting principles.

As discussed in Note 1B to the financial statements, the City changed its basis of accounting in 1999.

As described in Note 8 to the financial statements, the City is a defendant in continuing litigation relating to various claims. The law director is unable to determine the amount or range of possible loss, or the potential effect of these lawsuits, if any, upon the City's financial statements.

In accordance with *Government Auditing Standards*, we have also issued our report dated September 26, 2000, on our consideration of the City of Steubenville, Jefferson County, Ohio'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 taken as a whole. The combining and individual fund and account group financial statements and schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the City of Steubenville, Jefferson County, Ohio. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the general purpose financial statements of the City of Steubenville, Jefferson County, Ohio. 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.

BODKIN WILSON & KOZICKI PLLC

Wheeling, West Virginia,  
September 26, 2000.

**CITY OF STEUBENVILLE**  
**STEUBENVILLE, OHIO**  
**COMBINED BALANCE SHEET**  
**ALL FUND TYPES AND ACCOUNT GROUPS**  
**DECEMBER 31,1999**

	GOVERNMENTAL FUND TYPES				PROPRIETARY FUND TYPE		FIDUCIARY FUND TYPE	ACCOUNT GROUP	Totals (Memorandum Only)
	General Fund	Special Revenue Funds	Capital Projects Funds	Debt Service Funds	Enterprise Funds	Internal Service Funds	Trust and Agency Fund	General Long-Term Debt Group	
<b>ASSETS:</b>									
Cash	\$ 1,338,876	\$ 2,005,171	\$ -	\$ 889,667	\$ 1,948,819	\$ 790,691	\$ 106,345	\$ -	\$ 7,079,569
Receivables (net of allowance for uncollectibles):									
Accounts and taxes	687,492	356,015	-	2,151	-	-	-	-	1,045,658
Charges for services and other	-	-	-	-	651,282	-	-	-	651,282
Prepaid Insurance	5,291	165	-	-	5,454	-	-	-	10,910
Inventory of supplies, at cost	60,000	31,833	-	-	-	-	-	-	91,833
Amount available in debt service fund	-	-	-	-	-	-	-	889,667	889,667
Amount to be provided for retirement of general long-term debt	-	-	-	-	-	-	-	3,705,792	3,705,792
<b>Total assets</b>	<b>\$ 2,091,659</b>	<b>\$ 2,393,184</b>	<b>\$ -</b>	<b>\$ 891,818</b>	<b>\$ 2,605,555</b>	<b>\$ 790,691</b>	<b>\$ 106,345</b>	<b>\$ 4,595,459</b>	<b>\$ 13,474,711</b>

(Continued)

The accompanying notes are an integral part of these financial statements.

**CITY OF STEUBENVILLE**  
**STEUBENVILLE, OHIO**  
**COMBINED BALANCE SHEET**  
**ALL FUND TYPES AND ACCOUNT GROUPS**  
**DECEMBER 31,1999**

	GOVERNMENTAL FUND TYPES				PROPRIETARY FUND TYPE		FIDUCIARY FUND TYPE	ACCOUNT GROUP	Totals (Memorandum Only)
	General Fund	Special Revenue Funds	Capital Projects Funds	Debt Service Funds	Enterprise Funds	Internal Service Funds	Trust and Agency Fund	General Long-Term Debt Group	
<b>LIABILITIES:</b>									
Accounts payable	\$ 559,836	\$ 409,931	\$ -	\$ -	\$ 369,521	\$ -	\$ 9,668	\$ -	\$ 1,348,956
Customer deposits	-	-	-	-	-	-	25,507	-	25,507
Claims payable	-	-	-	-	-	118,410	-	-	118,410
Accrued interest payable	-	-	-	-	4,250	-	-	-	4,250
Accrued sick leave	-	-	-	-	254,245	-	-	999,059	1,253,304
Accrued payroll	48,441	1,537	-	-	17,001	-	-	-	66,979
Current maturity of general obligation Notes payable	-	-	-	-	163,414	-	-	-	163,414
General obligation notes payable	-	-	-	-	2,032,686	-	-	999,400	3,032,086
General obligation bonds payable	-	-	-	-	-	-	-	250,000	250,000
Accrued pension liability	-	-	-	-	-	-	-	2,347,000	2,347,000
<b>Total liabilities</b>	<b>\$ 608,277</b>	<b>\$ 411,468</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,841,117</b>	<b>\$ 118,410</b>	<b>\$ 35,175</b>	<b>\$ 4,595,459</b>	<b>\$ 8,609,906</b>
<b>FUND EQUITY:</b>									
Earned surplus (Deficit)	\$ -	\$ -	\$ -	\$ -	\$ (235,562)	\$ 672,281	\$ -	\$ -	\$ 436,719
Fund Balance (Deficit):									
Unreserved	253,507	1,561,691	-	891,818	-	-	63,170	-	2,770,186
Reserved for encumbrances	1,229,875	420,025	-	-	-	-	8,000	-	1,657,900
<b>Total fund equity</b>	<b>\$ 1,483,382</b>	<b>\$ 1,981,716</b>	<b>\$ -</b>	<b>\$ 891,818</b>	<b>\$ (235,562)</b>	<b>\$ 672,281</b>	<b>\$ 71,170</b>	<b>\$ -</b>	<b>\$ 4,864,805</b>
<b>Total liabilities and fund equity</b>	<b>\$ 2,091,659</b>	<b>\$ 2,393,184</b>	<b>\$ -</b>	<b>\$ 891,818</b>	<b>\$ 2,605,555</b>	<b>\$ 790,691</b>	<b>\$ 106,345</b>	<b>\$ 4,595,459</b>	<b>\$ 13,474,711</b>

The accompanying notes are an integral part of these financial statements.

**CITY OF STEUBENVILLE  
JEFFERSON COUNTY, 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, 1999**

	Governmental Fund Types				Fiduciary Funds Expendable Trust	Totals (Memorandum Only)
	General Fund	Special Revenue	Debt Service	Capital Projects		
<b>REVENUES:</b>						
Taxes	\$ 7,799,146	\$ 1,782,305	\$ 187,535	\$ -	\$ -	\$ 9,768,986
Intergovernmental	2,038,984	2,244,528	20,384	17,103	-	4,320,999
Special assessments	-	-	26,569	-	-	26,569
Charges for services	205,416	2,555	-	-	-	207,971
Fines, licenses and permits	409,855	108,663	-	-	-	518,518
Miscellaneous	629,073	35,239	19,686	-	56,283	740,281
Total revenues	<u>\$ 11,082,474</u>	<u>\$ 4,173,290</u>	<u>\$ 254,174</u>	<u>\$ 17,103</u>	<u>\$ 56,283</u>	<u>\$ 15,583,324</u>
<b>EXPENDITURES:</b>						
General government	\$ 1,827,420	\$ -	\$ 4,269	\$ -	\$ -	\$ 1,831,689
Public Safety	5,185,422	-	-	-	65,179	5,250,601
Streets and maintenance	1,484,891	517,059	-	-	-	2,001,950
Public transit	-	266,755	-	-	-	266,755
Public health	284,792	140,627	-	-	-	425,419
Culture and recreation	799,998	75,377	-	-	-	875,375
Community environment	-	1,095,074	-	-	27,380	1,122,454
Capital outlay	-	2,288,904	-	17,103	-	2,306,007
Debt service	-	236,936	-	-	-	236,936
Total expenditures	<u>\$ 9,582,523</u>	<u>\$ 4,620,732</u>	<u>\$ 4,269</u>	<u>\$ 17,103</u>	<u>\$ 92,559</u>	<u>\$ 14,317,186</u>
Excess (deficiency) of revenues over expenditures	<u>\$ 1,499,951</u>	<u>\$ (447,442)</u>	<u>\$ 249,905</u>	<u>\$ -</u>	<u>\$ (36,276)</u>	<u>\$ 1,266,138</u>
<b>OTHER FINANCING SOURCES (USES):</b>						
Operating transfers in	\$ -	\$ 500	\$ -	\$ -	\$ -	\$ 500
Operating transfers out	(580,463)	(18,565)	-	-	-	(599,028)
Total other financing sources (uses)	<u>\$ (580,463)</u>	<u>\$ (18,065)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (598,528)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>\$ 919,488</u>	<u>\$ (465,507)</u>	<u>\$ 249,905</u>	<u>\$ -</u>	<u>\$ (36,276)</u>	<u>\$ 667,610</u>
FUND BALANCE, beginning of period	867,100	2,513,032	639,609	-	96,630	4,116,371
Prior period adjustments	(303,206)	(65,809)	2,304	-	-	(366,711)
FUND BALANCE, end of period	<u>\$ 1,483,382</u>	<u>\$ 1,981,716</u>	<u>\$ 891,818</u>	<u>\$ -</u>	<u>\$ 60,354</u>	<u>\$ 4,417,270</u>

The accompanying notes are an integral part of these financial statements.

**CITY OF STEUBENVILLE**  
**JEFFERSON COUNTY, OHIO**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCE**  
**BUDGET AND ACTUAL (CASH BASIS)**  
**GENERAL FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 1999**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES:</b>			
Taxes	\$ 7,633,307	\$ 7,861,662	\$ 228,355
Intergovernmental	2,027,311	1,995,093	(32,218)
Charges for services	186,630	210,659	24,029
Fines, licenses and permits	407,246	408,595	1,349
Miscellaneous	607,804	639,994	32,190
Total revenues	<u>\$ 10,862,298</u>	<u>\$ 11,116,003</u>	<u>\$ 253,705</u>
<b>EXPENDITURES:</b>			
General government	\$ 3,601,791	\$ 2,247,943	\$ 1,353,848
Public safety	5,655,767	5,488,546	167,221
Streets and maintenance	1,241,551	1,190,444	51,107
Public health	303,678	301,017	2,661
Culture and recreation	884,898	838,026	46,872
Total expenditures	<u>\$ 11,687,685</u>	<u>\$ 10,065,976</u>	<u>\$ 1,621,709</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (825,387)</u>	<u>\$ 1,050,027</u>	<u>\$ 1,875,414</u>
<b>OTHER FINANCING SOURCES (USES):</b>			
Operating transfers in	\$ -	\$ -	\$ -
Operating transfers out	-	(580,463)	(580,463)
Total other financing sources (uses)	<u>\$ -</u>	<u>\$ (580,463)</u>	<u>\$ (580,463)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>\$ (825,387)</u>	\$ 469,564	<u>\$ 1,294,951</u>
FUND BALANCE, beginning of period		867,100	
FUND BALANCE, end of period		<u>\$ 1,336,664</u>	

The accompanying notes are an integral part of these financial statements.



**CITY OF STEUBENVILLE**  
**JEFFERSON COUNTY, OHIO**  
**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCES**  
**BUDGET AND ACTUAL (CASH BASIS)**  
**SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 1999**

	<b>Budget</b>	<b>Actual</b>	<b>Variance</b>
<b>REVENUES:</b>			
Taxes	\$ 1,336,784	\$ 1,813,881	\$ 477,097
Intergovernmental	2,688,016	2,182,604	(505,412)
Charges for services	2,556	2,555	(1)
Fines, licenses and permits	99,294	108,663	9,369
Miscellaneous	26,500	35,239	8,739
Total revenues	\$ 4,153,150	\$ 4,142,942	\$ (10,208)
<b>EXPENDITURES:</b>			
Debt service	\$ 245,000	\$ 236,936	\$ 8,064
Streets and maintenance	569,990	552,878	17,112
Public transit	295,730	266,755	28,975
Public health	154,987	140,908	14,079
Culture and recreation	58,629	2,555	56,074
Community environment	1,190,817	1,164,451	26,366
Capital outlay	3,005,870	2,268,255	737,615
Total expenditures	\$ 5,521,023	\$ 4,632,738	\$ 888,285
Excess (deficiency) of revenues over expenditures	\$ (1,367,873)	\$ (489,796)	\$ 878,077
<b>OTHER FINANCING SOURCES (USES):</b>			
Operating transfers in	\$ -	\$ 500	\$ 500
Operating transfers out	-	(18,565)	(18,565)
Total other financing sources (uses)	\$ -	\$ (18,065)	\$ (18,065)
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	\$ (1,367,873)	\$ (507,861)	\$ 860,012
FUND BALANCE, beginning of period		2,513,032	
FUND BALANCE, end of period		\$ 2,005,171	

The accompanying notes are an integral part of these financial statements.

**CITY OF STEUBENVILLE**  
**JEFFERSON COUNTY, OHIO**  
**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCES**  
**BUDGET AND ACTUAL (CASH BASIS)**  
**DEBT SERVICE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 1999**

	<b>Budget</b>	<b>Actual</b>	<b>Variance</b>
<b>REVENUES:</b>			
Taxes	\$ 253,405	\$ 208,072	\$ (45,333)
Special assessments	26,568	26,569	1
Miscellaneous	21,514	19,686	(1,828)
Total revenues	\$ 301,487	\$ 254,327	\$ (47,160)
 <b>EXPENDITURES:</b>			
Debt service	\$ 6,813	\$ 4,269	\$ 2,544
Total expenditures	\$ 6,813	\$ 4,269	\$ 2,544
 Excess (deficiency) of revenues over expenditures	\$ 294,674	\$ 250,058	\$ (44,616)
 <b>OTHER FINANCING SOURCES (USES):</b>			
Operating transfers in	\$ -	\$ -	\$ -
Operating transfers out	-	-	-
Total other financing sources (uses)	\$ -	\$ -	\$ -
 Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	\$ 294,674	\$ 250,058	\$ (44,616)
 FUND BALANCE, beginning of period		639,609	
 FUND BALANCE, end of period		\$ 889,667	

The accompanying notes are an integral part of these financial statements.

**CITY OF STEUBENVILLE**  
**JEFFERSON COUNTY, OHIO**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCES**  
**BUDGET AND ACTUAL (CASH BASIS)**  
**CAPITAL PROJECTS FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 1999**

	<b>Budget</b>	<b>Actual</b>	<b>Variance</b>
<b>REVENUES:</b>			
Intergovernmental	\$ 63,557	\$ 17,103	\$ (46,454)
Total revenues	\$ 63,557	\$ 17,103	\$ (46,454)
<b>EXPENDITURES:</b>			
Capital outlay	\$ 63,557	\$ 17,103	\$ 46,454
Total expenditures	\$ 63,557	\$ 17,103	\$ 46,454
Excess (deficiency) of revenues over expenditures	\$ -	\$ -	\$ -
FUND BALANCE, beginning of period		-	
FUND BALANCE, end of period		\$ -	

The accompanying notes are an integral part of these financial statements.

**CITY OF STEUBENVILLE**  
**JEFFERSON COUNTY, OHIO**  
**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND EQUITY**  
**BUDGET AND ACTUAL (CASH BASIS)**  
**ENTERPRISE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 1999**

	<b>Budget</b>	<b>Actual</b>	<b>Variance</b>
<b>OPERATING REVENUES:</b>			
Charges for services	\$ 6,236,443	\$ 5,728,801	\$ (507,642)
Total operating revenues	\$ 6,236,443	\$ 5,728,801	\$ (507,642)
<b>OPERATING EXPENSES:</b>			
Central purchasing	\$ 830,476	\$ 274,882	\$ 555,594
Filtration, treatment and disposal	3,182,406	2,798,699	383,707
Pumping	431,515	818,543	(387,028)
Distribution	280,600	226,801	53,799
Maintenance and reading	637,952	678,125	(40,173)
Administration	165,873	155,318	10,555
Utility billing	307,039	270,250	36,789
Capital outlay	1,558,500	137,100	1,421,400
Debt service	258,882	218,389	40,493
Total operating expenses	\$ 7,653,243	\$ 5,578,107	\$ 2,075,136
Operating income (loss)	\$ (1,416,800)	\$ 150,694	\$ 1,567,494
<b>NONOPERATING REVENUES (EXPENSES):</b>			
Other revenues	\$ 1,448,172	\$ 1,399,079	\$ (49,093)
Other expenses	-	-	-
Total nonoperating revenues (expenses)	\$ 1,448,172	\$ 1,399,079	\$ (49,093)
Income before operating transfers	\$ 31,372	\$ 1,549,773	\$ 1,518,401
<b>OPERATING TRANSFERS:</b>			
Operating transfers in	\$ -	\$ -	\$ -
Operating transfers out	-	(568,076)	(568,076)
Total operating transfers	\$ -	\$ (568,076)	\$ (568,076)
Net income	\$ 31,372	\$ 981,697	\$ 950,325
<b>FUND EQUITY, beginning of period</b>		967,122	
<b>FUND EQUITY, end of period</b>		\$ 1,948,819	

The accompanying notes are an integral part of these financial statements.

**CITY OF STEUBENVILLE**  
**JEFFERSON COUNTY, OHIO**  
**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND EQUITY**  
**BUDGET AND ACTUAL (CASH BASIS)**  
**INTERNAL SERVICE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 1999**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>OPERATING REVENUES:</b>			
Charges for services	\$ -	\$ -	\$ -
Total operating revenues	\$ -	\$ -	\$ -
<b>OPERATING EXPENSES:</b>			
Health care	\$ 1,437,454	\$ 972,066	\$ 465,388
Total operating expenses	\$ 1,437,454	\$ 972,066	\$ 465,388
Operating income (loss)	\$ (1,437,454)	\$ (972,066)	\$ 465,388
<b>NONOPERATING REVENUES (EXPENSES):</b>			
Other revenues	\$ 6,400	\$ 5,110	\$ (1,290)
Other expenses	-	-	-
Total nonoperating revenues (expenses)	\$ 6,400	\$ 5,110	\$ (1,290)
Income (loss) before operating transfers	\$ (1,431,054)	\$ (966,956)	\$ 464,098
<b>OPERATING TRANSFERS:</b>			
Operating transfers in	\$ 1,437,454	\$ 1,166,604	\$ (270,850)
Operating transfers out	-	-	-
Total operating transfers	\$ 1,437,454	\$ 1,166,604	\$ (270,850)
Net income	<u>\$ 6,400</u>	\$ 199,648	<u>\$ 193,248</u>
<b>FUND EQUITY, beginning of period</b>		<u>591,043</u>	
<b>FUND EQUITY, end of period</b>		<u>\$ 790,691</u>	

The accompanying notes are an integral part of these financial statements.

**CITY OF STEUBENVILLE**  
**JEFFERSON COUNTY, OHIO**  
**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCES**  
**BUDGET AND ACTUAL (CASH BASIS)**  
**EXPENDABLE TRUST FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 1999**

	<b>Budget</b>	<b>Actual</b>	<b>Variance</b>
<b>REVENUES:</b>			
Charges for services	\$ 94,186	\$ 77,603	\$ (16,583)
Miscellaneous	36,054	56,283	20,229
Total revenues	\$ 130,240	\$ 133,886	\$ 3,646
<b>EXPENDITURES:</b>			
Public safety	\$ 83,768	\$ 74,178	\$ 9,590
Public health	75,000	52,096	22,904
Community environment	45,578	18,381	27,197
Total expenditures	\$ 204,346	\$ 144,655	\$ 59,691
Excess (deficiency) of revenues over expenditures	\$ (74,106)	\$ (10,769)	\$ 63,337
FUND BALANCE, beginning of period		96,630	
FUND BALANCE, end of period		\$ 85,861	

The accompanying notes are an integral part of these financial statements.

**CITY OF STEUBENVILLE**  
**JEFFERSON COUNTY, OHIO**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCES**  
**BUDGET AND ACTUAL (CASH BASIS)**  
**NONEXPENDABLE TRUST FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 1999**

	<b>Budget</b>	<b>Actual</b>	<b>Variance</b>
<b>TOTAL OPERATING REVENUES</b>	\$ -	\$ -	\$ -
<b>TOTAL OPERATING EXPENSES</b>	\$ -	\$ -	\$ -
<b>NONOPERATING REVENUES (EXPENSES):</b>			
Other revenues	\$ 464	\$ 670	\$ 206
Other expenses	(375)	(375)	-
Total nonoperating revenues (expenses)	\$ 89	\$ 295	\$ 206
Net income	\$ 89	\$ 295	\$ 206
<b>FUND BALANCE, beginning of period</b>		10,521	
<b>FUND BALANCE, end of period</b>		\$ 10,816	

The accompanying notes are an integral part of these financial statements.

**CITY OF STEUBENVILLE**  
**JEFFERSON COUNTY, OHIO**  
**COMBINED STATEMENT OF REVENUES, EXPENSES AND**  
**CHANGES IN FUND EQUITY (DEFICIT)/FUND BALANCES**  
**ALL PROPRIETARY FUND TYPES AND SIMILAR TRUST FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 1999**

	<u>Proprietary Fund Types</u>		<u>Fiduciary Fund Types</u>	<u>Totals</u>
	<u>Enterprise Funds</u>	<u>Internal Service Funds</u>	<u>Non Expendable Trust Fund</u>	<u>(Memorandum Only)</u>
<b>OPERATING REVENUES:</b>				
Charges for services	\$ 5,754,923	\$ -	\$ -	\$ 5,754,923
Total operating revenues	<u>\$ 5,754,923</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,754,923</u>
<b>OPERATING EXPENSES:</b>				
Central purchasing	\$ 296,805	\$ -	\$ -	\$ 296,805
Filtration, treatment and disposal	2,814,721	-	-	2,814,721
Pumping	757,391	-	-	757,391
Distribution	216,493	-	-	216,493
Maintenance and reading	657,508	-	-	657,508
Administration	103,816	-	-	103,816
Utility billing	261,784	-	-	261,784
Capital outlay	162,996	-	-	162,996
Debt service	222,639	-	-	222,639
Health care	-	982,420	-	982,420
Total operating expenses	<u>\$ 5,494,153</u>	<u>\$ 982,420</u>	<u>\$ -</u>	<u>\$ 6,476,573</u>
Operating income (loss)	<u>\$ 260,770</u>	<u>\$ (982,420)</u>	<u>\$ -</u>	<u>\$ (721,650)</u>
<b>NONOPERATING REVENUES (EXPENSES):</b>				
Other revenues	\$ 199,079	\$ 5,110	\$ 670	\$ 204,859
Other expenses	-	-	(375)	(375)
Total nonoperating revenues (expenses)	<u>\$ 199,079</u>	<u>\$ 5,110</u>	<u>\$ 295</u>	<u>\$ 204,484</u>
Income (loss) before operating transfers	<u>\$ 459,849</u>	<u>\$ (977,310)</u>	<u>\$ 295</u>	<u>\$ (517,166)</u>
<b>OPERATING TRANSFERS:</b>				
Operating transfers in	\$ -	\$ 1,166,604	\$ -	\$ 1,166,604
Operating transfers out	(568,076)	-	-	(568,076)
Total operating transfers	<u>\$ (568,076)</u>	<u>\$ 1,166,604</u>	<u>\$ -</u>	<u>\$ 598,528</u>
Net income (loss)	<u>\$ (108,227)</u>	<u>\$ 189,294</u>	<u>\$ 295</u>	<u>\$ 81,362</u>
<b>FUND EQUITY, beginning of period</b>	967,122	591,043	10,521	1,568,686
Prior period adjustments	(1,094,457)	(108,056)	-	(1,202,513)
<b>FUND EQUITY, end of period</b>	<u>\$ (235,562)</u>	<u>\$ 672,281</u>	<u>\$ 10,816</u>	<u>\$ 447,535</u>

The accompanying notes are an integral part of these financial statements.



**CITY OF STEUBENVILLE**  
**JEFFERSON COUNTY, OHIO**  
**COMBINED STATEMENT OF CASH FLOWS**  
**ALL PROPRIETARY FUND TYPES AND SIMILAR TRUST FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 1999**

	<b>Proprietary Fund Types</b>		<b>Fiduciary Fund Type</b>	<b>Totals (Memorandum Only)</b>
	<b>Enterprise Funds</b>	<b>Internal Service Funds</b>	<b>NonExpendable Trust Fund</b>	
<b>Cash Flows from Operating Activities:</b>				
Cash received from customers	\$ 5,728,801	\$ -	\$ -	\$ 5,728,801
Cash paid to suppliers and employees	(5,578,107)	(972,066)	-	(6,550,173)
Net cash provided by operating activities	<u>\$ 150,694</u>	<u>\$ (972,066)</u>	<u>\$ -</u>	<u>\$ (821,372)</u>
<b>Cash Flows from Capital and Related Financing Activities:</b>				
Proceeds derived from issuance of Notes	\$ 1,200,000	\$ -	\$ -	\$ 1,200,000
Other Transfers In (Out)	(568,076)	1,166,604	-	598,528
Cash received from miscellaneous	199,079	5,110	670	204,859
Cash paid to miscellaneous	-	-	(375)	(375)
Net cash used for capital and related financing activities	<u>\$ 831,003</u>	<u>\$ 1,171,714</u>	<u>\$ 295</u>	<u>\$ 2,003,012</u>
Net increase (decrease) in cash	\$ 981,697	\$ 199,648	\$ 295	\$ 1,181,640
Cash January 1, 1999	967,122	591,043	10,521	1,568,686
Cash December 31, 1999	<u>\$ 1,948,819</u>	<u>\$ 790,691</u>	<u>\$ 10,816</u>	<u>\$ 2,750,326</u>
<b>Reconciliation of Operating Income (loss) to Net Cash Provided by Operating Activities:</b>				
Net operating income (loss)	\$ 260,770	\$ (982,420)	\$ -	\$ (721,650)
Adjustments to Reconcile Operating Income (Loss) to Net cash provided by operating activities				
Changes in Assets and Liabilities -				
(Increase) decrease in receivables	(21,122)	-	-	(21,122)
(Increase) decrease in prepaid assets	3,867	-	-	3,867
Increase (decrease) in claims payable	-	10,354	-	10,354
Increase (decrease) in accounts payable	(129,136)	-	-	(129,136)
Increase (decrease) in accrued and other liabilities	36,315	-	-	36,315
Net cash provided by operating activities	<u>\$ 150,694</u>	<u>\$ (972,066)</u>	<u>\$ -</u>	<u>\$ (821,372)</u>

The accompanying notes are an integral part of these financial statements.

**CITY OF STEUBENVILLE**  
**JEFFERSON COUNTY, OHIO**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 1999**

**1. Summary of Significant Accounting Policies**

**A. Description of the Entity**

The City of Steubenville is a body politic and corporate establishment for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio.

Beginning June 1, 1984, the City has operated under a council-manager form of government as provided by Section §705.51 to 705.60, Revised Code, inclusive. The powers and functions of the municipal government are distributed among the municipality, its citizens, the various officers, boards, and commissions. The mayor is the official head of the municipality for ceremonial purposes. Administration is not part of the duties of the mayor. The City council is composed of seven members, six of whom are elected by their respective electors within their designated wards. The councilman at large, the seventh member of council, is elected by the voters of the City at large. The City council, by a majority vote, appoints the administrative City manager.

The charter created two administrative departments, the Department of Finance and the Department of Law. The Directors of these departments are appointed by the City Manager and approved by Council.

Several boards and commissions that serve the citizens of the City in various capacities are an integral part of the municipality's government. The boards and commissions include: Civil Service Commission, Planning and Zoning Commission, Board of Engineering and Building Appeals, Parks and Recreation Board and the Board of Health. All members of these boards and commissions are appointed by the Mayor and approved by Council.

The City provides the following services as authorized by its charter: police and fire protection, water, wastewater, sanitation, utilities, parks and recreation, health services, street maintenance and building inspection and development.

Management believes the financial statements included in this report represent all of the funds of the City over which the City has the ability to exercise direct operating control.

**B. Basis of Accounting**

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

As prescribed by generally accepted accounting principles, all governmental and expendable trust funds in the accompanying financial statements are accounted for using the modified accrual basis of accounting. Revenues are recognized when they become measurable and available as net current assets. Expenditures are generally recognized when the related Fund liability is incurred.

**CITY OF STEUBENVILLE**  
**JEFFERSON COUNTY, OHIO**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 1999**

**1. Summary of Significant Accounting Policies (Continued)**

**B. Basis of Accounting (Continued)**

All proprietary funds are accounted for using the accrual basis of accounting. Revenues are recognized when earned and expenses when incurred. Under this basis of accounting and measurement focus, The City applies all GASB pronouncements and FASB Statements and Interpretations, APB Opinions, and Accounts Research Bulletins issued on or before November 30, 1989, except those that conflict with a GASB pronouncement.

For 1998 and prior years the City of Steubenville had used the cash basis of accounting for reporting purposes.

**C. Investments and Inactive Funds**

Investment procedures are restricted by the provisions of the Revised Code. Purchased investments are valued at cost and are neither charged when purchased nor credited at the time of redemption to their respective fund balances. Interest income is recognized and recorded when earned.

**D. Fund Accounting**

The City maintains its accounting records in accordance with the principles of "fund" accounting. Fund accounting is a concept developed to meet the needs of governmental entities in which legal or other restraints require the recording of specific revenues and expenditures. The transactions of each fund are reflected in a self-balancing group of accounts, an accounting entity which stands separate from the activities reported in other funds. The restrictions associated with each type of fund are as follows:

**Governmental Funds**

General Fund – The general fund is the general operating fund of the City. It is used to account for all financial resources except those required by law or contract to be accounted for in another fund.

Special Revenue Fund – To account for proceeds of specific revenue sources (other than expendable trusts, or major capital projects) that are legally restricted to disbursements for specified purposes.

Debt Service Fund – To account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs. According to governmental accounting principles, the Debt Service Fund accounts for the payment of long-term debt for governmental funds

**CITY OF STEUBENVILLE**  
**JEFFERSON COUNTY, OHIO**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 1999**

**1. Summary of Significant Accounting Policies (Continued)**

**D. Fund Accounting (Continued)**

only. Under Ohio law, the Debt Service fund might also be used to account for the payment of long-term debt of proprietary funds and the short-term debt of both governmental and proprietary funds.

Capital Projects Fund – To account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds).

**Proprietary Funds**

Enterprise Fund – To account for operations (a) that are financed and operated in a manner similar to private business enterprises – where the intent of the governing body is that the costs of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purpose.

Internal Service Fund – To account for the financing of goods or services provided by one department or agency to other departments or agencies of the government unit, or to other governmental units, on a cost-reimbursement basis.

**Fiduciary Funds**

Trust and Agency Funds – To account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds. These include Expendable Trust Funds, Non-expendable Trust Funds, and Agency Funds.

Fixed Assets and Long-Term Liabilities – The municipality records the purchase of fixed assets used in governmental and proprietary fund type operations as expenditures in the various funds and does not account for such purchases as capital expenditures. Generally accepted accounting principles prescribe that all such expenditures be accounted for in the General Fixed Assets group of accounts or the proprietary funds, and accordingly, the failure to properly record such assets is not in accordance with generally accepted accounting principles.

Long-term debt financed by general obligation bonds or notes is accounted for in the General Long-Term Debt group of accounts, or in the proprietary funds as prescribed by generally accepted accounting principles.

**CITY OF STEUBENVILLE**  
**JEFFERSON COUNTY, OHIO**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 1999**

**1. Summary of Significant Accounting Policies (Continued)**

**E. Budgetary Process**

Budget - A budget of estimated cash receipts and disbursements 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. The City Council adopts annual fiscal year budgets for specified funds. These include General, Municipal Court Improvement, Street Construction, Maintenance and Repair, State Highway Improvement, .3/.7 Street Improvement, .7 Equipment Improvement, .7 Recreation Improvement, Food Service, Early Periodic Screening Development Testing, Community Development Block Grant, Steubenville Bus Company, Ohio Department of Natural Resources/Litter Control Grant, Convention and Visitors Bureau, State Aids, Indigent Drivers, Enforcement and Education, Lab Test Fees, Community Development Program Revolving Business Loan, Community Development CHIP Grant, Parks Material Usage, Court Security, Bond Retirement, Special Assessment Bond Retirement, Issue II, Water Revenue, Sewer Revenue, Municipal Refuse, City Health Care, City Health Care/Health Assurance, Zoning and Rezoning, Fire Damages, Repair and Removal, Improvement-Bond Escrow, Floto Historical Site, Law Enforcement Trust, Police Education Trust, Rt. 7 Project, Local Law Enforcement Block Grant, Utility Service Deposit and Mears Relief.

Budgetary Control - Each fund's appropriated budget is prepared on a detailed line item basis. Revenues are budgeted by source. Expenditures are budgeted by department and class as follows: personal services, maintenance and operations, other services and charges, capital outlay, debt service. This constitutes the legal level of control. Expenditures may not exceed appropriations at this level. Budget revisions at this level are subject to final review by the City Council. Within these control levels, management may transfer appropriations without Council approval. Revisions to the budget were made throughout the year.

Estimated Resources - The county budget commission certifies its actions to the City by September 1. As a part of this certification, the City receives the official certificate of estimated resources which states the projected receipts of each fund. On or about January 1, this certificate is amended to include any unencumbered balances from the preceding year. Prior to December 31, the City must revise its budget so that the total contemplated expenditures from a fund during the ensuing fiscal year will not exceed the amount stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriation measure. Budget receipts as shown in the accompanying financial statements do not include January 1, 1999, unencumbered fund balances. However, those fund balances are available for appropriation.

Appropriations - A temporary appropriation measure to control cash disbursements may be passed on or about January 1 of each year for the period January 1 to March 31. An annual appropriation measure must be passed by April 1 of each year for the period January 1 to December 31. The appropriation measure may be amended or supplemented during the year as new information becomes available. Appropriations may not exceed estimated resources.

**CITY OF STEUBENVILLE**  
**JEFFERSON COUNTY, OHIO**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 1999**

**1. Summary of Significant Accounting Policies (Continued)**

Encumbrances - The City is required to use the encumbrance method of accounting by virtue of Ohio law. Under this system, purchase orders, contracts and other commitments for the expenditure of funds are recorded in order to reserve the portion of the applicable appropriation.

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 succeeding fiscal year and need not be reapropriated.

**F. Property, Plant and Equipment**

Fixed assets acquired or constructed for general governmental service are recorded as expenditures. Depreciation is not recorded for these fixed assets.

**G. Inventories**

Inventories are stated at cost.

**H. Receivables**

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible. Estimated unbilled revenues from the Water and Sewer Fund are recognized at the end of each fiscal year on a pro rata basis. The estimated amount is based on billings during the month following the close of the fiscal year.

**I. Allowance for Doubtful Accounts**

As of December 31, 1999 \$260,000 has been recorded as an allowance for uncollectible accounts related to receivables in the water, sewer and refuse funds.

The breakdown is as follows:

Water Fund	\$ 101,400
Sewer Fund	70,200
Refuse Fund	<u>88,400</u>
Total	<u>\$ 260,000</u>

**J. Total Columns on Financial Statements**

Total Columns on the financial statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. This data is not comparable to a consolidation. Interfund-type eliminations have not been made in the aggregation of this data.

**CITY OF STEUBENVILLE**  
**JEFFERSON COUNTY, OHIO**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 1999**

**1. Summary of Significant Accounting Policies (Continued)**

**K. Deferred Compensation Program**

Internal Revenue Code Section 457 was amended during 1996, requiring deferred compensation plans to transfer all of their deposits in to a newly established trust for the exclusive benefit of plan participants and their beneficiaries by January 1, 1999. During 1998, the Ohio Public Employees Deferred Compensation Plan was amended to establish such a trust and all of the assets were deposited into the trust. Prior to 1998 these funds were the property of the City and the participating employees were general creditors of the City with no preferential claim to the deferred funds.

**2. Temporary Cash and Other Investments**

The City maintains a cash and investment pool used by all funds.

Legal Requirements - The Ohio Revised Code prescribes allowable deposits and investments as follows:

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

Category 2 - consists of "inactive" monies, those monies not required for use within the current two-year period of designation of depositories. Inactive monies may be deposited or invested only as certificates of deposit maturing not later than the end of the current period of designation of depositories.

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

1. Bonds, notes or other obligations of or guaranteed by the United States, or those for which the faith of the United States is pledged for the payment of principal and interest;
2. Bonds, notes, debentures or other obligations or securities issued by any federal government agency, or the Export-Import Bank of Washington;
3. Repurchase agreements in the securities enumerated above;
4. Interim deposits in the eligible institutions applying for interim deposits;
5. Bonds and other obligations of the State of Ohio; and
6. The State Treasurer's investment pool.

**CITY OF STEUBENVILLE**  
**JEFFERSON COUNTY, OHIO**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 1999**

**2. Temporary Cash and Other Investments (Continued)**

Deposits - At year-end, the carrying amount of the City's deposits was \$7,079,569 and the bank balance was \$7,488,659.

Of the bank balance:

1. \$300,000 was covered by federal depository insurance or by collateral held by the City's agent in the name of the City.
2. \$7,188,659 was covered by collateral held by third party trustees pursuant to Section 135.181, Revised Code, in collateral pools securing all public funds on deposit with specific depository institutions.

Investments - The City has no investments as of December 31, 1999.

**3. Debt Obligation**

The following is a summary of the City's long-term debt transactions for the year ended, December 31, 1999:

	<u>01/01/99</u>	<u>Additions</u>	<u>Retirements</u>	<u>12/31/99</u>
<u>General Long-term debt:</u>				
General obligation Notes payable	\$ 1,015,267	\$ 78,008	\$ 93,875	\$ 999,400
General obligation Bonds payable	375,000	-	125,000	250,000
Accrued sick leave (see Note 13)	900,071	98,988	-	999,059
Accrued pension liability (see Note 14)	<u>2,375,083</u>	<u>-</u>	<u>28,083</u>	<u>2,347,000</u>
Total	<u>\$ 4,665,421</u>	<u>\$ 176,996</u>	<u>\$ 246,958</u>	<u>\$ 4,595,459</u>
<u>Enterprise funds:</u>				
General obligation Notes Payable	\$ 1,135,085	\$ 1,200,000	\$ 138,985	\$ 2,196,100
Accrued sick leave (see Note 13)	<u>228,433</u>	<u>25,812</u>	<u>-</u>	<u>254,245</u>
Total	<u>\$ 1,363,518</u>	<u>\$ 1,225,812</u>	<u>\$ 138,985</u>	<u>\$ 2,450,345</u>



**CITY OF STEUBENVILLE**  
**JEFFERSON COUNTY, OHIO**  
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**3. Debt Obligation (Continued)**

Debt outstanding at December 31, 1999, consisted of the following:

General Obligation Notes	
Principal outstanding	\$ 2,761,291
Interest rates	4.25% - 5.10%
General Obligation Bonds	
Principal outstanding	\$ 250,000
Interest rates	4.75%
O.W.D.A. Loans	
Principal outstanding	\$ 434,209
Interest rates	6.58% - 9.72%

Included in General Obligation Notes are ODOT Highway Construction Notes and Ohio Public Works Commission Notes bearing interest at 0% per annum. All outstanding notes except ODOT and Ohio Public Works Commission Notes at December 31, 1999, had been issued for one year or less. These notes were of the general obligation type and have been renewed. Proceeds from the notes were used to construct and improve streets, sidewalks, water, sewer, and refuse systems, and to purchase vehicles.

General obligation bonds are direct obligations of the City for which its full faith, credit and resources are pledged and are payable from taxes levied on all taxable property in the City. Outstanding general obligation bonds consist of construction and improvement issues for utility systems and streets.

The Ohio Water Development authority (O.W.D.A.) loans are for utility construction projects. Property and revenue of the utility facilities have been pledged to repay these debts.

The annual requirements to amortize all outstanding general obligation notes, bonds and the OWDA loans as of December 31, 1999, not including interest payments of \$169,100.00, \$17,895.00 and \$67,965.00 respectively, are as follows:

<b><u>Year Ending</u></b> <b><u>December 31,</u></b>	<b><u>General</u></b> <b><u>Obligation Notes</u></b>	<b><u>General</u></b> <b><u>Obligation Bonds</u></b>	<b><u>O.W.D.A.</u></b> <b><u>Loan</u></b>
2000	\$ 142,742.00	\$ 125,000.00	\$ 114,548.00
2001	138,288.00	125,000.00	122,177.00
2002	122,056.00	-	130,316.00
2003	1,322,056.00	-	67,168.00
2004	122,056.00	-	-
Thereafter	<u>914,093.00</u>	<u>-</u>	<u>-</u>
<b>Total</b>	<b><u>\$2,761,291.00</u></b>	<b><u>\$ 250,000.00</u></b>	<b><u>\$ 434,209.00</u></b>

The City has utilized trustees to service the bonded debt. Payments to the trustees are recorded as expenditures in the year deposited with the trustee.

**CITY OF STEUBENVILLE**  
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**4. Property Tax**

Real property taxes are levied on assessed values which equal 35% of appraised value. The county auditor reappraises all real property every six years with a triennial update. The last update was completed for tax year 1997

Real property taxes become a lien on all non-exempt real property located in the county on January 1. Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31, with the remainder payable by June 20 of the following year. Under certain circumstances, state statute permits later payment dates to be established.

The full tax rate applied to real property for the tax (calendar) year ended December 31, 1999, was \$9.20 per \$1,000 of assessed valuation. After adjustment of the rate for inflationary increases in property valued, the effective tax rate was \$6.6903 per \$1,000 of assessed valuation for real property classified as residential/agricultural and \$8.3811 per \$1,000 of assessed valuation for all other real property. Real property owners' tax bills are further reduced by homestead and rollback deductions, when applicable. The amount of these homestead and rollback reductions is reimbursed to the District by the State of Ohio.

Owners of tangible personal property are required to file a list of such property, including costs, by April 30 of each year. The property is assessed for tax purposes at varying statutory percentages of cost. The tax rate applied to tangible personal property for the fiscal year ended December 31, 1999, was \$9.20 per \$1,000 of assessed valuation.

The Jefferson County Treasurer collects property tax on behalf of all taxing districts within the county. The Jefferson County Auditor periodically remits to the taxing districts their portion of the taxes collected.

**5. Local Income Tax**

This locally levied tax of 2% applies to gross salaries, wages and other personal service compensation earned by residents both in and out of the City and to earnings of nonresidents (except certain transients) earned in the City. It also applies to net income of business organizations operating within Steubenville. Local income tax receipts are credited to the City and amounted to \$7,556,495 in 1999.

**CITY OF STEUBENVILLE**  
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**6. Risk Management**

The City provides health care coverage through a self-insured program administered by Health Assurance. The City pays 100% of monthly medical claims for full-time and part-time employees. The City's insurance claims were transferred from various funds to the Health Care Fund. Monthly, the administrator bills the City for an administrative fee and the amount of claims paid. The City issues a check from the General, Water, Sewer, Refuse and Community Development Funds for the administrative fee and a check from the Health Care Fund for the amount of claims paid.

The City maintains comprehensive insurance coverage with private carriers for real property, building contents and vehicles. Vehicle policies include liability coverage for bodily injury and property damage.

**7. Employees' Retirement System**

The employees of the City are covered by the Public Employees' Retirement System of Ohio. The Public Employees Retirement System of Ohio (PERS) is a cost-sharing multiple-employer defined benefit pension plan providing retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by state statute per Chapter 145 of the Ohio Revised Code. The Public Employees Retirement System issues a stand-alone financial report and the amount of that fund is not reflected in the accompanying financial statements. The Ohio Revised Code provides statutory authority for employees and employer contributions. City employees contribute 8.5% and the City contributes 13.55% of covered payroll.

The firemen and policemen of the City are covered by the Police and Firemen's Disability and Pension Fund, also accounted for by the State of Ohio and also not reflected in the accompanying financial statements. Policemen and firemen contributed 10.0 percent of their gross wages to the plan and the City matches this with a contribution equal to 24.0 percent of firemen's and 19.5 percent of policemen's gross wages.

**8. Pending Litigation**

The City is the defendant in continuing litigation relating to a number of claims. Because of the inherent uncertainties in these cases, the likelihood of an unfavorable outcome could not be determined, nor could the amount or range of loss be determined individually or in the aggregate.

**CITY OF STEUBENVILLE**  
**JEFFERSON COUNTY, OHIO**  
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**DECEMBER 31, 1999**

**9. Public Employees' Deferred Compensation Program**

Employees of the City may elect to participate in the Ohio Public Employees' Deferred Compensation Program. Under this program, employees elect to have a portion of their pay deferred until a future time, usually after retirement. The deferred pay and any income earned on it is not subject to income taxation until actually received by the employee. As of December 31, 1999, funds on deposit with the Ohio Public Employees' Deferred Compensation board totaled \$2,088,468 and the fair market value totaled \$3,018,697. Under the terms of the deferred compensation plan agreement these funds are held in trust for the exclusive benefit of plan participants and their beneficiaries. See Note 1 regarding the accompanying change with respect to the Ohio Public Employees' Deferred Compensation Plan.

**10. Postemployment Benefits Other Than Pension Benefits**

Public Employees Retirement System of Ohio provides postretirement health care coverage to age and services retirants with 10 or more years of qualifying Ohio service credit and to primary survivor recipients of such retirants. Health care coverage for disability recipients is available. The health care coverage provided by the retirement system is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 12. A portion of each employer's contribution to PERS is set aside for the funding of post retirement health care. The Ohio Revised Code provides statutory authority for employer contributions. The 1999 employer contribution rate for state employees was 13.31% of covered payroll; 4.2% was the portion that was used to fund health care for the year. For local government employer units the rate was 13.55% of covered payroll; 4.2% was the portion that was used to fund health care for the year 1999. The law enforcement employer rate for 1999 was 16.70% and 4.2% was used to fund health care.

The Ohio Revised Code provides the statutory authority requiring public employers to fund postretirement health care through their contributions to PERS.

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

Expenditures for OPEB during 1999 were \$523,599,349. As of December 31, 1999, the unaudited estimated net assets available for future OPEB payments were \$9,870,285,641. The number of benefit recipients eligible for OPEB at December 31, 1999 was 118,062.

During 1997, the Retirement Board adopted a new calculation method for determining employer contributions applied to OPEB. Under the new method, effective January 1, 1998, employer contributions, equal to 4.2% of member covered payroll, are used to fund health care expenses. Under the prior method, accrued liabilities and normal cost rates were determined for retiree health care coverage.

**CITY OF STEUBENVILLE**  
**JEFFERSON COUNTY, OHIO**  
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**DECEMBER 31, 1999**

**11. Landfill Closure**

During 1983 the City's landfill was closed. The City must comply with regulations related to capping and monitoring the landfill mandated by the Ohio Environmental Protection Agency. However, as of December 31, 1999 the Ohio EPA and the City have not reached a final agreement on specifications related to the closure. Based upon estimates from the City engineer the City anticipates spending approximately \$3,000,000. In anticipation of the landfill closure the City raised refuse rates in 1995 to help fund the payment of these costs.

**12. Legal Compliance**

Pursuant to Section 117.11 of the Revised Code, our auditors, BODKIN WILSON & KOZICKI PLLC, performed tests of compliance with various provisions of local, state and/or federal laws, as appropriate. The auditor's recommendations and citations are included in a separate part of this report.

**13. Accumulated Unpaid Sick Leave**

All vacations must be used by December 31 of each year. Accumulated unpaid sick pay is accrued and recorded in either the proprietary fund or the General Long Term Debt account group. The amount of sick leave (including related payroll taxes and workers' compensation) that has been accumulated by the employees of the City is estimated to be \$1,253,304 through December 31, 1999.

**14. Accrued Police and Firemen's Pension Liability**

In 1973 the City of Steubenville was required by the Police and Firemen's Disability and Pension Fund to pay a total of \$2,574,594 (Police - \$1,209,749 and Firemen - \$1,364,845) over the next 62 years at 4.25% interest into the pension fund. The requirement represented the City's share of the necessary funds needed to stabilize the pension fund. As of December 31, 1999 the outstanding balance for the Police was \$1,102,807 and for Firemen was \$1,244,193. The liability is recorded in the General Long Term Debt account group.

**15. Sewer Fund – Negative (Deficit) Earned Surplus**

The deficit earned surplus was caused by the recording of accrual entries to convert from cash basis to accrual basis. There was no noncompliance on the cash basis.

**CITY OF STEUBENVILLE**  
**JEFFERSON COUNTY, OHIO**  
**NOTES TO FINANCIAL STATEMENTS**  
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**16. Prior Period Adjustments**

During the course of the audit, adjustments were made due to the conversion from cash basis to the accrual basis that affected prior periods. The adjustments related to recording accrued payroll, accounts payable, accrued sick leave, medical claims payable, receivables, allowance for uncollectibles, prepaid expenses, inventory and general obligation Notes and Bonds payable.

**17. Budgetary/GAAP Reporting Reconciliation**

Financial statements in the report, as prescribed by generally accepted accounting principles, are prepared using the modified accrual basis of accounting for all governmental and expendable trust funds. All proprietary funds are accounted for using the accrual basis of accounting. The budget statements are prepared on the cash basis. The following schedule reconciles the differences between the GAAP basis statements and the cash basis statements.

**All Governmental Fund Types and Expendable Trust Funds**

	<b>Governmental Fund Types</b>				<b>Fiduciary Funds</b>
	<b>General Fund</b>	<b>Special Revenue Funds</b>	<b>Debt Service Funds</b>	<b>Capital Project Fund</b>	<b>Expendable Trust Funds</b>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses on GAAP basis	\$ 919,488	\$ (465,507)	\$ 249,905	\$ -	\$ (36,276)
Current year revenue accruals	(688,175)	(356,015)	(2,151)	-	77,603
Prior year revenue accruals	721,704	325,667	2,304	-	-
Current year expenditure accruals	541,457	379,470	-	-	(52,096)
Prior year expenditure accruals	<u>(1,024,910)</u>	<u>(391,476)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing Uses on the cash basis (budgetary)	<u>\$ 469,564</u>	<u>\$ (507,861)</u>	<u>\$ 250,058</u>	<u>\$ -</u>	<u>\$ (10,769)</u>

**CITY OF STEUBENVILLE**  
**JEFFERSON COUNTY, OHIO**  
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**17. Budgetary/GAAP Reporting Reconciliation (Continued)**

**All Proprietary Fund Types and Similar Trust Funds**

	<u>Proprietary Fund Type</u>		<u>Fiduciary Fund Type</u>
	<u>Enterprise Funds</u>	<u>Internal Service Funds</u>	<u>Nonexpendable Trust Fund</u>
Net Income (loss) on GAAP Basis	\$ (108,227)	\$ 189,294	\$ 295
Current year revenue accruals	288,718	-	-
Prior year revenue accruals	885,160	-	-
Current year expenditure accruals	899,563	118,410	-
Prior year expenditure accruals	<u>(983,517)</u>	<u>(108,056)</u>	<u>-</u>
Net Income (loss) on the cash basis (budgetary)	<u>\$ 981,697</u>	<u>\$ 199,648</u>	<u>\$ 295</u>

**18. Water and Wastewater Compliance**

The City of Steubenville has been mandated by the Ohio Environmental Protection Agency to upgrade the water and wastewater system in the city. The City anticipates spending approximately \$80 million to upgrade these facilities over the next several years.

**CITY OF STEUBENVILLE**  
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**19. Segment Information for Enterprise Funds**

The City maintains three Enterprise Funds which provide water, sewer and refuse services. Segment information for the year ended December 31, 1999 was as follows:

	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Refuse Fund</u>	<u>Total Enterprise Funds</u>
Operating revenues	\$ 2,598,491	\$ 1,594,626	\$ 1,561,806	\$ 5,754,923
Operating Income or (Loss)	60,477	(201,182)	401,475	260,770
Non-operating Revenues	170,861	4,778	23,440	199,079
Operating Transfers:				
In	-	-	-	-
Out	(201,848)	(166,667)	(199,561)	(568,076)
Net Income or Loss	29,490	(363,071)	225,354	(108,227)
Net Working Capital	1,480,459	(65,038)	635,948	2,051,369
Total Assets	1,653,092	220,183	732,280	2,605,555
Notes and Other Long-Term Liabilities:				
Payable from Operating Revenues	1,464,672	761,682	60,577	2,286,931
Total Equity	15,787	(826,720)	575,371	(235,562)



**CITY OF STEUBENVILLE**  
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**COMBINING BALANCE SHEET**  
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	<b>Municipal Court Improvement</b>	<b>Street Construction Maintenance and Repairs</b>	<b>State Highway Improvement</b>	<b>.3/.7 Street Improvement</b>	<b>.7 Equipment Improvement</b>
<b>ASSETS:</b>					
Cash	\$ 37,298	\$ 380,374	\$ 71,209	\$ 419,198	\$ 464,414
Inventory	-	31,833	-	-	-
Receivables - accounts and taxes	-	63,940	4,517	219,149	-
Prepaid Insurance	-	-	-	-	-
Total assets	<u>\$ 37,298</u>	<u>\$ 476,147</u>	<u>\$ 75,726</u>	<u>\$ 638,347</u>	<u>\$ 464,414</u>
<b>LIABILITIES:</b>					
Accounts payable	\$ 1,840	\$ 30,152	\$ 6,100	\$ 268,724	\$ 25,770
Accrued payroll	-	-	-	-	-
Total liabilities	<u>\$ 1,840</u>	<u>\$ 30,152</u>	<u>\$ 6,100</u>	<u>\$ 268,724</u>	<u>\$ 25,770</u>
<b>FUND BALANCES:</b>					
Unreserved	\$ 35,458	\$ 445,920	\$ 66,284	\$ 15,914	\$ 406,044
Reserved for encumbrances	-	75	3,342	353,709	32,600
Total fund balances	<u>\$ 35,458</u>	<u>\$ 445,995</u>	<u>\$ 69,626</u>	<u>\$ 369,623</u>	<u>\$ 438,644</u>
Total liabilities and fund balances	<u>\$ 37,298</u>	<u>\$ 476,147</u>	<u>\$ 75,726</u>	<u>\$ 638,347</u>	<u>\$ 464,414</u>

The accompanying notes are an integral part of these financial statements.

**CITY OF STEUBENVILLE**  
**JEFFERSON COUNTY, OHIO**  
**SPECIAL REVENUE FUNDS**  
**COMBINING BALANCE SHEET**  
**DECEMBER 31, 1999**

	<b><u>.7 Recreation Improvement</u></b>	<b><u>Food Service</u></b>	<b><u>Early Periodic Screening Development Testing</u></b>	<b><u>Community Development Block Grant</u></b>	<b><u>Steubenville Bus Company</u></b>
<b>ASSETS:</b>					
Cash	\$ 245,727	\$ 196,549	\$ 69,484	\$ 5,204	\$ -
Inventory	-	-	-	-	-
Receivables - accounts and taxes	-	-	-	61,924	2,151
Prepaid Insurance	-	55	55	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total assets	<u>\$ 245,727</u>	<u>\$ 196,604</u>	<u>\$ 69,539</u>	<u>\$ 67,128</u>	<u>\$ 2,151</u>
<b>LIABILITIES:</b>					
Accounts payable	\$ -	\$ 2,118	\$ 2,834	\$ 52,910	\$ -
Accrued payroll	-	263	67	1,072	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total liabilities	<u>\$ -</u>	<u>\$ 2,381</u>	<u>\$ 2,901</u>	<u>\$ 53,982</u>	<u>\$ -</u>
<b>FUND BALANCES:</b>					
Unreserved	\$ 240,542	\$ 185,941	\$ 63,710	\$ -	\$ 2,151
Reserved for encumbrances	5,185	8,282	2,928	13,146	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total fund balances	<u>\$ 245,727</u>	<u>\$ 194,223</u>	<u>\$ 66,638</u>	<u>\$ 13,146</u>	<u>\$ 2,151</u>
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total liabilities and fund balances	<u>\$ 245,727</u>	<u>\$ 196,604</u>	<u>\$ 69,539</u>	<u>\$ 67,128</u>	<u>\$ 2,151</u>

The accompanying notes are an integral part of these financial statements.

**CITY OF STEUBENVILLE**  
**JEFFERSON COUNTY, OHIO**  
**SPECIAL REVENUE FUNDS**  
**COMBINING BALANCE SHEET**  
**DECEMBER 31, 1999**

	<b>Litter Control Grant</b>	<b>Convention and Repairs Visitors Bureau</b>	<b>State Aids</b>	<b>Indigent Drives</b>	<b>Enforcement and Education</b>
<b>ASSETS:</b>					
Cash	\$ 4,771	\$ 5,926	\$ 11,421	\$ 31,250	\$ 10,821
Inventory	-	-	-	-	-
Receivables- accounts and taxes	-	4,334	-	-	-
Prepaid Insurance	-	-	-	-	-
Total assets	<u>\$ 4,771</u>	<u>\$ 10,260</u>	<u>\$ 11,421</u>	<u>\$ 31,250</u>	<u>\$ 10,821</u>
<b>LIABILITIES:</b>					
Accounts payable	\$ -	\$ 5,928	\$ 1,619	\$ -	\$ -
Accrued payroll	-	-	-	-	-
Total liabilities	<u>\$ -</u>	<u>\$ 5,928</u>	<u>\$ 1,619</u>	<u>\$ -</u>	<u>\$ -</u>
<b>FUND BALANCES:</b>					
Unreserved	\$ 4,771	\$ 4,332	\$ 9,321	\$ 31,250	\$ 10,821
Reserved for encumbrances	-	-	481	-	-
Total fund balances	<u>\$ 4,771</u>	<u>\$ 4,332</u>	<u>\$ 9,802</u>	<u>\$ 31,250</u>	<u>\$ 10,821</u>
Total liabilities and fund balances	<u>\$ 4,771</u>	<u>\$ 10,260</u>	<u>\$ 11,421</u>	<u>\$ 31,250</u>	<u>\$ 10,821</u>

The accompanying notes are an integral part of these financial statements.

**CITY OF STEUBENVILLE**  
**JEFFERSON COUNTY, OHIO**  
**SPECIAL REVENUE FUNDS**  
**COMBINING BALANCE SHEET**  
**DECEMBER 31, 1999**

	<b>Lab Test Fees</b>	<b>Community Development Program Revolving Business Loan</b>	<b>Community Development CHIP Grant</b>	<b>Parks Material Usage</b>	<b>Court Security</b>	<b>Totals (Memorandum Only)</b>
<b>ASSETS:</b>						
Cash	\$ 6,568	\$ -	\$ 32,347	\$ -	\$ 12,610	\$ 2,005,171
Inventory receivables	-	-	-	-	-	31,833
Receivables - accounts and taxes	-	-	-	-	-	356,015
Prepaid Insurance	55	-	-	-	-	165
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total assets	<u>\$ 6,623</u>	<u>\$ -</u>	<u>\$ 32,347</u>	<u>\$ -</u>	<u>\$ 12,610</u>	<u>\$ 2,393,184</u>
<b>LIABILITIES:</b>						
Accounts payable	\$ 1,346	\$ -	\$ 5,000	\$ -	\$ 5,590	\$ 409,931
Accrued payroll	135	-	-	-	-	1,537
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total liabilities	<u>\$ 1,481</u>	<u>\$ -</u>	<u>\$ 5,000</u>	<u>\$ -</u>	<u>\$ 5,590</u>	<u>\$ 411,468</u>
<b>FUND BALANCES:</b>						
Unreserved	\$ 4,865	\$ -	\$ 27,347	\$ -	\$ 7,020	\$ 1,561,691
Reserved for encumbrances	277	-	-	-	-	420,025
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total fund balances	<u>\$ 5,142</u>	<u>\$ -</u>	<u>\$ 27,347</u>	<u>\$ -</u>	<u>\$ 7,020</u>	<u>\$ 1,981,716</u>
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total liabilities and fund balances	<u>\$ 6,623</u>	<u>\$ -</u>	<u>\$ 32,347</u>	<u>\$ -</u>	<u>\$ 12,610</u>	<u>\$ 2,393,184</u>

The accompanying notes are an integral part of these financial statements.

**CITY OF STEUBENVILLE**  
**JEFFERSON COUNTY, OHIO**  
**SPECIAL REVENUE FUNDS**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES**  
**FOR THE YEAR ENDED DECEMBER 31, 1999**

	<b><u>Municipal Court Improvement</u></b>	<b><u>Street Construction Maintenance and Repairs</u></b>	<b><u>State Highway Improvement</u></b>	<b><u>.3/.7 Street Improvement</u></b>	<b><u>.7 Equipment Improvement</u></b>
<b>REVENUES:</b>					
Taxes	\$ -	\$ 475,419	\$ 38,471	\$ 635,485	\$ 300,000
Intergovernmental	-	-	-	889,160	-
Charges for services	-	-	-	-	-
Fines, licenses and permits	19,700	-	-	-	-
Miscellaneous	-	-	-	34,758	-
Total revenues	<u>\$ 19,700</u>	<u>\$ 475,419</u>	<u>\$ 38,471</u>	<u>\$ 1,559,403</u>	<u>\$ 300,000</u>
<b>EXPENDITURES:</b>					
Streets and maintenance	\$ -	\$ 487,050	\$ 30,009	\$ -	\$ -
Public transit	-	-	-	-	-
Public health	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Community environment	-	-	-	-	-
Debt service	-	-	-	236,936	-
Capital outlay	21,409	-	-	1,702,644	485,509
Total expenditures	<u>\$ 21,409</u>	<u>\$ 487,050</u>	<u>\$ 30,009</u>	<u>\$ 1,939,580</u>	<u>\$ 485,509</u>
Revenues over (under) expenditures	<u>\$ (1,709)</u>	<u>\$ (11,631)</u>	<u>\$ 8,462</u>	<u>\$ (380,177)</u>	<u>\$ (185,509)</u>
<b>OTHER FINANCING SOURCES (USES):</b>					
Operating transfers in	\$ -	\$ -	\$ -	\$ -	\$ -
Operating transfers out	-	-	-	-	-
Total other financing sources (uses)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	\$ (1,709)	\$ (11,631)	\$ 8,462	\$ (380,177)	\$ (185,509)
Fund Balance, beginning of period	37,167	435,714	57,720	769,400	624,153
Prior period adjustments	-	21,912	3,444	(19,600)	-
Fund Balance, end of period	<u>\$ 35,458</u>	<u>\$ 445,995</u>	<u>\$ 69,626</u>	<u>\$ 369,623</u>	<u>\$ 438,644</u>

The accompanying notes are an integral part of these financial statements.

**CITY OF STEUBENVILLE**  
**JEFFERSON COUNTY, OHIO**  
**SPECIAL REVENUE FUNDS**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES**  
**FOR THE YEAR ENDED DECEMBER 31, 1999**

	<b>.7 Recreation Improvement</b>	<b>Food Service</b>	<b>Early Periodic Screening Development Testing</b>	<b>Community Development Block Grant</b>	<b>Steubenville Bus Company</b>
<b>REVENUES:</b>					
Taxes	\$ 100,000	\$ -	\$ -	\$ -	\$ 164,906
Intergovernmental	-	-	-	1,045,826	104,000
Charges for services	-	-	-	-	-
Fines, licenses and permits	-	61,177	17,012	-	-
Miscellaneous	-	-	-	-	-
Total revenues	<u>\$ 100,000</u>	<u>\$ 61,177</u>	<u>\$ 17,012</u>	<u>\$ 1,045,826</u>	<u>\$ 268,906</u>
<b>EXPENDITURES:</b>					
Streets and maintenance	\$ -	\$ -	\$ -	\$ -	\$ -
Public transit	-	-	-	-	266,755
Public health	-	50,551	23,931	-	-
Culture and recreation	-	-	-	-	-
Community environment	-	-	-	968,008	-
Debt service	-	-	-	-	-
Capital outlay	79,342	-	-	-	-
Total expenditures	<u>\$ 79,342</u>	<u>\$ 50,551</u>	<u>\$ 23,931</u>	<u>\$ 968,008</u>	<u>\$ 266,755</u>
Revenues over (under) expenditures	<u>\$ 20,658</u>	<u>\$ 10,626</u>	<u>\$ (6,919)</u>	<u>\$ 77,818</u>	<u>\$ 2,151</u>
<b>OTHER FINANCING SOURCES (USES):</b>					
Operating transfers in	\$ -	\$ -	\$ -	\$ 500	\$ -
Operating transfers out	-	-	-	(18,065)	-
Total other financing sources (uses)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (17,565)</u>	<u>\$ -</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	\$ 20,658	\$ 10,626	\$ (6,919)	\$ 60,253	\$ 2,151
Fund Balance, beginning of period	225,069	188,545	74,711	1	-
Prior period adjustments	-	(4,948)	(1,154)	(47,108)	-
Fund Balance, end of period	<u>\$ 245,727</u>	<u>\$ 194,223</u>	<u>\$ 66,638</u>	<u>\$ 13,146</u>	<u>\$ 2,151</u>

The accompanying notes are an integral part of these financial statements.

**CITY OF STEUBENVILLE**  
**JEFFERSON COUNTY, OHIO**  
**SPECIAL REVENUE FUNDS**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES**  
**FOR THE YEAR ENDED DECEMBER 31, 1999**

	<b><u>Litter Control Grant</u></b>	<b><u>Convention and Visitors Bureau</u></b>	<b><u>State Aids</u></b>	<b><u>Indigent Drivers</u></b>	<b><u>Enforcement and Education</u></b>
<b>REVENUES:</b>					
Taxes	\$ -	\$ 68,024	\$ -	\$ -	\$ -
Intergovernmental	-	-	20,908	-	-
Charges for services	-	-	-	-	-
Fines, licenses and permits	-	-	-	3,518	614
Miscellaneous	-	-	481	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total revenues	\$ -	\$ 68,024	\$ 21,389	\$ 3,518	\$ 614
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>EXPENDITURES:</b>					
Streets and maintenance	\$ -	\$ -	\$ -	\$ -	\$ -
Public transit	-	-	-	-	-
Public health	-	-	24,048	-	-
Culture and recreation	-	72,822	-	-	-
Community environment	-	-	-	-	-
Debt service	-	-	-	-	-
Capital outlay	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditures	\$ -	\$ 72,822	\$ 24,048	\$ -	\$ -
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Revenues over (under) expenditures	\$ -	\$ (4,798)	\$ (2,659)	\$ 3,518	\$ 614
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>OTHER FINANCING SOURCES (USES):</b>					
Operating transfers in	\$ -	\$ -	\$ -	\$ -	\$ -
Operating transfers out	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	\$ -	\$ -	\$ -	\$ -	\$ -
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	\$ -	\$ (4,798)	\$ (2,659)	\$ 3,518	\$ 614
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Fund Balance, beginning of period	4,771	5,142	16,471	27,732	10,207
Prior period adjustments	-	3,988	(4,010)	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Fund Balance, end of period	\$ 4,771	\$ 4,332	\$ 9,802	\$ 31,250	\$ 10,821

The accompanying notes are an integral part of these financial statements.

**CITY OF STEUBENVILLE**  
**JEFFERSON COUNTY, OHIO**  
**SPECIAL REVENUE FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES**  
**FOR THE YEAR ENDED DECEMBER 31, 1999**

	<b>Lab Test Fees</b>	<b>Community Development Program Revolving Business Loan</b>	<b>Community Development CHIP Grant</b>	<b>Parks Material Usage</b>	<b>Court Security</b>	<b>Totals (Memorandum Only)</b>
<b>REVENUES:</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,782,305
Intergovernmental	-	251	161,383	-	23,000	2,244,528
Charges for services	-	-	-	2,555	-	2,555
Fines, licenses and permits	6,642	-	-	-	-	108,663
Miscellaneous	-	-	-	-	-	35,239
Total revenues	<u>\$ 6,642</u>	<u>\$ 251</u>	<u>\$ 161,383</u>	<u>\$ 2,555</u>	<u>\$ 23,000</u>	<u>\$ 4,173,290</u>
<b>EXPENDITURES:</b>						
Streets and maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 517,059
Public transit	-	-	-	-	-	266,755
Public health	26,117	-	-	-	15,980	140,627
Culture and recreation	-	-	-	2,555	-	75,377
Community environment	-	-	127,066	-	-	1,095,074
Debt service	-	-	-	-	-	236,936
Capital outlay	-	-	-	-	-	2,288,904
Total expenditures	<u>\$ 26,117</u>	<u>\$ -</u>	<u>\$ 127,066</u>	<u>\$ 2,555</u>	<u>\$ 15,980</u>	<u>\$ 4,620,732</u>
Revenues over (under) expenditures	<u>\$ (19,475)</u>	<u>\$ 251</u>	<u>\$ 34,317</u>	<u>\$ -</u>	<u>\$ 7,020</u>	<u>\$ (447,442)</u>
<b>OTHER FINANCING SOURCES (USES):</b>						
Operating transfers in	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500
Operating transfers out	-	(500)	-	-	-	(18,565)
Total other financing sources (uses)	<u>\$ -</u>	<u>\$ (500)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (18,065)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>\$ (19,475)</u>	<u>\$ (249)</u>	<u>\$ 34,317</u>	<u>\$ -</u>	<u>\$ 7,020</u>	<u>\$ (465,507)</u>
Fund Balance, beginning of period	28,593	249	7,387	-	-	2,513,032
Prior period adjustments	(3,976)	-	(14,357)	-	-	(65,809)
Fund Balance, end of period	<u><u>\$ 5,142</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 27,347</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 7,020</u></u>	<u><u>\$ 1,981,716</u></u>

The accompanying notes are an integral part of these financial statements.



**CITY OF STEUBENVILLE**  
**JEFFERSON COUNTY, OHIO**  
**DEBT SERVICE FUNDS**  
**COMBINING BALANCE SHEET**  
**DECEMBER 31, 1999**

	<b>Bond Retirement</b>	<b>Special Assessment Bond Retirement</b>	<b>Totals (Memorandum Only)</b>
<b>ASSETS:</b>			
Cash	\$ 728,431	\$ 161,236	\$ 889,667
Receivables - accounts and taxes	2,151	-	2,151
Total assets	<u>\$ 730,582</u>	<u>\$ 161,236</u>	<u>\$ 891,818</u>
<b>FUND BALANCES:</b>			
Unreserved	\$ 730,582	\$ 161,236	\$ 891,818
Reserved for encumbrances	-	-	-
Total fund balances	<u>\$ 730,582</u>	<u>\$ 161,236</u>	<u>\$ 891,818</u>

The accompanying notes are an integral part of these financial statements.

**CITY OF STEUBENVILLE**  
**JEFFERSON COUNTY, OHIO**  
**DEBT SERVICE FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES**  
**FOR THE YEAR ENDED DECEMBER 31, 1999**

	<b>Bond Retirement</b>	<b>Special Assessment Bond Retirement</b>	<b>Totals (Memorandum Only) Only)</b>
<b>REVENUES:</b>			
Taxes	\$ 187,535	\$ -	\$ 187,535
Intergovernmental	20,384	-	20,384
Special assessments	-	26,569	26,569
Miscellaneous	14,175	5,511	19,686
Total revenues	<u>\$ 222,094</u>	<u>\$ 32,080</u>	<u>\$ 254,174</u>
<b>EXPENDITURES:</b>			
General government	<u>\$ 3,897</u>	<u>\$ 372</u>	<u>\$ 4,269</u>
Total expenditures	<u>\$ 3,897</u>	<u>\$ 372</u>	<u>\$ 4,269</u>
Revenues over (under) expenditures	<u>\$ 218,197</u>	<u>\$ 31,708</u>	<u>\$ 249,905</u>
<b>OTHER FINANCING SOURCES (USES):</b>			
Operating transfers in	\$ -	\$ -	\$ -
Operating transfers out	-	-	-
Total other financing sources (uses)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	\$ 218,197	\$ 31,708	\$ 249,905
Fund Balance, beginning of period	510,081	129,528	639,609
Prior period adjustments	2,304	-	2,304
Fund Balance, end of period	<u><u>\$ 730,582</u></u>	<u><u>\$ 161,236</u></u>	<u><u>\$ 891,818</u></u>

The accompanying notes are an integral part of these financial statements.

**CITY OF STEUBENVILLE**  
**JEFFERSON COUNTY, OHIO**  
**CAPITAL PROJECTS FUND**  
**BALANCE SHEET**  
**DECEMBER 31, 1999**

	<u>Issue II</u>
<b>ASSETS:</b>	
Cash	\$ -
Total assets	\$ -
<b>FUND BALANCES:</b>	
Unreserved	\$ -
Reserved for encumbrances	-
Total fund balances	\$ -

The accompanying notes are an integral part of these financial statements.

**CITY OF STEUBENVILLE**  
**JEFFERSON COUNTY, OHIO**  
**CAPITAL PROJECTS FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES**  
**FOR THE YEAR ENDED DECEMBER 31, 1999**

	<b>Issue II</b>
<b>REVENUES:</b>	
Intergovernmental	\$ 17,103
Total revenues	\$ 17,103
<b>EXPENDITURES:</b>	
Capital Outlay	\$ 17,103
Total expenditures	\$ 17,103
Revenues over (under) expenditures	\$ -
<b>OTHER FINANCING SOURCES (USES):</b>	
Operating transfers in	\$ -
Operating transfers out	-
Total other financing sources (uses)	\$ -
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	\$ -
Fund Balance, beginning of period	-
Prior period adjustments	-
Fund Balance, end of period	\$ -

The accompanying notes are an integral part of these financial statements.

**CITY OF STEUBENVILLE**  
**JEFFERSON COUNTY, OHIO**  
**ENTERPRISE FUNDS**  
**COMBINING BALANCE SHEET**  
**DECEMBER 31,1999**

	<b>Water Fund</b>	<b>Sewer Fund</b>	<b>Refuse Fund</b>	<b>Totals (Memorandum Only)</b>
<b>ASSETS:</b>				
Cash	\$ 1,392,688	\$ 4,280	\$ 551,851	\$ 1,948,819
Receivables (net of allowance for uncollectibles):				
Charges for services and other	258,586	214,085	178,611	651,282
Prepaid Insurance	1,818	1,818	1,818	5,454
 Total assets	<u>\$ 1,653,092</u>	<u>\$ 220,183</u>	<u>\$ 732,280</u>	<u>\$ 2,605,555</u>
<b>LIABILITIES:</b>				
Accounts payable	\$ 133,068	\$ 163,902	\$ 72,551	\$ 369,521
Accrued payroll	8,409	5,496	3,096	17,001
Accrued sick leave	127,876	82,021	44,348	254,245
Claims Payable	-	-	-	-
Accrued interest payable	2,975	1,275	-	4,250
Current maturity of general obligation notes payable	28,181	114,548	20,685	163,414
General obligation notes payable	1,336,796	679,661	16,229	2,032,686
 Total liabilities	<u>\$ 1,637,305</u>	<u>\$ 1,046,903</u>	<u>\$ 156,909</u>	<u>\$ 2,841,117</u>
<b>FUND EQUITY:</b>				
Earned surplus (deficit)	\$ 15,787	\$ (826,720)	\$ 575,371	\$ (235,562)
 Total fund equity	<u>\$ 15,787</u>	<u>\$ (826,720)</u>	<u>\$ 575,371</u>	<u>\$ (235,562)</u>
 Total liabilities and fund equity	<u>\$ 1,653,092</u>	<u>\$ 220,183</u>	<u>\$ 732,280</u>	<u>\$ 2,605,555</u>

The accompanying notes are an integral part of these financial statements.

**CITY OF STEUBENVILLE**  
**JEFFERSON COUNTY, OHIO**  
**ENTERPRISE FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENSES AND**  
**CHANGES IN FUND EQUITY (DEFICIT)**  
**FOR THE YEAR ENDED DECEMBER 31, 1999**

	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Refuse Fund</u>	<u>Totals (Memorandum Only)</u>
<b>OPERATING REVENUES:</b>				
Charges for services	\$ 2,598,491	\$ 1,594,626	\$ 1,561,806	\$ 5,754,923
Total operating revenues	<u>\$ 2,598,491</u>	<u>\$ 1,594,626</u>	<u>\$ 1,561,806</u>	<u>\$ 5,754,923</u>
<b>OPERATING EXPENSES:</b>				
Central purchasing	\$ 179,237	\$ 117,568	\$ -	\$ 296,805
Filtration, treatment and disposal	751,035	1,088,551	975,135	2,814,721
Pumping	757,391	-	-	757,391
Distribution	216,493	-	-	216,493
Maintenance and reading	254,222	403,286	-	657,508
Administration	74,567	29,249	-	103,816
Utility billing	261,784	-	-	261,784
Capital outlay	-	-	162,996	162,996
Debt service	43,285	157,154	22,200	222,639
Health care	-	-	-	-
Total operating expenses	<u>\$ 2,538,014</u>	<u>\$ 1,795,808</u>	<u>\$ 1,160,331</u>	<u>\$ 5,494,153</u>
Operating income (loss)	<u>\$ 60,477</u>	<u>\$ (201,182)</u>	<u>\$ 401,475</u>	<u>\$ 260,770</u>
<b>NONOPERATING REVENUES (EXPENSES):</b>				
Other revenues	\$ 170,861	\$ 4,778	\$ 23,440	\$ 199,079
Other expenses	-	-	-	-
Total nonoperating revenues (expenses)	<u>\$ 170,861</u>	<u>\$ 4,778</u>	<u>\$ 23,440</u>	<u>\$ 199,079</u>
Income (loss) before transfers	<u>\$ 231,338</u>	<u>\$ (196,404)</u>	<u>\$ 424,915</u>	<u>\$ 459,849</u>
<b>OPERATING TRANSFERS:</b>				
Operating transfers in	\$ -	\$ -	\$ -	\$ -
Operating transfers out	(201,848)	(166,667)	(199,561)	(568,076)
Total operating transfers	<u>\$ (201,848)</u>	<u>\$ (166,667)</u>	<u>\$ (199,561)</u>	<u>\$ (568,076)</u>
Net income (loss)	<u>\$ 29,490</u>	<u>\$ (363,071)</u>	<u>\$ 225,354</u>	<u>\$ (108,227)</u>
<b>FUND EQUITY, beginning of period</b>	690,722	(103,038)	379,438	967,122
Prior period adjustments	(704,425)	(360,611)	(29,421)	(1,094,457)
<b>FUND EQUITY, end of period</b>	<u>\$ 15,787</u>	<u>\$ (826,720)</u>	<u>\$ 575,371</u>	<u>\$ (235,562)</u>

The accompanying notes are an integral part of these financial statements.

**CITY OF STEUBENVILLE**  
**JEFFERSON COUNTY, OHIO**  
**ENTERPRISE FUNDS**  
**COMBINING STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 1999**

	<b>Water Fund</b>	<b>Sewer Fund</b>	<b>Refuse Fund</b>	<b>Totals (Memorandum Only)</b>
<b>Cash Flows from Operating Activities:</b>				
Cash received from customers	\$ 2,519,668	\$ 1,714,407	\$ 1,494,726	\$ 5,728,801
Cash paid to suppliers and employees	(2,626,715)	(1,805,200)	(1,146,192)	(5,578,107)
Net cash provided by operating activities	<u>\$ (107,047)</u>	<u>\$ (90,793)</u>	<u>\$ 348,534</u>	<u>\$ 150,694</u>
<b>Cash Flows from Capital and Related Financing Activities:</b>				
Proceeds derived from issuance of Notes	\$ 840,000	\$ 360,000	\$ -	\$ 1,200,000
Other Transfers In (Out)	(201,848)	(166,667)	(199,561)	(568,076)
Cash received from miscellaneous	170,861	4,778	23,440	199,079
Net cash used for capital and related financing activities	<u>\$ 809,013</u>	<u>\$ 198,111</u>	<u>\$ (176,121)</u>	<u>\$ 831,003</u>
 Net increase (decrease) in cash	 \$ 701,966	 \$ 107,318	 \$ 172,413	 \$ 981,697
Cash January 1, 1999	<u>690,722</u>	<u>(103,038)</u>	<u>379,438</u>	<u>967,122</u>
Cash December 31, 1999	<u>\$ 1,392,688</u>	<u>\$ 4,280</u>	<u>\$ 551,851</u>	<u>\$ 1,948,819</u>
 <b>Reconciliation of Operating Income (loss) to Net Cash Provided by Operating Activities:</b>				
Net operating income (loss)	\$ 60,477	\$ (201,182)	\$ 401,475	\$ 260,770
Adjustments to Reconcile Operating Income (Loss) to Net cash provided by operating activities				
Changes in Assets and Liabilities -				
(Increase) decrease in receivables	(53,923)	77,781	(44,980)	(21,122)
(Increase) decrease in prepaid assets	1,289	1,289	1,289	3,867
Increase (decrease) in accounts payable	(131,710)	19,752	(17,178)	(129,136)
Increase (decrease) in accrued and other liabilities	16,820	11,567	7,928	36,315
Net cash provided by operating activities	<u>\$ (107,047)</u>	<u>\$ (90,793)</u>	<u>\$ 348,534</u>	<u>\$ 150,694</u>

The accompanying notes are an integral part of these financial statements.

**CITY OF STEUBENVILLE**  
**JEFFERSON COUNTY, OHIO**  
**INTERNAL SERVICE FUND**  
**COMBINING BALANCE SHEET**  
**DECEMBER 31, 1999**

	<b>Health Care Fund</b>	<b>Health Assurance Fund</b>	<b>Totals (Memorandum Only)</b>
<b>ASSETS:</b>			
Cash	\$ 434,270	\$ 356,421	\$ 790,691
Total assets	\$ 434,270	\$ 356,421	\$ 790,691
 <b>LIABILITIES:</b>			
Claims Payable	\$ -	\$ 118,410	\$ 118,410
Total liabilities	\$ -	\$ 118,410	\$ 118,410
 <b>FUND EQUITY:</b>			
Earned surplus (deficit)	\$ 434,270	\$ 238,011	\$ 672,281
Total fund equity	\$ 434,270	\$ 238,011	\$ 672,281
Total liabilities and fund equity	\$ 434,270	\$ 356,421	\$ 790,691

The accompanying notes are an integral part of these financial statements.  
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**CITY OF STEUBENVILLE**  
**JEFFERSON COUNTY, OHIO**  
**INTERNAL SERVICE FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENSES AND**  
**CHANGES IN FUND EQUITY**  
**FOR THE YEAR ENDED DECEMBER 31, 1999**

	<b>Health Care Fund</b>	<b>Health Assurance Fund</b>	<b>Totals (Memorandum Only)</b>
<b>OPERATING REVENUES:</b>			
Charges for services	\$ -	\$ -	\$ -
Total operating revenues	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>OPERATING EXPENSES:</b>			
Central purchasing	\$ -	\$ -	\$ -
Filtration, treatment and disposal	-	-	-
Pumping	-	-	-
Distribution	-	-	-
Maintenance and reading	-	-	-
Administration	-	-	-
Utility billing	-	-	-
Capital outlay	-	-	-
Debt service	-	-	-
Health care	-	982,420	982,420
Total operating expenses	<u>\$ -</u>	<u>\$ 982,420</u>	<u>\$ 982,420</u>
Operating income (loss)	<u>\$ -</u>	<u>\$ (982,420)</u>	<u>\$ (982,420)</u>
<b>NONOPERATING REVENUES (EXPENSES):</b>			
Other revenues	\$ -	\$ 5,110	\$ 5,110
Other expenses	-	-	-
Total nonoperating revenues (expenses)	<u>\$ -</u>	<u>\$ 5,110</u>	<u>\$ 5,110</u>
Income (loss) before operating transfers	<u>\$ -</u>	<u>\$ (977,310)</u>	<u>\$ (977,310)</u>
<b>OPERATING TRANSFERS:</b>			
Operating transfers in	\$ -	\$ 1,166,604	\$ 1,166,604
Operating transfers out	-	-	-
Total operating transfers	<u>\$ -</u>	<u>\$ 1,166,604</u>	<u>\$ 1,166,604</u>
Net income (loss)	<u>\$ -</u>	<u>\$ 189,294</u>	<u>\$ 189,294</u>
<b>FUND EQUITY, beginning of period</b>	434,270	156,773	591,043
Prior period adjustments	-	(108,056)	(108,056)
<b>FUND EQUITY, end of period</b>	<u>\$ 434,270</u>	<u>\$ 238,011</u>	<u>\$ 672,281</u>

The accompanying notes are an integral part of these financial statements.

**CITY OF STEUBENVILLE**  
**JEFFERSON COUNTY, OHIO**  
**INTERNAL SERVICE FUNDS**  
**COMBINING STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 1999**

	<b>Health Care Fund</b>	<b>Health Assurance Fund</b>	<b>Totals (Memorandum Only)</b>
<b>Cash Flows from Operating Activities:</b>			
Cash received from customers	\$ -	\$ -	\$ -
Cash paid to suppliers and employees	-	(972,066)	(972,066)
Net cash provided by operating activities	<u>\$ -</u>	<u>\$ (972,066)</u>	<u>\$ (972,066)</u>
<b>Cash Flows from Capital and Related Financing Activities:</b>			
Other Transfers In (Out)	-	1,166,604	1,166,604
Cash received from miscellaneous	-	5,110	5,110
Net cash used for capital and related financing activities	<u>\$ -</u>	<u>\$ 1,171,714</u>	<u>\$ 1,171,714</u>
Net increase (decrease) in cash	\$ -	\$ 199,648	\$ 199,648
Cash January 1, 1999	434,270	156,773	591,043
Cash December 31, 1999	<u>\$ 434,270</u>	<u>\$ 356,421</u>	<u>\$ 790,691</u>
<b>Reconciliation of Operating Income (loss) to Net Cash Provided by Operating Activities:</b>			
Net operating income (loss)	\$ -	\$ (982,420)	\$ (982,420)
Adjustments to Reconcile Operating Income (Loss) to Net cash provided by operating activities			
Changes in Assets and Liabilities - Increase (decrease) in claims payable	-	10,354	10,354
Net cash provided by operating activities	<u>\$ -</u>	<u>\$ (972,066)</u>	<u>\$ (972,066)</u>

The accompanying notes are an integral part of these financial statements.

**CITY OF STEUBENVILLE**  
**JEFFERSON COUNTY, OHIO**  
**FIDUCIARY FUNDS**  
**COMBINING BALANCE SHEET**  
**DECEMBER 31, 1999**

	<b>EXPENDABLE TRUST FUNDS</b>					
	<b>Zoning &amp; Rezoning</b>	<b>Fire Damage Removal</b>	<b>Improvement Bond Escrow</b>	<b>Floto Historical Site</b>	<b>Local Law Enforcement Block Grant</b>	<b>Law Enforcement Trust</b>
<b>ASSETS:</b>						
Cash	\$ 1,085	\$ 24,292	\$ 8,000	\$ 1,510	\$ 2,609	\$ 3,595
Total assets	\$ 1,085	\$ 24,292	\$ 8,000	\$ 1,510	\$ 2,609	\$ 3,595
<b>LIABILITIES:</b>						
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>FUND BALANCES:</b>						
Unreserved	\$ 1,085	\$ 16,292	\$ 8,000	\$ 1,510	\$ 2,609	\$ 3,595
Reserved for encumbrances	-	8,000	-	-	-	-
Total fund balances	\$ 1,085	\$ 24,292	\$ 8,000	\$ 1,510	\$ 2,609	\$ 3,595
Total liabilities and fund balances	\$ 1,085	\$ 24,292	\$ 8,000	\$ 1,510	\$ 2,609	\$ 3,595

The accompanying notes are an integral part of these financial statements.

**CITY OF STEUBENVILLE**  
**STEUBENVILLE, OHIO**  
**FIDUCIARY FUNDS**  
**COMBINING BALANCE SHEET**  
**DECEMBER 31, 1999**

	<b>EXPENDABLE TRUST FUNDS</b>				<b>Totals</b>	<b>NONEXPENDABLE</b>	<b>AGENCY FUND</b>	<b>Totals</b>
	<b>Route Seven Project</b>	<b>Police Education Trust</b>	<b>Utility Service Deposit</b>	<b>(Memorandum Only)</b>	<b>Mears Relief</b>	<b>Municipal Court</b>	<b>(Memorandum Only)</b>	
<b>ASSETS:</b>								
Cash	\$ 2,253	\$ 17,010	\$ 25,507	\$ 85,861	\$ 10,816	\$ 9,668	\$ 106,345	
Total assets	<u>\$ 2,253</u>	<u>\$ 17,010</u>	<u>\$ 25,507</u>	<u>\$ 85,861</u>	<u>\$ 10,816</u>	<u>\$ 9,668</u>	<u>\$ 106,345</u>	
<b>LIABILITIES:</b>								
Accounts Payable	\$ -	\$ -	\$ 25,507	\$ 25,507	\$ -	\$ 9,668	\$ 35,175	
Total liabilities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 25,507</u>	<u>\$ 25,507</u>	<u>\$ -</u>	<u>\$ 9,668</u>	<u>\$ 35,175</u>	
<b>FUND BALANCES:</b>								
Unreserved	\$ 2,253	\$ 17,010	\$ -	\$ 52,354	\$ 10,816	\$ -	\$ 63,170	
Reserved for encumbrances	-	-	-	8,000	-	-	8,000	
Total fund balances	<u>\$ 2,253</u>	<u>\$ 17,010</u>	<u>\$ -</u>	<u>\$ 60,354</u>	<u>\$ 10,816</u>	<u>\$ -</u>	<u>\$ 71,170</u>	
Total liabilities and fund balances	<u>\$ 2,253</u>	<u>\$ 17,010</u>	<u>\$ 25,507</u>	<u>\$ 85,861</u>	<u>\$ 10,816</u>	<u>\$ 9,668</u>	<u>\$ 106,345</u>	

The accompanying notes are an integral part of these financial statements.

**CITY OF STEUBENVILLE**  
**STEUBENVILLE, OHIO**  
**AGENCY FUND**

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**DECEMBER 31, 1999**

	<b>MUNICIPAL COURT</b>				<b>Totals (Memorandum Only)</b>
	<b>Criminal</b>	<b>Bonds</b>	<b>Juror/ Witness</b>	<b>Civil</b>	
<b>ASSETS:</b>					
Cash					
Balance January 1, 1999	\$ 1,889	\$ 6,222	\$ 822	\$ 1,041	\$ 9,974
Additions	140,424	42,117	4	151,759	334,304
Deductions	(141,894)	(45,861)	-	(146,855)	(334,610)
Balance December 31, 1999	<u>\$ 419</u>	<u>\$ 2,478</u>	<u>\$ 826</u>	<u>\$ 5,945</u>	<u>\$ 9,668</u>
Total assets	<u>\$ 419</u>	<u>\$ 2,478</u>	<u>\$ 826</u>	<u>\$ 5,945</u>	<u>\$ 9,668</u>
<b>LIABILITIES:</b>					
Other accounts payable					
Balance January 1, 1999	\$ 1,889	\$ 6,222	\$ 822	\$ 1,041	\$ 9,974
Additions	140,424	42,117	4	151,759	334,304
Deductions	(141,894)	(45,861)	-	(146,855)	(334,610)
Balance December 31, 1999	<u>\$ 419</u>	<u>\$ 2,478</u>	<u>\$ 826</u>	<u>\$ 5,945</u>	<u>\$ 9,668</u>
Total liabilities	<u>\$ 419</u>	<u>\$ 2,478</u>	<u>\$ 826</u>	<u>\$ 5,945</u>	<u>\$ 9,668</u>

The accompanying notes are an integral part of these financial statements.

**CITY OF STEUBENVILLE**  
**JEFFERSON COUNTY, OHIO**  
**STATEMENT OF GENERAL LONG-TERM DEBT**  
**DECEMBER 31, 1999**

Amount available and to be provided for  
the payment of general long-term debt

General obligation Notes and Bonds:

Amounts available in debt service funds	\$ 889,667	
Amount to be provided	359,733	\$ 1,249,400

Accrued sick leave:

Amount to be provided	999,059
-----------------------	---------

Accrued pension liability:

Amount to be provided	2,347,000
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Total amount available and to be provided	\$ 4,595,459
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General long-term debt payable

General obligation notes payable	\$ 999,400
General obligation bonds payable	250,000
Accrued sick leave	999,059
Accrued pension liability	2,347,000

Total general long-term debt payable	\$ 4,595,459
--------------------------------------	--------------

The accompanying notes are an integral part of these financial statements.

**CITY OF STEUBENVILLE**  
**JEFFERSON COUNTY, OHIO**  
**SCHEDULE OF CHANGES IN LONG-TERM DEBT**  
**DECEMBER 31, 1999**

	<b>General Long-Term Debt 01/01/99</b>	<b>Additions</b>	<b>Retirements</b>	<b>General Long-Term Debt 12/31/99</b>
Long-term debt				
General obligation Notes Payable	\$ 1,015,267	\$ 78,008	\$ 93,875	\$ 999,400
General obligation Bonds Payable	375,000	-	125,000	250,000
Accrued sick leave	900,071	98,988	-	999,059
Accrued pension liability	2,375,083	-	28,083	2,347,000
 Total	 <u>\$ 4,665,421</u>	 <u>\$ 176,996</u>	 <u>\$ 246,958</u>	 <u>\$ 4,595,459</u>

The accompanying notes are an integral part of these financial statements.

**CITY OF STEUBENVILLE**  
**JEFFERSON COUNTY, OHIO**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED DECEMBER 31, 1999**

<b>FEDERAL GRANTOR/PASS THROUGH GRANTOR PROGRAM TITLE</b>	<b>Federal CFDA Number</b>	<b>Pass-Through Grant Number</b>	<b>Program Award Amount</b>	<b>Beginning Balance January 1, 1999</b>	<b>Receipts</b>	<b>Disbursements</b>	<b>Cash/Accrued or Deferred Revenue at December 31, 1999</b>
<b><u>U.S. Department of Housing and Urban Development</u></b>							
Direct Programs:							
Community Development Block Grant Entitlement Grants	14.218	B96-MC-39-0020	\$ 1,055,000	\$ -	\$ 716,418	\$ 716,418	\$ -
Community Development Block Grant Entitlement Grants	14.218	B97-MC-39-0020	1,035,000	-	267,414	329,338	(61,924)
Community Development Block Grant Entitlement Grants	14.218	B98-MC-39-0020	1,000,000	-	-	-	-
Total Entitlement Grants			<u>\$ 3,090,000</u>	<u>\$ -</u>	<u>\$ 983,832</u>	<u>\$ 1,045,756</u>	<u>\$ (61,924)</u>
Passed-Through State Department of Development							
Community Housing Improvement Program ("Home" Progr)	14.239	M-97-SG-39-0151	\$ 275,000	\$ 7,387	\$ 161,383	\$ 136,423	\$ 32,347
Total U.S. Department of Housing and Urban Development			<u>\$ 3,365,000</u>	<u>\$ 7,387</u>	<u>\$ 1,145,215</u>	<u>\$ 1,182,179</u>	<u>\$ (29,577)</u>
<b><u>U.S. Department of Justice:</u></b>							
Law Enforcement Grant	16.592	97LBVX3727	\$ 40,977	\$ 39,507	\$ -	\$ 39,507	\$ -
Law Enforcement Grant	16.592	98LBVX3727	19,186	-	19,186	19,186	-
COPS Universal Hiring Award	16.710	98UMWX2282	150,000	-	45,144	45,144	-
Total U.S. Department of Justice			<u>\$ 210,163</u>	<u>\$ 39,507</u>	<u>\$ 64,330</u>	<u>\$ 103,837</u>	<u>\$ -</u>
<b><u>U.S. Department of Agriculture:</u></b>							
Passed-Through State Department of Education:							
Summer Food Program	10.559		\$ 39,804	\$ -	\$ 39,804	\$ 39,804	\$ -
<b><u>U.S. Department of Transportation:</u></b>							
Federal Transit Administration	20.507		\$ 104,000	\$ -	\$ 104,000	\$ 104,000	\$ -
Federal Highway Administration	20.205	JEF-043-2.189	2,400,000	-	728,191	728,191	-
Federal Highway Administration	20.205	JEF-043-1.36	425,894	-	79,530	79,530	-
Total U.S. Department of Transportation			<u>\$ 2,929,894</u>	<u>\$ -</u>	<u>\$ 911,721</u>	<u>\$ 911,721</u>	<u>\$ -</u>
<b><u>U.S. Department of Health and Human Services:</u></b>							
Passed-Through State Department of Health:							
Disadvantaged Youth	93.991		\$ 16,607	\$ -	\$ 16,607	\$ 16,607	\$ -
Lead Prevention	93.197		18,000	-	17,207	17,207	-
Total U.S. Department of Health and Human Services			<u>\$ 34,607</u>	<u>\$ -</u>	<u>\$ 33,814</u>	<u>\$ 33,814</u>	<u>\$ -</u>
Total Federal Financial Assistance			<u>\$ 6,579,468</u>	<u>\$ 46,894</u>	<u>\$ 2,194,884</u>	<u>\$ 2,271,355</u>	<u>\$ (29,577)</u>



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

To the Mayor and Members of Council  
City of Steubenville  
Steubenville, OH 43952

We have audited the financial statements of the City of Steubenville, Jefferson County, Ohio, as of and for the year ended December 31, 1999, and have issued our report thereon dated September 26, 2000 which was qualified related to the City of Steubenville's policy of not capitalizing certain expenditures for fixed assets and not recording a liability for the landfill closure. 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 Steubenville's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*. However, we noted certain immaterial instances of noncompliance that we have reported to the management of the City of Steubenville in a separate letter dated September 26, 2000.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Steubenville's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the

internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that we have reported to the management of the City of Steubenville in a separate letter dated September 26, 2000.

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

BODKIN WILSON & KOZICKI PLLC

Wheeling, West Virginia.  
September 26, 2000.

**BODKIN WILSON & KOZICKI** PLLC  
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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**

To the Mayor and Members of Council  
City of Steubenville  
Steubenville, Ohio 43952

Compliance

We have audited the compliance of the City of Steubenville, Jefferson County, Ohio, 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 each of its major federal programs for the year ended December 31, 1999. The City of Steubenville's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the City of Steubenville's management. Our responsibility is to express an opinion on the City of Steubenville'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 Steubenville'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 Steubenville's compliance with those requirements.

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

## Internal Control Over Compliance

The management of the City of Steubenville, 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 Steubenville's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

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

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

BODKIN WILSON & KOZICKI PLLC

Wheeling, West Virginia,  
September 26, 2000.

**THE CITY OF STEUBENVILLE**  
**JEFFERSON COUNTY, OHIO**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**  
**YEAR ENDED DECEMBER 31, 1999**

Finding 1998-1: Cash Basis Financial Statements

Condition: This finding was a reportable condition stating that Ohio Administrative code Section 117-6-01 requires the City to prepare its annual financial report in accordance with generally accepted accounting principles. However, the City prepared its financial statements on the cash basis, a basis of accounting other than generally accepted accounting principles.

Recommendation: The auditor recommended that the City prepare its annual financial report in accordance with generally accepted accounting principles.

Current Status: The recommendation was adopted for the year ending December 31, 1999.

**THE CITY OF STEUBENVILLE**  
**JEFFERSON COUNTY, OHIO**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**YEAR ENDED DECEMBER 31, 1999**

**A. SUMMARY OF AUDIT RESULTS**

1. The auditor's report expresses a qualified opinion on the general purpose financial statements of the City of Steubenville. The qualification relates to the omission from the financial statements of the fixed asset group of accounts and not recording a liability for the landfill closure.
2. No reportable conditions were disclosed in the City of Steubenville's Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards.
3. No instances of noncompliance material to the general purpose financial statements of the City of Steubenville were disclosed during the audit.
4. There were no reportable conditions relative to major federal award programs for the City of Steubenville, Jefferson County, Ohio.
5. The auditor's report on compliance for the major federal award programs for the City of Steubenville expresses an unqualified opinion.
6. There are no audit findings relative to the major federal award programs for the City of Steubenville as reported in Part C. of this schedule.
7. The programs tested as major programs included:

<u>Name</u>	<u>CFDA#</u>
U.S. Dept. of Housing and Urban Development-CDBG	14.218
U.S. Dept. of Transportation – Federal Highway Administration	20.205
8. The threshold for distinguishing Types A and B programs was \$300,000.
9. The City of Steubenville was determined to be a low-risk auditee.

**B. FINDINGS - FINANCIAL STATEMENTS AUDIT  
REPORTABLE CONDITIONS**

None

**THE CITY OF STEUBENVILLE**  
**JEFFERSON COUNTY, OHIO**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**YEAR ENDED DECEMBER 31, 1999**

**C. FINDINGS AND QUESTIONED COSTS -  
MAJOR FEDERAL AWARD PROGRAMS AUDIT**

	<b><u>Questioned Costs</u></b>
U.S. Dept. of Housing and Urban Development-CDBG	<u>None</u>
U.S. Dept. of Transportation – Federal Highway Administration	<u>None</u>



STATE OF OHIO  
OFFICE OF THE AUDITOR  

---

JIM PETRO, AUDITOR OF STATE

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**CITY OF STEUBENVILLE**

**JEFFERSON 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  
MARCH 1, 2001**