

# **City of Steubenville, Ohio**

*Reports Issued Pursuant to Government  
Audit Standards and OMB Circular A-133*

*Year Ended December 31, 2011*





# Dave Yost • Auditor of State

Members of Council  
City of Steubenville  
115 South Third Street  
Suite 106  
Steubenville, Ohio 43952

We have reviewed the *Independent Auditor's Report* of the City of Steubenville, Jefferson County, prepared by Rea & Associates, Inc., for the audit period January 1, 2011 through December 31, 2011. 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.

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost  
Auditor of State

October 10, 2012

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**City of Steubenville, Ohio**

**DECEMBER 31, 2011**

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July 18, 2012

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

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Steubenville (the City) as of and for the year ended December 31, 2011, and have issued our report thereon dated July 18, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Internal Control over Financial Reporting**

Management of the City is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the City's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, as described in the accompanying Schedule of Findings and Questioned Costs, we identified a deficiency in internal control over financial reporting that we consider to be a significant deficiency. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged to governance. We consider finding 2011-002 described in the accompanying schedule of findings and questioned costs to be a significant deficiency.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, 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 an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying Schedule of Findings and Questioned Costs as item 2011-001.

We noted certain matters that we reported to management of the City in a separate letter dated July 18, 2012.

The City's responses to the findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. We did not audit the City's responses and, accordingly, we express no opinion on them.

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

*Rea & Associates, Inc.*



July 18, 2012

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

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH  
REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT  
ON EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER  
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

**Compliance**

We have audited the compliance of the City of Steubenville (the "City") with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended December 31, 2011. The City'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's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

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

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2011.

**Internal Control Over Compliance**

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the City's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the 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, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

#### **Schedule of Expenditures of Federal Awards**

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of and for the year ended December 31, 2011, and have issued our report thereon dated July 18, 2012, which contained an unqualified opinion on those financial statements. Our audit was conducted for the purpose of forming our opinions on the financial statements that collectively comprise the City's financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditure of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

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

*Rea & Associates, Inc.*

**CITY OF STEUBENVILLE  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2011**

<u>FEDERAL GRANTOR/PASS THROUGH GRANTOR - PROGRAM TITLE</u>	<u>FEDERAL CFDA NUMBER</u>	<u>GRANT/ PASS- THROUGH ENTITY NUMBER</u>	<u>DISBURSEMENTS</u>
<b><u>U.S. Department of Housing and Urban Development</u></b>			
<i>Direct Programs:</i>			
<b>Community Development Block Grant Entitlement Grants:</b>			
Community Development Block Grant Entitlement Grants	14.218	B08-MC-39-0020	\$ 71,180
Community Development Block Grant Entitlement Grants	14.218	B09-MC-39-0020	582,380
<i>Passed-Through Jefferson County, Ohio:</i>			
Community Development Block Grant Entitlement Grants-NSP	14.218	N/A	7,394
Total Community Development Block Grant Entitlement Grants			<u>660,954</u>
<i>Passed-Through Ohio Department of Development:</i>			
Home Investment Partnerships Program	14.239	A-C-08-296-2	231,321
Total U.S. Department of Housing and Urban Development			<u>892,275</u>
<b><u>U.S. Department of Agriculture:</u></b>			
<i>Passed-Through Ohio Department of Education:</i>			
Summer Food Program	10.559	FY11	113,520
Total U.S. Department of Agriculture			<u>113,520</u>
<b><u>U.S. Department of Transportation:</u></b>			
<i>Passed-Through Ohio Department of Transportation:</i>			
Highway Planning and Construction	20.205	N/A	4,706,959
Highway Planning and Construction - ARRA	20.205	N/A	3,802,931
Total U.S. Department of Transportation			<u>8,509,890</u>
<b><u>U.S. Department of Justice:</u></b>			
<i>Passed-Through Ohio Department of Public Safety:</i>			
JAG Grant - ARRA	16.803	2009-RA-C01-2120	56,229
<i>Direct Programs:</i>			
Part E - Developing, Testing and Demonstrating New Programs	16.541	2008-JL-FX-0475	4,287
Public Safety Partnership and Community Policing Grants - ARRA	16.710	2009-RK-WX-0680	144,597
Total U.S. Department of Justice			<u>205,113</u>
<b><u>U.S. Department of Homeland Security:</u></b>			
<i>Passed-Through Ohio Department of Public Safety:</i>			
Disaster Grants	97.036	FEMA-DR-4002-OH	5,963
<i>Direct Programs:</i>			
Staffing for Adequate Fire and Emergency Response Grants	97.044	EMW-2010-FH-00406	155,466
Total U.S. Department of Homeland Security			<u>161,429</u>
<b><u>U.S. Department of Energy:</u></b>			
<i>Passed-Through Ohio Department of Development:</i>			
Energy Efficiency and Conservation Block Grant Program - ARRA	81.128	ARRA-ECEBG-10-22	456,812
Total U.S. Department of Energy			<u>456,812</u>
<b>Total Federal Expenditures</b>			<b><u>\$ 10,339,039</u></b>

See accompanying notes to schedule of expenditures of federal awards.

CITY OF STEUBENVILLE  
JEFFERSON COUNTY

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2011

NOTE A: SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule of Expenditures of Federal Awards is a summary of the activity of the City's federal award programs. The schedule has been prepared on the cash basis of accounting.

NOTE B: MATCHING REQUIREMENTS

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

CITY OF STEUBENVILLE  
JEFFERSON COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
OMB CIRCULAR A-133, SECTION .505  
DECEMBER 31, 2011

<b>1. SUMMARY OF AUDITOR'S RESULTS</b>
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A-133 Ref.  
.505(d)

(d) (1) (i)	Type of Financial Statement Opinion	Unqualified
(d) (1) (ii)	Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	No
(d) (1) (ii)	Were there any other internal control deficiencies reported at the financial statement level (GAGAS)?	Yes
(d) (1) (iii)	Was there any reported material non-compliance at the financial statement level (GAGAS)?	Yes
(d) (1) (iv)	Were there any material internal control weakness conditions reported for major federal programs?	No
(d) (1) (iv)	Were there any other internal control deficiencies reported for major programs?	No
(d) (1) (v)	Type of Major Programs' Compliance Opinion	Unqualified
(d) (1) (vi)	Are any reportable findings under Section .510(a) of Circular A-133?	No
(d) (1) (vii)	Major Programs (list): Highway Planning and Construction Energy Efficiency and Conservation Block Grant Program Public Safety Partnership and Community Policing Grants	CFDA # 20.205 81.128 16.710
(d) (1) (viii)	Dollar Threshold: Type A/B Programs	Type A: >\$310,171 Type B: All others
(d) (1) (ix)	Low Risk Auditee?	No

<b>2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS</b>
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**Material Non-Compliance**

<b>Finding Number</b>	<b>2011-001</b>
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**Criteria:** Ohio Rev. Code Section 5705.41(B) states that no subdivision or taxing unit is to expend money unless it has been appropriated.

CITY OF STEUBENVILLE  
JEFFERSON COUNTY, OHIO

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
OMB CIRCULAR A-133, SECTION .505 (Continued)  
DECEMBER 31, 2011

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

**Material Non-Compliance (Continued)**

<b>Finding Number</b>	<b>2011-001 (Continued)</b>
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**Condition Found:** During the performance of audit procedures, we noted the following funds had expenditures plus encumbrances exceeding appropriations:

	Appropriations	Expenditures Plus Encumbrances	Excess
ARRA Fund	\$ 4,098,863	\$ 4,949,968	\$ 851,105

**Cause:** During fiscal year 2011, the City failed to amend appropriations as needed.

**Effect:** Failure to monitor budgetary expenditures and appropriations could result in unauthorized expenditures.

**Recommendations:** We recommend the City compare expenditures and encumbrances to appropriations in all funds which are legally required to be budgeted, at the legal level of control, prior to making expenditure commitments, and make all necessary adjustments to the amounts appropriated to ensure compliance with the above requirements. This comparison, and amendment if necessary, should be completed on a monthly basis at a minimum.

**Management Response:** See Corrective Action Plan.

**Significant Deficiency**

<b>Finding Number</b>	<b>2011-002</b>
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**Criteria:** City management is responsible for monitoring the City's income tax levies and notifying the County board of elections when levies need to be placed on the ballot for vote of the public. Ohio Revised Code Section 718.01(C) states that all municipal corporations shall file with the board of elections at least ninety days before the day of the election a copy of the ordinance together with a resolution specifying the date the election is to be held and directing the board of elections to conduct the election.

CITY OF STEUBENVILLE  
JEFFERSON COUNTY, OHIO

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
OMB CIRCULAR A-133, SECTION .505 (Continued)  
DECEMBER 31, 2011

<b>2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)</b>
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**Significant Deficiency (Continued)**

<b>Finding Number</b>	<b>2011-002 (Continued)</b>
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**Condition Found:** The City failed to notify the County board of elections ninety days prior to the election date that the City's .3% income tax levy renewal issue needed to be on the ballot. As a result, the .3% income tax levy expired in May and had to be placed on the ballot for a special election in August of 2011. For the months of May through August, the effective income tax rate for the City was 1.7% as opposed to 2% in all other months. This resulted in loss of income tax revenues for that time period as well as additional costs for the City to hold the special election.

**Cause:** There was significant turnover in the City Management when the board of elections should have been notified of the renewal levy. As a result, City Council and the board of elections were not notified in time to act for regular election.

**Effect:** The City lost income tax revenues for the months of May through August since the additional .3% income tax levy expired. The City then incurred additional costs to hold the special election in August for the income tax levy.

**Recommendations:** We recommend the City identify a member of management responsible for monitoring tax levies and ensure renewal issues are communicated to City Council and the board of elections by required dates.

**Management Response:** See Corrective Action Plan.

<b>3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS</b>
--

NONE



# City of Steubenville

## Finance Office

115 South Third Street • Suite 106 • Steubenville, Ohio 43952 • Phone: 740.283.6000 ext 1300  
Fax: 740.283.6165 • Website: [www.cityofsteubenville.us](http://www.cityofsteubenville.us) • Email: [finance@cityofsteubenville.us](mailto:finance@cityofsteubenville.us)

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### CORRECTIVE ACTION PLAN IN RESPONSE TO THE 2011 AUDIT FINDINGS

#### 2011-001

In 2011, The City of Steubenville experienced unforeseen expenditures within its Hotel/Motel Tax Fund and the Water Fund. There was also an additional disbursement from the State of Ohio within our ARRA Fund for our Washington Street Project that was not budgeted at the end of the year. The Steubenville City Council passed the final amended budget for 2011 on December 20, 2011. The Finance Office will work in conjunction with the departments to conservatively budget expenditures to encompass all possible expenditures during the end of December.

#### 2011-002

The City missed the income tax levy filing deadline due to a perfect storm. The City had a new city manager, a new finance director and the deadline for filing the levy paperwork had changed from 75 days to 90 days prior to the election in 2011. In order to rectify this situation, the City had a special election in August 2011 and the levy was passed by the electorate by a three to one margin; the largest margin in the City's history. Going forward, the City now has a master calendar for all levies, including real property tax and income tax so that all of management and council are aware of the deadlines so that in the future this deadline is not missed. A copy of the calendar is attached for your convenience.

Cathy Davison  
City Manager  
City of Steubenville

Date

Alyssa M. Kerker  
Finance Director  
City of Steubenville

Date



# CITY OF STEUBENVILLE

## EXPLANATION OF REAL ESTATE LEVIES

(Updated 07/18/2012)

- 1- THE CITY OF STEUBENVILLE PROPERTY TAX COMES FROM 2 DISTRICTS  
DISTRICT 7 AND DISTRICT 8 (DISTRICT 8 IS ALSO REFERRED TO AS THE ANNEX)
- 2- THE CITY OF STEUBENVILLE CURRENTLY HAS 5 REAL ESTATE LEVIES  
4 OF THE LEVIES ARE INSIDE MILLAGE  
1 OF THE LEVIES IS OUTSIDE MILLAGE (VOTED MILLAGE)
- 3- THE INSIDE MILLAGE LEVIES ARE AS FOLLOWING:

<u>NAME OF THE LEVY</u>	<u>MILLAGE</u>		<u>REVENUE IS RECORDED TO:</u>
	<u>DIST. 7</u>	<u>DIST. 8</u>	
GENERAL FUND	1.600	1.300	GENERAL FUND REAL ESTATE TAX
POLICE PENSION	0.300	0.300	GENERAL FUND FIRE AND POLICE PENSION TAX
FIRE PENSION	0.300	0.300	GENERAL FUND FIRE AND POLICE PENSION TAX
BOND RETIREMENT	1.000	1.000	GENERAL BOND RETIREMENT FUND (FUND 31)

- 4- THE BREAKDOWN ON THE OUTSIDE MILLAGE LEVY IS AS FOLLOWING:

<u>CURRENT EXPENSE 5 MILL</u>	<u>MILLAGE</u>		<u>REVENUE IS RECORDED TO:</u>
	<u>DIST. 7</u>	<u>DIST. 8</u>	
-RESIDENTIAL	1.83540	1.83540	GENERAL FUND REAL ESTATE TAX
-REAL ESTATE OTHER	3.38450	3.38450	GENERAL FUND REAL ESTATE TAX
-PUBLIC UTILITY EQUIPMENT	5.00000	5.00000	GENERAL FUND REAL ESTATE TAX

THIS IS A VOTED LEVY THAT IS RENEWED EVERY 5 YEARS  
THE LEVY WILL NEED RENEWED IN NOVEMBER 2012 FOR TAX YEARS 2013 - 2017

A RESOLUTION OF NECESSITY NEEDS PASSES AND SENT TO THE COUNTY AUDITOR'S OFFICE WHO COMPLETES THE CERTIFICATE OF ESTIMATED PROPERTY TAX REVENUE

THEN A RESOLUTION TO PROCEED NEEDS PASSED

BOTH RESOLUTIONS, THE CERTIFICATE OF ESTIMATED PROPERTY TAX REVENUE, AND COPIES OF MINUTES WHERE COUNCIL AUTHORIZED THE PROPOSED LEVY NEED TO BE SUBMITTED TO THE BOARD OF ELECTIONS 90 DAYS PRIOR TO THE ELECTION

THE MILLAGE IS ROLLED BACK EVERY YEAR TO 1976 DOLLARS

- 5- THE ACTUAL 2011 PROPERTY TAX REVENUES ARE BELOW

<u>ACCOUNT DESCRIPTION</u>	<u>AMOUNT</u>
REAL ESTATE TAXES	875,465.19
FIRE & POLICE PENSION	143,518.76
GENERAL BOND RETIREMENT	216,383.85
<b>TOTAL</b>	<b><u><u>1,235,367.80</u></u></b>

# **CITY OF STEUBENVILLE**

## **EXPLANATION OF INCOME TAX LEVIES**

**(Updated 07/18/2012)**

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**1- WE CURRENTLY HAVE A 2 PERCENT INCOME TAX**

THE FIRST 1 PERCENT IS NOT VOTED ON

THERE ARE 2 VOTED INCOME TAXES

THERE IS A 0.3 PERCENT VOTED INCOME TAX AND A 0.7 PERCENT VOTED INCOME TAX

THE CURRENT 0.3 PERCENT INCOME TAX TERM IS 08/03/2011 TO 05/03/2016  
THE 0.3% INCOME TAX MUST BE RENEWED EVERY 5 YEARS THEREAFTER  
THIS TAX WILL NEED TO BE APPROVED BY THE VOTERS AT THE MAY 2016 ELECTION

THE CURRENT 0.7 PERCENT INCOME TAX TERM IS 08/03/2011 TO 05/03/2016  
THE 0.7% INCOME TAX MUST BE RENEWED EVERY 5 YEARS THEREAFTER  
THIS TAX WILL NEED TO BE APPROVED BY THE VOTERS AT THE MAY 2016 ELECTION

- **ORDINANCES TO AMEND THE INCOME TAX CHAPTER OF THE CODIFIED ORDINANCE AND RESOLUTIONS TO PLACE THE QUESTIONS TO CONTINUE THE LEVIES MUST BE PASSED AND SUBMITTED TO THE BOARD OF ELECTIONS 90 DAYS PRIOR TO THE ELECTION (SEPARATE ORDINANCES AND RESOLUTIONS FOR BOTH LEVIES)**

**2- INCOME TAX IS ALLOCATED AS FOLLOWING**

THE 1 PERCENT NON-VOTED INCOME TAX IS ALLOCATED TO THE GENERAL FUND  
THE ACTUAL AMOUNT FOR 2011 WAS \$4,540,213.73

THE 0.7 PERCENT INCOME TAX IS ALLOCATED AS FOLLOWING:

\$500,000 IS ALLOCATED TO THE GENERAL FUND

\$500,000 IS ALLOCATED TO THE STREET FUND - USUALLY USED FOR THE HOT MIX PROGRAM

\$300,000 IS ALLOCATED TO THE CITY EQUIP. FUND - USUALLY USED FOR VEHICLES, EQUIP., ETC.

\$100,000 IS ALLOCATED TO THE RECREATION EQUIPMENT FUND - USUALLY USED FOR PARK MAINTENANCE

ANY COLLECTIONS ABOVE \$1,400,000 ARE ALLOCATED TO THE GENERAL FUND

THE ACTUAL AMOUNT RECEIVED FOR ALL FOUR FUNDS FOR 2011 WAS \$3,178,149.61

THE 0.3% INCOME TAX IS ALLOCATED AS FOLLOWING:

85% TO THE GENERAL FUND

THE ACTUAL AMOUNT FOR 2011 WAS \$826,715.57

15% TO THE STREET FUND

THE ACTUAL AMOUNT FOR 2011 WAS \$145,890.99

# **CITY OF STEUBENVILLE, OHIO**

## **COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED DECEMBER 31, 2011**



PREPARED BY:

ALYSSA N. KERKER, DIRECTOR OF FINANCE  
DAVID R. LEWIS, FINANCIAL ACCOUNTANT

115 SOUTH THIRD STREET  
STEUBENVILLE, OHIO 43952



**CITY OF STEUBENVILLE, OHIO**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED DECEMBER 31, 2011**

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# **INTRODUCTORY SECTION**





# *City of Steubenville*

## *Finance Office*

115 South Third Street ▪ Suite 106 ▪ Steubenville, Ohio 43952 ▪ Phone: 740.283.6000 ext 1300  
Fax: 740.283.6165 ▪ Website: [www.cityofsteubenville.us](http://www.cityofsteubenville.us) ▪ Email: [finance@cityofsteubenville.us](mailto:finance@cityofsteubenville.us)

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July 18, 2012

Honorable Mayor, Members of City Council  
And Citizens of Steubenville  
Steubenville, Ohio

The Comprehensive Annual Financial Report (CAFR) of the City of Steubenville, Ohio (City) is hereby presented. This CAFR represents the official report of the City of Steubenville's operations and financial position for the year ended December 31, 2011, and has been developed to accurately detail the status of the City finances to Steubenville residents and elected officials, investment banks and underwriters and all other interested parties. This report is presented in compliance with Governmental Accounting Standards Board (GASB) Statement No. 34, "Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments". It is intended to provide all pertinent and necessary information to the citizens of Steubenville.

Responsibility for the accuracy of the data contained herein, for the completeness and fairness of the presentation and for all disclosure rests with the City's management. To the best of the City's knowledge, the financial and other data contained in this report fairly present the financial position and results of operations of the City. All necessary disclosures to enable the citizens and other readers to understand the City's financial activities are included in this report.

The City is responsible for establishing and maintaining an internal control structure designed to protect its assets from loss, theft or misuse. Furthermore, the accounting system must be adequate to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived and that the valuation of costs and benefits requires estimates and judgments by management.

The City is required by State law to have an annual audit performed by the Auditor of State's Office or an independent public accounting firm, if permitted by the Auditor of State. Rea & Associates, Inc. performed the audit for the year ended December 31, 2011. The City continues to receive an unqualified opinion. The Independent Auditor's Report on the City's financial statements is included in the Financial Section of this report.

As a part of the City's independent audit, tests are made to determine the adequacy of the internal control structure, including that portion related to federal financial assistance programs, as well as to determine that the City has complied with applicable laws and regulations. The results of the City's independent audit for the year ended December 31, 2011 provided no instances of material weaknesses in the internal control structure or significant violations of applicable laws and regulations.

This transmittal letter is designed to provide historical information about the City, as well as compliment the required Management's Discussion and Analysis (MD&A). Generally accepted accounting principles require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements. The City's MD&A, which focuses on the government-wide statements, can be found immediately following the Independent Auditor's Report.

## **Community Profile**

The City of Steubenville is located in east central Ohio along the west bank of the Ohio River. Founded in 1797, Steubenville operates under a council-manager form of government which was adopted by its voters in 1984. The City is governed by an elected Mayor and a seven member City Council. During its heyday of the 1940s, Steubenville was popularly known as “Little Chicago” due to its prolific industry and downtown bustle. The City is now known as the “City of Murals” because of over 25 murals located in and around the downtown area. Today, the City of Steubenville covers an area of approximately ten square miles and is the largest city in Jefferson County with a population of 18,659. The City is also the Jefferson County Seat.

The City is served by diversified transportation facilities. Approximately 20 motor freight carriers and local haulers serve the Jefferson County area. Railway service is provided by the Norfolk Southern Railway, the Wheeling Lake Erie Railway, and the Ohio Central Rail Corporation. Nationwide bus transportation service to the area is provided by Greyhound. Local bus service is provided by the Steel Valley Transit Authority. Airline services to the area are provided by the Jefferson County Airport and the Pittsburgh International Airport, which is approximately 22 miles east of the City. The City also has a port on the Ohio River.

The major highways in the City are State Route 7, which runs north-south through the City, and U.S. Route 22, which runs east-west and directly links the City with Pittsburgh, Pennsylvania. The City is located within a day’s drive of 60 percent of the U.S. population.

The City is served by a number of commercial banks and savings and loan associations with headquarters outside the City.

Primary education services are provided by the Steubenville City School District. The western portion of the City is served by the Indian Creek Local School District. Secondary and post-secondary educational services are provided by a number of public and private colleges and universities located within the City or within commuting distance. The Franciscan University of Steubenville and Eastern Gateway Community College are both located within the City. The University of Pittsburgh, Bethany College, West Virginia Northern Community College, and Carnegie-Mellon University are all located within commuting distance of the City. The City is served by the Public Library of Steubenville and Jefferson County, which was named for and funded by industrialist Andrew Carnegie.

The City provides a full range of municipal services mandated by statute or charter, including police and fire protection, parks, recreation, street maintenance, planning, zoning and other general government services. Health services are provided by the Steubenville Health Department. In addition, water, sewer and refuse services are provided under the enterprise fund concept with user charges set to ensure adequate coverage of operating expenses and payments on outstanding debt.

## **Economic Condition and Outlook**

### ***Local Economy***

Steubenville’s local economy has evolved in recent years from a center of steel and coal production to one of education and healthcare. Today’s local economy is supported to a large extent by the employment at The Franciscan University of Steubenville and Eastern Gateway Community College. Also, an abundance of nursing homes and healthcare facilities including Trinity Healthcare System employ many, and are one of the largest sources of local income tax revenue. These facilities provide a steady employment base and are a source of much of the building construction currently going on in the City.

A rather large number of local citizens work in Pittsburgh, Pennsylvania and its suburbs. There is a base of small manufacturing and service sector jobs that don’t exist as much in Steubenville. The City, through the local economic development group “Progress Alliance,” has been promoting increasing manufacturing jobs in the area. The success has been mixed so far, but the City is optimistic that improvement is coming.

The State of Ohio, Jefferson County, and the Tri-State Area are expected to experience a substantial economic impact from the natural gas and oil industry. The Ohio Oil & Gas Association released a study in September 2011 noting that the industry will invest approximately \$238 million on new exploration and development in Ohio, paid \$793 million in annual salaries in 2010, and the industry paid \$32.7 million per year in federal, state and local taxes.

With the majority of the activity within the eastern portion of Ohio, Jefferson County and Steubenville should see an increase in economic development and employment. Several retail establishments and restaurants have inquired about the area in hopes of expanding their operations within Steubenville.

### ***Long-Term Financial Planning***

The rise in the local unemployment rate over the past few years has caused some reason for concern regarding the City's long-term financial planning. Any significant unfavorable change in the unemployment rate usually leads to lower income tax collections. Fortunately, the City's income tax revenues have remained fairly stable or have decreased slightly. However, in order to avoid any potential revenue shortfalls should income tax collections decline significantly; the City has taken a conservative approach with current spending. Budget restraints have been implemented in order to curb spending and help maintain a sufficient spending reserve as a hedge against future revenue shortfalls.

City Council is required to adopt a final budget no later than the close of the year. This annual budget serves as the foundation for the City's financial planning and control. The budget is prepared at the legal level of budgetary control, which is by office, department, and division, and within each, appropriated for personal services level for all funds. The City does not prepare a budget for agency funds.

With the decrease in the Local Government Revenue Fund and elimination of the City receiving Estate Tax Funds, the City has had to make difficult decisions in regards to employee benefits and downsizing of staff. If the State of Ohio continues to further eliminate the distribution of the Local Government Revenue Fund, the City will have to look at prioritizing services to its citizens further. Any increase in income tax revenue from economic development will assist in offsetting the decrease in revenue received from the State.

### ***Major Initiatives***

The City completed construction of the \$8.8 million rebuild of Washington Street, a major east-west corridor connecting the downtown area with the City's west end. This construction was funded by American Recovery & Reinvestment Act (ARRA) funds from the federal government.

A federal grant was awarded to the City in the amount of \$4,730,824 for the John Scott Highway Rock Slope Repair. Work started in June 2011 and was completed in September 2011.

The City continues the work for the grant received from the U.S. Department of Energy for traffic control light replacement. This grant award totals \$579,520. This project will replace 440 streetlights and 898 traffic signal lights with energy efficient LED lighting. This should result in annual energy cost savings to the City in excess of \$100,000. This project is expected to be completed in June 2012.

### **Use of this Report**

The report is published to provide the City Council, as well as to our citizens and other interested persons, detailed information concerning the financial condition of the City, with particular emphasis placed on the utilization of resources during the past year. It is also intended that this report will serve as a guide in formulating policies and in conducting the City's future day-to-day activities. We believe the information, as presented, is accurate in all material aspects; that it is presented in a manner designed to fairly set forth the financial activities of its various funds; and that all disclosures necessary to enable the reader to gain the maximum understanding of the City's financial affairs have been included.

In today's bond market environment, it is increasingly important that public agencies prepare soundly conceived annual financial reports which are independently audited by a qualified firm or agency. It has become almost required practice that such reports be prepared in accordance with generally accepted accounting principals (GAAP), and the major bond rating agencies review the data presented in such reports before determining a public agency's bond rating.

## **Acknowledgements**

It is with great pride and pleasure that we submit this CAFR for review and wish to express appreciation to the members of City Council for supporting us in this endeavor and other members of the Finance Office who contributed time and effort in completing this project. We would also like to acknowledge our consultant, Julian & Grube, Inc., who provided us with expert technical assistance in all phases of preparing the report and the cooperation of the team from Rea & Associates, Inc., who conducted a thorough audit of our finances.

Sincerely,

A handwritten signature in blue ink that reads "Alyssa N. Kerker". The signature is written in a cursive style with a large initial 'A'.

Alyssa N. Kerker  
Director of Finance

**CITY OF STEUBENVILLE, OHIO**

**PRINCIPAL OFFICIALS**

**DECEMBER 31, 2011**

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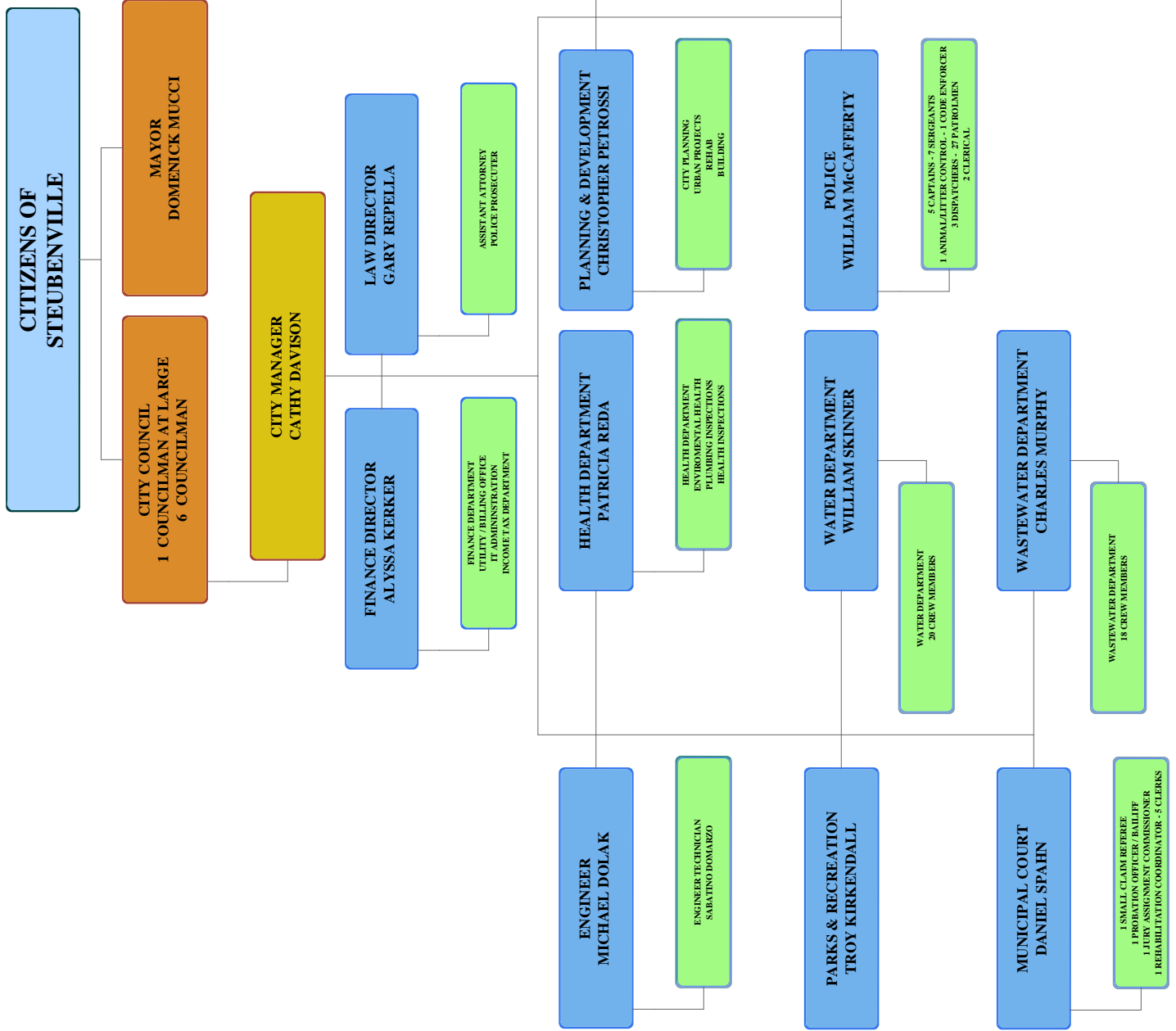
**Elected Officials**

Mayor	Domenick Mucci Jr.
City Council:	
Councilman at Large	Edward J. Chanoski Jr.
1st Ward Councilman	Gerald DiLoreto
2nd Ward Councilman	Richard Perkins
3rd Ward Councilman	Gregory Metcalf
4th Ward Councilman	Angela Suggs
5th Ward Councilman	Albert Stasiulewicz
6th Ward Councilman	David Lalich
Municipal Court Judge	G. Daniel Spahn

**Appointed Officials**

City Manager	Cathy Davison
Law Director	S. Gary Repella
Finance Director	Alyssa N. Kerker
Urban Project Director	Christopher Petrossi
Parks and Recreation Director	Troy Kirkendall
Fire Chief	Vacant
Police Chief	William A. McCafferty
Health Commissioner	Patricia Reda
City Engineer	Michael Dolak
Clerk of Council	Pam Orlando
Water Superintendent	William Skinner
Sewer Superintendent	Charles Murphy
Street and Sanitation Superintendent	Robert Baird

**CITY OF STEUBENVILLE  
ORGANIZATIONAL CHART  
DECEMBER 31, 2011**





# Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Steubenville  
Ohio

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 2010

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



*Linda C. Davison*

President

*Jeffrey R. Emer*

Executive Director

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# **FINANCIAL SECTION**



July 18, 2012

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

### **INDEPENDENT AUDITOR'S REPORT**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Steubenville (the "City"), as of and for the year ended December 31, 2011, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of December 31, 2011, and the respective changes in financial position and the cash flows, where applicable, thereof and the respective budgetary comparisons for the General Fund, the Emergency Management Fund, and the ARRA Federal Grant Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated July 18, 2012 on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 11–23 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund financial statements and other schedules, listed in the table of contents as supplementary information, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying introductory and statistical sections, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements by us or other auditors, and accordingly, we do not express an opinion or provide any assurance on it.

*Rea & Associates, Inc.*

## CITY OF STEUBENVILLE, OHIO

### MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2011

The management's discussion and analysis of the City of Steubenville's (the "City") financial performance provides an overall review of the City's financial activities for the year ended December 31, 2011. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the basic financial statements and the notes to the basic financial statements to enhance their understanding of the City's financial performance.

#### Financial Highlights

Key financial highlights for 2011 are as follows:

- The total net assets of the City increased \$6,431,641 or 13.37% over 2010. Net assets of governmental activities increased \$4,545,445 or 13.86% and net assets of business-type activities increased \$1,886,196 or 12.33%.
- General revenues accounted for \$12,760,874, or 51.54% of total governmental activities revenue. Program specific revenues accounted for \$11,998,250 or 48.46% of total governmental activities revenue.
- The City had \$20,213,679 in expenses related to governmental activities; \$11,998,250 of these expenses was offset by program specific charges for services, grants or contributions. The remaining expenses of the governmental activities of \$8,215,429 were offset by general revenues (primarily property taxes, income taxes and unrestricted grants and entitlements) of \$12,760,874.
- The City's major governmental funds are the general fund, American Recovery and Reinvestment Act (ARRA) federal grant fund, emergency management fund and .7% City income tax - street improvement fund. The general fund had revenues and other financing sources of \$12,243,020 in 2011. This represents a decrease of \$281,363 under 2010 revenues and other financing sources primarily due to the general fund having no transfers in during 2011 compared to \$344,482 in transfers in during 2010. The expenditures of the general fund, which totaled \$12,035,822 in 2011, increased \$707,222 from 2010. The net increase in fund balance for the general fund was \$207,198, from a restated balance of \$693,986 to a balance of \$900,634.
- The ARRA federal grant fund had \$4,425,711 in revenues in 2011. The expenditures of the ARRA federal grant fund totaled \$5,011,189 in 2011. The net decrease in fund balance for the ARRA federal grant fund was \$585,478 from a deficit balance of \$82,821 to \$668,299.
- The emergency management fund had \$3,304,783 in revenues in 2011. The expenditures of the emergency management fund totaled \$3,250,267 in 2011. The net increase in fund balance for the emergency management fund was \$54,516.
- The .7% City income tax - street improvement fund had \$2,647,130 in revenues in 2011. The expenditures of the .7% City income tax - street improvement fund totaled \$1,093,455 in 2011. The net increase in fund balance for the .7% City income tax - street improvement fund was \$1,553,675 from a deficit balance of \$435,471 to a positive balance of \$1,118,204.
- In the general fund, the actual revenues and other financing sources came in \$94,688 greater than the final budgeted revenues and other financing sources. Actual expenditures were \$516,218 less than the amount in the final budget. This was primarily due to conservative spending. The revenue variances are the result of increasing municipal income tax and other revenues. Budgeted revenues and expenditures were amended a few times throughout the year.

## CITY OF STEUBENVILLE, OHIO

### MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2011

#### **Using this Comprehensive Annual Financial Report (CAFR)**

The City's annual report consists of a series of financial statements and notes to those statements. The statements are organized so the reader can understand the City of Steubenville as a total financial and operating entity. The individual statements provide a detailed look at specific financial activities.

The City's basic financial statements are comprised of three components: 1) City-wide financial statements; 2) fund financial statements; and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

The statement of net assets and the statement of activities provide information about the activities of the City as a whole and present a long-term view of the City's finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell the reader how services were financed in the short-term, as well as the amount of funds remaining for future spending. The fund financial statements also look at the City's major funds with all other non-major funds presented in total in one column.

#### **Reporting the City as a Whole**

##### *Statement of Net Assets and the Statement of Activities*

While this document contains a large number of funds used by the City to provide programs and activities, the view of the City as a whole looks at all financial transactions and asks the question, "How did we do financially during 2011?" The statement of net assets and the statement of activities answer this question. These statements include all assets, liabilities, revenues and expenses using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting will take into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the City's net assets and changes in those assets. This change in net assets is important because it tells the reader that, for the City as a whole, the financial position of the City has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the City's property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, required community programs and other factors.

In the statement of net assets and the statement of activities, the City is divided into two distinct kinds of activities:

**Governmental activities** - Most of the City's programs and services are reported here including police, fire and rescue, street maintenance, capital improvements and general administration. These services are funded primarily by property and income taxes and intergovernmental revenues including federal and State grants and other shared revenues.

**Business-type activities** - These services are provided on a charge for goods or services basis to recover all or a significant portion of the expenses of the goods or services provided. The City's water, sewer, and refuse operations are reported here.

The City's statement of net assets and statement of activities can be found on pages 27-29 of this report.



## CITY OF STEUBENVILLE, OHIO

### MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2011

#### **Reporting the City's Most Significant Funds**

##### ***Fund Financial Statements***

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Fund financial reports provide detailed information about the City's major funds. The City uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the City's most significant funds. The analysis of the City's major governmental and proprietary funds begins on page 18.

##### ***Governmental Funds***

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of the governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, the readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains a multitude of individual governmental funds. The City has segregated these funds into major funds and nonmajor funds. The City's major governmental funds are the general fund, ARRA federal grant fund, emergency management fund, and .7% City income tax - street improvement fund. Information for major funds is presented separately in the governmental fund balance sheet and in the governmental statement of revenues, expenditures, and changes in fund balances. Data from the other governmental funds are combined into a single, aggregated presentation. The basic governmental fund financial statements can be found on pages 30-39 of this report.

##### ***Proprietary Funds***

The City maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water, sewer, and refuse functions. All of the City's enterprise funds are considered major funds. The internal service fund is an accounting device used to accumulate and allocate costs internally among the City's various functions. The basic proprietary fund financial statements can be found on pages 40-43 of this report.

##### ***Fiduciary Funds***

Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The City's only fiduciary funds are agency funds. The basic fiduciary fund financial statement can be found on page 44 of this report.

**CITY OF STEUBENVILLE, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2011

**Notes to the Basic Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. These notes to the basic financial statements can be found on pages 45-82 of this report.

**Government-wide Financial Analysis**

The table below provides a summary of the City's net assets for 2011 and 2010. Certain net asset classifications have been restated in the governmental activities for 2010 to conform to 2011 presentation in accordance with GASB Statement No. 54.

	Net Assets					
	Governmental	Business-type	Restated	Business-type	Total	Restated
	Activities	Activities	Governmental	Activities	Total	Total
	2011	2011	2010	2010	2011	2010
<b>Assets</b>						
Current and other assets	\$ 13,910,560	\$ 11,454,087	\$ 14,651,703	\$ 12,787,673	\$ 25,364,647	\$ 27,439,376
Capital assets, net	<u>35,124,062</u>	<u>56,164,790</u>	<u>31,604,705</u>	<u>56,390,919</u>	<u>91,288,852</u>	<u>87,995,624</u>
Total assets	<u>49,034,622</u>	<u>67,618,877</u>	<u>46,256,408</u>	<u>69,178,592</u>	<u>116,653,499</u>	<u>115,435,000</u>
<b>Liabilities</b>						
Long-term liabilities outstanding	7,854,930	49,424,167	8,162,166	52,983,656	57,279,097	61,145,822
Other liabilities	<u>3,834,864</u>	<u>1,000,175</u>	<u>5,294,859</u>	<u>886,597</u>	<u>4,835,039</u>	<u>6,181,456</u>
Total liabilities	<u>11,689,794</u>	<u>50,424,342</u>	<u>13,457,025</u>	<u>53,870,253</u>	<u>62,114,136</u>	<u>67,327,278</u>
<b>Net assets</b>						
Invested in capital assets, net of related debt	30,738,893	12,081,644	26,909,300	10,317,812	42,820,537	37,227,112
Restricted	4,103,019	-	4,077,051	1,996,135	4,103,019	6,073,186
Unrestricted	<u>2,502,916</u>	<u>5,112,891</u>	<u>1,813,032</u>	<u>2,994,392</u>	<u>7,615,807</u>	<u>4,807,424</u>
Total net assets	<u>\$ 37,344,828</u>	<u>\$ 17,194,535</u>	<u>\$ 32,799,383</u>	<u>\$ 15,308,339</u>	<u>\$ 54,539,363</u>	<u>\$ 48,107,722</u>

Over time, net assets can serve as a useful indicator of a government's financial position. At December 31, 2011, the City's assets exceeded liabilities by \$54,539,363. At year-end, net assets were \$37,344,828 and \$17,194,535 for the governmental activities and the business-type activities, respectively.

Capital assets reported on the government-wide statements represent the largest portion of the City's net assets. At year-end, capital assets represented 78.26% of total assets. Capital assets include land, buildings, improvements, equipment, vehicles, infrastructure and construction-in-progress. Capital assets, net of related debt to acquire the assets at December 31, 2011, were \$30,738,893 and \$12,081,644 in the governmental activities and business-type activities, respectively. These capital assets are used to provide services to citizens and are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

**CITY OF STEUBENVILLE, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2011**

A portion of the City's net assets, \$4,103,019, represents resources that are subject to external restriction on how they may be used.

The table below shows the changes in net assets for 2011 and 2010.

	<b>Change in Net Assets</b>					
	Governmental	Business-type	Governmental	Business-type	Total	Total
	Activities	Activities	Activities	Activities	Total	Total
	2011	2011	2010	2010	2011	2010
<b>Revenues:</b>						
Program revenues:						
Charges for services	\$ 1,233,371	\$ 12,236,659	\$ 1,244,341	\$ 12,443,391	\$ 13,470,030	\$ 13,687,732
Operating grants and contributions	5,814,008	-	2,651,845	-	5,814,008	2,651,845
Capital grants and contributions	4,950,871	-	5,745,507	-	4,950,871	5,745,507
<b>Total program revenues</b>	<b>11,998,250</b>	<b>12,236,659</b>	<b>9,641,693</b>	<b>12,443,391</b>	<b>24,234,909</b>	<b>22,085,084</b>
General revenues:						
Property taxes	1,340,792	-	1,197,904	-	1,340,792	1,197,904
Income taxes	8,920,273	-	8,460,297	-	8,920,273	8,460,297
Hotel taxes	220,348	-	181,220	-	220,348	181,220
Unrestricted grants and entitlements	2,056,140	-	2,353,784	-	2,056,140	2,353,784
Investment earnings	9,160	-	40,629	195	9,160	40,824
Miscellaneous	214,161	10,895	184,657	36,422	225,056	221,079
<b>Total general revenues</b>	<b>12,760,874</b>	<b>10,895</b>	<b>12,418,491</b>	<b>36,617</b>	<b>12,771,769</b>	<b>12,455,108</b>
<b>Total revenues</b>	<b>24,759,124</b>	<b>12,247,554</b>	<b>22,060,184</b>	<b>12,480,008</b>	<b>37,006,678</b>	<b>34,540,192</b>
<b>Expenses:</b>						
General government	2,990,157	-	2,911,400	-	2,990,157	2,911,400
Security of persons and property	7,694,175	-	7,306,577	-	7,694,175	7,306,577
Public health and welfare	654,869	-	676,872	-	654,869	676,872
Transportation	6,606,547	-	3,109,896	-	6,606,547	3,109,896
Community environment	941,681	-	1,306,035	-	941,681	1,306,035
Leisure time activity	1,047,822	-	952,104	-	1,047,822	952,104
Interest and fiscal charges	278,428	-	262,986	-	278,428	262,986
Water	-	4,969,172	-	5,090,449	4,969,172	5,090,449
Sewer	-	3,798,340	-	4,075,627	3,798,340	4,075,627
Refuse	-	1,593,846	-	1,653,505	1,593,846	1,653,505
<b>Total expenses</b>	<b>20,213,679</b>	<b>10,361,358</b>	<b>16,525,870</b>	<b>10,819,581</b>	<b>30,575,037</b>	<b>27,345,451</b>
Increase in net assets before transfers	4,545,445	1,886,196	5,534,314	1,660,427	6,431,641	7,194,741
Transfers	-	-	(6,238)	6,238	-	-
<b>Change in net assets</b>	<b>4,545,445</b>	<b>1,886,196</b>	<b>5,528,076</b>	<b>1,666,665</b>	<b>6,431,641</b>	<b>7,194,741</b>
Net assets at beginning of year	32,799,383	15,308,339	27,271,307	13,641,674	48,107,722	40,912,981
<b>Net assets at end of year</b>	<b>\$ 37,344,828</b>	<b>\$ 17,194,535</b>	<b>\$ 32,799,383</b>	<b>\$ 15,308,339</b>	<b>\$ 54,539,363</b>	<b>\$ 48,107,722</b>

**CITY OF STEUBENVILLE, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2011**

**Governmental Activities**

Governmental activities net assets increased \$4,545,445 in 2011. The increase is the result of capital grants and contributions received primarily from the Ohio Department of Transportation (ODOT) for the Washington Street rehabilitation project and the Sunset Boulevard resurfacing project.

Security of persons and property, which primarily supports the operations of the police and fire departments, had expenses of \$7,694,175 which accounted for 25.17% of the total expenses of the City. These expenses were partially funded by \$2,064 in direct user charges and \$144,597 in operating grants and contributions. The remaining security of persons and property expenses were funded by general revenues. General government expenses totaled \$2,990,157 or 9.78% of the total expenses of the City, which was partially funded by \$657,322 in direct user charges, \$136,997 in operating grants and contributions and \$40,407 in capital grants and contributions.

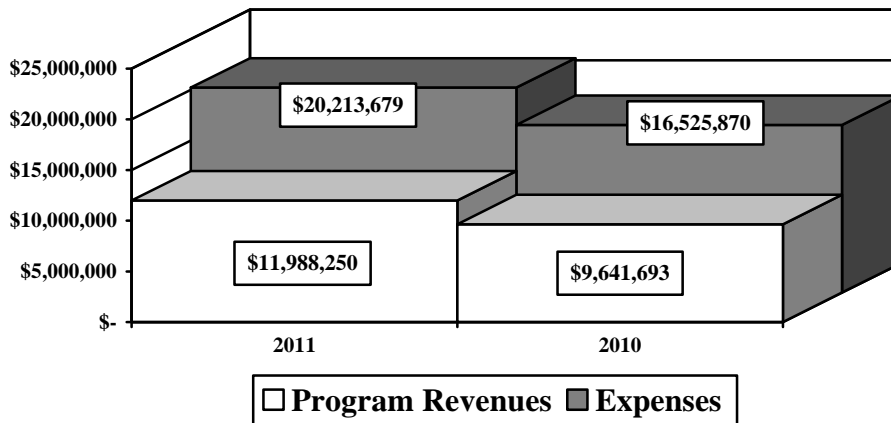
During 2011, transportation expenses increased \$3,496,651 from 2010. This is primarily due to the City being the lead agency in the John Scott Slope Repair project. This project's expenses for 2011 totaled approximately \$3.25 million. The project was funded by a federal grant passed through the Ohio Department of Transportation. The corresponding increase in operating grants and contributions for the transportation expense function are a result of this project. Since this project made improvements to land owned and maintained by the State of Ohio, this project was not capitalized by the City.

The State and federal government contributed to the City a total of \$5,814,008 in operating grants and contributions.

General revenues totaled \$12,760,874 and amounted to 51.54% of total governmental revenues. These revenues primarily consist of property and income tax revenue of \$10,261,065. The other primary source of general revenues is grants and entitlements not restricted to specific programs, including local government revenue, estate taxes and property tax reimbursements received from the State, making up \$2,056,140.

The statement of activities shows the cost of program services and the charges for services and grants offsetting those services. The following table shows, for governmental activities, the total cost of services and the net cost of services. That is, it identifies the cost of these services supported by tax revenue and unrestricted State grants and entitlements. As can be seen in the graph below, the City is highly dependent upon property and income taxes as well as unrestricted grants and entitlements to support its governmental activities.

**Governmental Activities – Program Revenues vs. Total Expenses**



**CITY OF STEUBENVILLE, OHIO**

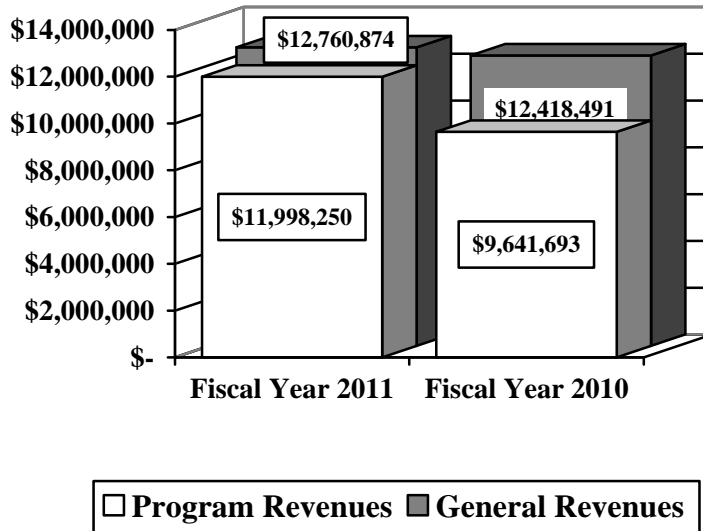
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2011

**Governmental Activities**

	Total Cost of Services 2011	Net Cost of Services 2011	Total Cost of Services 2010	Net Cost of Services 2010
<b>Program expenses:</b>				
General government	\$ 2,990,157	\$ 2,155,431	\$ 2,911,400	\$ 1,953,831
Security of persons and property	7,694,175	7,547,514	7,306,577	7,148,464
Public health and welfare	654,869	402,188	676,872	443,972
Transportation	6,606,547	(2,811,728)	3,109,896	(3,324,361)
Community environment	941,681	(111,235)	1,306,035	(242,576)
Leisure time activity	1,047,822	754,831	952,104	641,861
Interest and fiscal charges	278,428	278,428	262,986	262,986
<b>Total</b>	<u>\$ 20,213,679</u>	<u>\$ 8,215,429</u>	<u>\$ 16,525,870</u>	<u>\$ 6,884,177</u>

The dependence upon general revenues for governmental activities is apparent, with 40.65% and 41.66% of expenses supported through taxes and other general revenues for 2011 and 2010, respectively.

**Governmental Activities – General and Program Revenues**



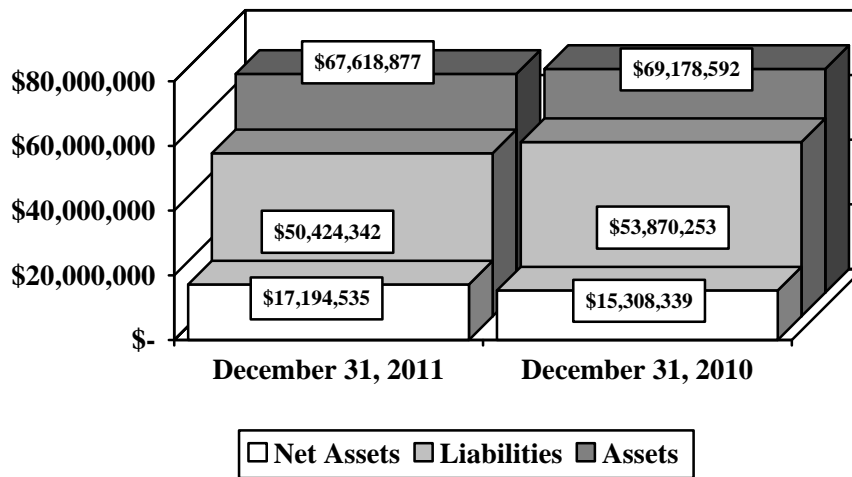
**CITY OF STEUBENVILLE, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2011

**Business-type Activities**

Business-type activities include the water, sewer, and refuse enterprise funds. These programs had program revenues of \$12,236,659, general revenues of \$10,895, and expenses of \$10,361,358 for 2011. During 2011, the City was able to reduce the amounts charged to consumers for services. The net assets of the business-type activities increased \$1,886,196 from 2010. The graph below shows the business-type activities assets, liabilities and net assets at year-end.

**Net Assets in Business-type Activities**



**Financial Analysis of the Government's Funds**

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental Funds**

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unreserved fund balance may serve as a useful measure of the City's net resources available for spending at year-end.

The City's governmental funds (as presented on the balance sheet on pages 30-31) reported a combined fund balance of \$4,942,950, which is \$1,607,872 greater than the previous year's fund balance of \$3,335,078. The schedule below indicates the fund balances and the total change in fund balances as of December 31, 2011 for all major and nonmajor governmental funds. The fund balances of the City were restated at December 31, 2010 as described in Note 3.B to the basic financial statements.

**CITY OF STEUBENVILLE, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2011

	Fund Balances (deficit) <u>12/31/11</u>	Restated Fund Balances (deficit) <u>12/31/10</u>	Increase (Decrease) <u></u>
<b>Major funds:</b>			
General	\$ 900,634	\$ 693,436	\$ 207,198
ARRA federal grant	(668,299)	(82,821)	(585,478)
Emergency management	54,516	-	54,516
.7% City income tax - street improvement	1,118,204	(435,471)	1,553,675
Other nonmajor governmental funds	<u>3,537,895</u>	<u>3,159,934</u>	<u>377,961</u>
Total	<u>\$ 4,942,950</u>	<u>\$ 3,335,078</u>	<u>\$ 1,607,872</u>

**General Fund**

The City's general fund balance increased \$207,198. The table that follows assists in illustrating the revenues of the general fund. The fund balances of the City were restated at December 31, 2010 as described in Note 3.B to the basic financial statements.

	2011 <u>Amount</u>	Restated 2010 <u>Amount</u>	Percentage Change <u></u>
<b>Revenues:</b>			
Taxes	\$ 8,788,749	\$ 8,650,652	1.60 %
Charges for services	80,498	92,194	(12.69) %
Licenses and permits	633,902	673,703	(5.91) %
Fines and forfeitures	293,272	283,999	3.27 %
Investment income	9,160	40,625	(77.45) %
Intergovernmental	2,142,315	2,241,072	(4.41) %
Rental income	121,706	106,107	14.70 %
Other	<u>131,410</u>	<u>91,697</u>	43.31 %
Total	<u>\$ 12,201,012</u>	<u>\$ 12,180,049</u>	0.17 %

Tax revenue represents 72.04% of all general fund revenue. Tax revenue increased slightly which is primarily due to slowly decreasing rates of unemployment in the City during 2011. The most significant decrease in revenues occurred in intergovernmental revenue due to a decrease in local government receipts. Interest income decreased because of lower interest rates during 2011. Other revenue increased due to an increase in reimbursements. Licenses and permits revenue decreased primarily because of a decrease in building permits. All other revenue remained consistent between 2010 and 2011.

**CITY OF STEUBENVILLE, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2011

The table that follows assists in illustrating the expenditures of the general fund.

	<u>2011</u> <u>Amount</u>	<u>2010</u> <u>Amount</u>	<u>Percentage</u> <u>Change</u>
<b>Expenditures:</b>			
General government	\$ 2,458,081	\$ 2,375,597	3.47 %
Security of persons and property	7,247,626	6,725,875	7.76 %
Public health and welfare	564,416	545,808	3.41 %
Transportation	963,466	891,541	8.07 %
Community environment	98,738	126,110	(21.70) %
Leisure time activity	568,835	528,096	7.71 %
Debt service	<u>134,660</u>	<u>135,573</u>	(0.67) %
<b>Total</b>	<u>\$ 12,035,822</u>	<u>\$ 11,328,600</u>	6.24 %

Every expenditure line item in the general fund increased during 2011 except for community environment and debt service. This is primarily due to the City increasing budgets in most departments due to the slowly recovering economy.

***ARRA Federal Grant Fund***

The ARRA federal grant fund had \$4,425,711 in revenues in 2011. The expenditures of the ARRA federal grant fund totaled \$5,011,189 in 2011. The City received several grants during 2011 due to the American Recovery and Reinvestment Act. The largest grant was for the ongoing Washington Street rehabilitation project. The net decrease in fund balance for the ARRA federal grant fund was \$585,478. The decrease in fund balance is due to large amount of construction expenditures which won't be reimbursed until 2012.

***Emergency Management Fund***

The emergency management fund had \$3,304,783 in revenues in 2011. The expenditures of the emergency management fund totaled \$3,250,267 in 2011. The net increase in fund balance for the emergency management fund was \$54,516. The activity in this fund during 2011 is mostly due to the John Scott Slope Repair project. The fund balance at year end is due to storm damage grants received during 2011.

***.7% City Income Tax - Street Improvement Fund***

The .7% City income tax - street improvement fund had \$2,647,130 in revenues in 2011. The expenditures of the .7% City income tax - recreation improvement fund totaled \$1,093,455 in 2011. The City undertook several street improvement projects during 2011, which include the ongoing Sunset Boulevard resurfacing project, the Sunset Boulevard video traffic signal upgrade, the Hot Mix paving program and the Sinclair Ave. resurfacing project. The improvements to Sunset Boulevard were primarily financed with federal grants passed through ODOT. The net decrease in fund balance for the .7% City income tax - street improvement fund was \$1,553,675 from a deficit balance of \$435,471 to a positive balance of \$1,118,204. The increase in fund balance is due to a \$579,000 interfund loan receivable from the ARRA federal grant fund for construction expenditures which won't be reimbursed until 2011.



**CITY OF STEUBENVILLE, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2011

***Budgeting Highlights - General Fund***

The City's budgeting process is prescribed by the Ohio Revised Code (ORC). Essentially the budget is the City's appropriations which are restricted by the amounts of anticipated revenues certified by the Budget Commission in accordance with the ORC. Therefore, the City's plans or desires cannot be totally reflected in the original budget. If budgeted revenues are adjusted due to actual activity then the appropriations can be adjusted accordingly.

In the general fund, estimated revenues and other financing sources increased \$370,317. Appropriations were increased by \$670,158 during 2011. Increases to the appropriations were primarily due to increased revenue estimates because of improving income tax receipts. Actual revenues and other financing sources of \$12,793,917 were greater than final budgeted revenues and other financing sources by \$94,688. Actual expenditures of \$12,596,155 came in \$516,218 less than the final budgeted amounts.

***Proprietary Funds***

The City's proprietary funds provide the same type of information found in the government-wide financial statements for business-type activities, except in more detail. The only difference between the amounts reported as business-type activities and the amounts reported in the proprietary fund statements are interfund eliminations between proprietary funds and internal balances due to governmental activities for internal service activities. The interfund activity reported in the government wide statements are those between business-type activities and governmental activities (reported as internal balances and transfers) whereas interfund amounts between various enterprise funds are reported in the proprietary fund statements, as well as internal balances between the governmental and business-type funds due to the allocation of the internal service fund (reported as internal balances) which are not reported on the proprietary statements.

**Capital Assets and Debt Administration**

***Capital Assets***

At the end of 2011, the City had \$91,288,852 (net of accumulated depreciation) invested in land, buildings, improvements, equipment, vehicles, infrastructure and construction in progress. Of this total, \$35,124,062 was reported in governmental activities and \$56,164,790 was reported in business-type activities. Additional details are provided in Note 8 of the notes to the financial statements. The following table shows 2011 balances compared to 2010:

**Capital Assets at December 31  
(Net of Depreciation)**

	Governmental Activities		Business-type Activities		Total	
	2011	2010	2011	Restated 2010	2011	Restated 2010
Land	\$ 469,112	\$ 469,112	\$ 66,000	\$ 66,000	\$ 535,112	\$ 535,112
Construction-in-progress	8,072,243	5,667,700	3,200,449	6,735,266	11,272,692	12,402,966
Buildings	6,372,762	6,526,365	23,629,336	24,174,219	30,002,098	30,700,584
Improvements	3,860,690	4,025,116	4,489,601	283,018	8,350,291	4,308,134
Equipment	979,220	495,697	481,744	286,520	1,460,964	782,217
Vehicles	577,533	852,891	183,440	265,230	760,973	1,118,121
Infrastructure	14,792,502	13,567,824	24,114,220	24,580,666	38,906,722	38,148,490
<b>Totals</b>	<b>\$ 35,124,062</b>	<b>\$ 31,604,705</b>	<b>\$ 56,164,790</b>	<b>\$ 56,390,919</b>	<b>\$ 91,288,852</b>	<b>\$ 87,995,624</b>

**CITY OF STEUBENVILLE, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2011

The City's largest capital asset category is infrastructure which includes roads constructed from 1980 through 2011. These items are immovable and of value only to the City, however, the annual cost of purchasing these items is quite significant. The net book value of the City's infrastructure (cost less accumulated depreciation) represents approximately 42.12% of the City's total governmental capital assets.

The City's largest business-type capital asset category is infrastructure that primarily includes water and sewer lines. These items play a vital role in the income producing ability of the business-type activities. The net book value of the City's infrastructure (cost less accumulated depreciation) represents approximately 42.94% of the City's total business-type capital assets.

***Debt Administration***

The City had the following long-term obligations outstanding at December 31, 2011 and 2010. Additional details are provided in Note 11 of the notes to the financial statements.

	<b>Governmental Activities</b>	
	<u>2011</u>	<u>2010</u>
Loans payable	\$ 960,164	\$ 1,059,760
Compensated absences	1,432,373	1,520,566
Bonds payable	3,434,894	3,497,922
Capital lease obligation payable	1,794	7,326
Police and fire pension liability	<u>1,899,367</u>	<u>1,945,885</u>
Total long-term obligations	<u>\$ 7,728,592</u>	<u>\$ 8,031,459</u>
	<b>Business-type Activities</b>	
	<u>2011</u>	<u>2010</u>
Long-term notes payable	\$ -	\$ 26,304
OWDA loans	41,784,179	43,046,020
OPWC loans	282,202	332,036
Landfill closure/postclosure	4,616,478	4,704,540
Compensated absences	229,543	226,233
Loans payable	71,765	88,747
Bonds payable	<u>2,440,000</u>	<u>4,559,776</u>
Total long-term obligations	<u>\$ 49,424,167</u>	<u>\$ 52,983,656</u>

**Economic Conditions and Outlook**

The unemployment rates as of December 31, 2011 are 8.5% for the United States, 7.9% for the State of Ohio and 10.2% for Jefferson County. The rate for Jefferson County has decreased throughout 2011, which led to increased income tax revenues for 2011. This trend has continued into 2012. Due to the stabilizing economy, the City was able to bring back some previously cut services during 2011.

The City continues to grapple with the high cost of providing water and sewer services to its customers while meeting the demands of federal and State environmental authorities. This City has undertaken several projects to improve the City's water and sewer treatment and distribution systems. These projects have been financed through loans obtained through the Ohio Water Development Authority (OWDA).

## **CITY OF STEUBENVILLE, OHIO**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2011**

The City has also undertaken several other projects. In 2010, the City began an extensive rehabilitation project on Washington Street, which was funded by approximately \$8.8 million in federal stimulus money. The City also undertook projects for Sunset Boulevard resurfacing, Sinclair Avenue resurfacing, a marina observation pier project, an LED streetlight project and the completion of the upgrade to traffic signals on Sunset Boulevard.

The net result of the above is a more positive outlook than in previous years. Continued diligence to control costs will be practiced by the City to meet its financial projections.

#### **Contacting the City's Financial Management**

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information contact: Ms. Alyssa N. Kerker, Finance Director, City of Steubenville, 115 South Third Street, Steubenville, Ohio 43952.

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BASIC  
FINANCIAL STATEMENTS

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**CITY OF STEUBENVILLE, OHIO**

STATEMENT OF NET ASSETS  
DECEMBER 31, 2011

	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
<b>Assets:</b>			
Equity in pooled cash and cash equivalents . . .	\$ 5,064,416	\$ 9,893,446	\$ 14,957,862
Receivables (net of allowances for uncollectibles):			
Income taxes . . . . .	2,085,667	-	2,085,667
Property and other taxes . . . . .	1,848,931	-	1,848,931
Accounts . . . . .	69,896	1,509,000	1,578,896
Special assessments . . . . .	13,137	-	13,137
Due from other governments . . . . .	4,237,008	-	4,237,008
Internal balance . . . . .	15,697	(15,697)	-
Prepayments . . . . .	9,723	8,086	17,809
Materials and supplies inventory . . . . .	445,346	-	445,346
Unamortized bond issue costs . . . . .	120,739	59,252	179,991
Capital assets:			
Land and construction in progress . . . . .	8,541,355	3,266,449	11,807,804
Depreciable capital assets, net . . . . .	26,582,707	52,898,341	79,481,048
Total capital assets, net . . . . .	35,124,062	56,164,790	91,288,852
Total assets . . . . .	49,034,622	67,618,877	116,653,499
<b>Liabilities:</b>			
Accounts payable . . . . .	105,922	65,778	171,700
Contracts payable . . . . .	995,682	523,433	1,519,115
Accrued wages and benefits . . . . .	86,426	33,894	120,320
Matured compensated absences payable . . . . .	70,835	-	70,835
Accrued vacation payable . . . . .	488,242	181,959	670,201
Due to other governments . . . . .	686,927	191,168	878,095
Accrued interest payable . . . . .	36,462	3,943	40,405
Claims payable . . . . .	149,835	-	149,835
Unearned revenue . . . . .	1,214,533	-	1,214,533
Long-term liabilities:			
Due within one year . . . . .	309,824	2,342,796	2,652,620
Due in more than one year . . . . .	7,545,106	47,081,371	54,626,477
Total liabilities . . . . .	11,689,794	50,424,342	62,114,136
<b>Net assets:</b>			
Invested in capital assets, net			
of related debt . . . . .	30,738,893	12,081,644	42,820,537
Restricted for:			
Capital projects . . . . .	277,873	-	277,873
Street construction, maintenance and repairs . . . . .	775,909	-	775,909
Safety programs . . . . .	966,327	-	966,327
Community development programs . . . . .	1,670,954	-	1,670,954
Police programs . . . . .	43,405	-	43,405
Court programs . . . . .	86,679	-	86,679
Emergency management . . . . .	54,516	-	54,516
Municipal court improvements . . . . .	59,114	-	59,114
Other purposes . . . . .	168,242	-	168,242
Unrestricted . . . . .	2,502,916	5,112,891	7,615,807
Total net assets . . . . .	\$ 37,344,828	\$ 17,194,535	\$ 54,539,363

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF STEUBENVILLE, OHIO**

STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2011

	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
<b>Governmental activities:</b>				
General government . . . . .	\$ 2,990,157	\$ 657,322	\$ 136,997	\$ 40,407
Security of persons and property . . . . .	7,694,175	2,064	144,597	-
Public health and welfare . . . . .	654,869	225,540	27,141	-
Transportation. . . . .	6,606,547	51,905	4,455,906	4,910,464
Community environment . . . . .	941,681	104,721	948,195	-
Leisure time activity. . . . .	1,047,822	191,819	101,172	-
Interest and fiscal charges. . . . .	278,428	-	-	-
Total governmental activities . . . . .	<u>20,213,679</u>	<u>1,233,371</u>	<u>5,814,008</u>	<u>4,950,871</u>
<b>Business-type activities:</b>				
Water. . . . .	4,969,172	4,674,343	-	-
Sewer. . . . .	3,798,340	5,296,897	-	-
Refuse. . . . .	1,593,846	2,265,419	-	-
Total business-type activities . . . . .	<u>10,361,358</u>	<u>12,236,659</u>	<u>-</u>	<u>-</u>
Total primary government . . . . .	<u>\$ 30,575,037</u>	<u>\$ 13,470,030</u>	<u>\$ 5,814,008</u>	<u>\$ 4,950,871</u>

**General revenues:**

Property taxes levied for:
General purposes . . . . .
Debt service. . . . .
Income taxes levied for:
General purposes . . . . .
Street improvements. . . . .
Equipment improvement. . . . .
Recreation improvement. . . . .
Other taxes levied for:
Hotel occupancy taxes. . . . .
Grants and entitlements not restricted to specific programs . . . . .
Investment earnings . . . . .
Miscellaneous . . . . .
Total general revenues . . . . .
Change in net assets . . . . .
<b>Net assets at beginning of year. . . . .</b>
<b>Net assets at end of year . . . . .</b>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS



**Net (Expense) Revenue  
and Changes in Net Assets**

<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
\$ (2,155,431)	\$ -	\$ (2,155,431)
(7,547,514)	-	(7,547,514)
(402,188)	-	(402,188)
2,811,728	-	2,811,728
111,235	-	111,235
(754,831)	-	(754,831)
(278,428)	-	(278,428)
<u>(8,215,429)</u>	<u>-</u>	<u>(8,215,429)</u>
-	(294,829)	(294,829)
-	1,498,557	1,498,557
-	671,573	671,573
<u>-</u>	<u>1,875,301</u>	<u>1,875,301</u>
<u>(8,215,429)</u>	<u>1,875,301</u>	<u>(6,340,128)</u>
1,111,461	-	1,111,461
229,331	-	229,331
7,866,863	-	7,866,863
646,294	-	646,294
305,337	-	305,337
101,779	-	101,779
220,348	-	220,348
2,056,140	-	2,056,140
9,160	-	9,160
214,161	10,895	225,056
<u>12,760,874</u>	<u>10,895</u>	<u>12,771,769</u>
4,545,445	1,886,196	6,431,641
<u>32,799,383</u>	<u>15,308,339</u>	<u>48,107,722</u>
<u>\$ 37,344,828</u>	<u>\$ 17,194,535</u>	<u>\$ 54,539,363</u>

**CITY OF STEUBENVILLE, OHIO**

BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2011

	<b>General</b>	<b>ARRA Federal Grant</b>	<b>Emergency Management</b>	<b>.7% City Income Tax Street Improvement</b>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . .	\$ 891,116	\$ 140,128	\$ 56,026	\$ 516,771
Receivables (net of allowance for uncollectibles):				
Income taxes . . . . .	1,840,969	-	-	150,733
Real and other taxes . . . . .	1,552,850	-	-	-
Accounts . . . . .	69,896	-	-	-
Special assessments . . . . .	-	-	-	-
Due from other governments . . . . .	766,459	1,426,294	-	25,313
Interfund loans . . . . .	-	-	-	579,000
Prepayments . . . . .	8,690	-	-	-
Materials and supplies inventory . . . . .	315,106	-	-	-
<b>Total assets . . . . .</b>	<b><u>\$ 5,445,086</u></b>	<b><u>\$ 1,566,422</u></b>	<b><u>\$ 56,026</u></b>	<b><u>\$ 1,271,817</u></b>
<b>Liabilities:</b>				
Accounts payable . . . . .	\$ 88,122	\$ 5,688	\$ 1,510	\$ 503
Contracts payable . . . . .	-	982,427	-	10,240
Accrued wages and benefits . . . . .	84,238	-	-	-
Matured compensated absences payable . . . . .	70,835	-	-	-
Accrued vacation payable . . . . .	6,979	-	-	-
Due to other governments . . . . .	670,154	-	-	-
Interfund loans payable . . . . .	-	579,000	-	-
Deferred revenue . . . . .	2,622,921	667,606	-	142,870
Unearned revenue . . . . .	1,001,203	-	-	-
<b>Total liabilities . . . . .</b>	<b><u>4,544,452</u></b>	<b><u>2,234,721</u></b>	<b><u>1,510</u></b>	<b><u>153,613</u></b>
<b>Fund balances:</b>				
Nonspendable . . . . .	341,304	-	-	-
Restricted . . . . .	-	-	54,516	-
Committed . . . . .	-	-	-	1,118,204
Assigned . . . . .	93,057	-	-	-
Unassigned (deficit) . . . . .	466,273	(668,299)	-	-
<b>Total fund balances . . . . .</b>	<b><u>900,634</u></b>	<b><u>(668,299)</u></b>	<b><u>54,516</u></b>	<b><u>1,118,204</u></b>
<b>Total liabilities and fund balances . . . . .</b>	<b><u>\$ 5,445,086</u></b>	<b><u>\$ 1,566,422</u></b>	<b><u>\$ 56,026</u></b>	<b><u>\$ 1,271,817</u></b>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
\$ 3,338,452	\$ 4,942,493
93,965	2,085,667
296,081	1,848,931
-	69,896
13,137	13,137
2,018,942	4,237,008
-	579,000
1,033	9,723
130,240	445,346
<u>\$ 5,891,850</u>	<u>\$ 14,231,201</u>
\$ 10,099	\$ 105,922
3,015	995,682
2,188	86,426
-	70,835
-	6,979
16,773	686,927
-	579,000
2,108,550	5,541,947
213,330	1,214,533
<u>2,353,955</u>	<u>9,288,251</u>
131,273	472,577
2,084,236	2,138,752
1,322,515	2,440,719
-	93,057
<u>(129)</u>	<u>(202,155)</u>
<u>3,537,895</u>	<u>4,942,950</u>
<u>\$ 5,891,850</u>	<u>\$ 14,231,201</u>

**CITY OF STEUBENVILLE, OHIO**

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO  
NET ASSETS OF GOVERNMENTAL ACTIVITIES  
DECEMBER 31, 2011

<b>Total governmental fund balances</b>		\$	4,942,950
<i>Amounts reported for governmental activities on the statement of net assets are different because:</i>			
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.			35,124,062
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.			
Income taxes receivable	\$	1,736,211	
Property and other taxes receivable		617,236	
Accounts receivable		69,896	
Intergovernmental receivable		3,105,467	
Special assessments receivable		13,137	
Total		5,541,947	5,541,947
The internal service fund is used by management to charge the costs of health insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities on the statement of net assets. The net assets of the internal service fund, including internal balances of \$15,697, are:			(12,215)
Interest is accrued on outstanding loans and bonds on the statement of net assets whereas in governmental funds, interest expenditures are reported when due.			(36,462)
Bond issuance costs are reported as an expenditure in the governmental funds, however, they are amortized over the life of the bonds on the statement of net assets.			120,739
Unamortized premiums on bond issuances are not recognized in the governmental funds.			(126,338)
Vacation is accrued for leave accrued on the statement of net assets, whereas in governmental funds, vacation leave expenditures are reported when taken.			(481,263)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.			
Compensated absences		1,432,373	
Police and fire pension liability		1,899,367	
Capital lease payable		1,794	
General obligation bonds payable		3,434,894	
Loans payable		960,164	
Total		(7,728,592)	(7,728,592)
<b>Net assets of governmental activities</b>		\$	37,344,828

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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**CITY OF STEUBENVILLE, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2011

	<b>General</b>	<b>ARRA Federal Grant</b>	<b>Emergency Management</b>	<b>.7% City Income Tax Street Improvement</b>
<b>Revenues:</b>				
Municipal income taxes . . . . .	\$ 7,637,051	\$ -	\$ -	\$ 645,706
Property and other taxes. . . . .	1,151,698	-	-	-
Charges for services. . . . .	80,498	-	-	-
Licenses and permits . . . . .	633,902	-	-	-
Fines and forfeitures . . . . .	293,272	-	-	-
Intergovernmental. . . . .	2,142,315	4,425,711	3,304,783	1,990,338
Special assessments . . . . .	-	-	-	-
Contributions and donations. . . . .	9,710	-	-	-
Investment income. . . . .	9,160	-	-	-
Rental income . . . . .	121,706	-	-	-
Other . . . . .	121,700	-	-	11,086
<b>Total revenues . . . . .</b>	<b>12,201,012</b>	<b>4,425,711</b>	<b>3,304,783</b>	<b>2,647,130</b>
<b>Expenditures:</b>				
Current:				
General government . . . . .	2,458,081	-	-	-
Security of persons and property . . . . .	7,247,626	144,597	-	-
Public health and welfare. . . . .	564,416	-	-	-
Transportation . . . . .	963,466	456,812	3,250,267	-
Community environment . . . . .	98,738	-	-	-
Leisure time activity . . . . .	568,835	-	-	-
Capital outlay . . . . .	-	4,409,780	-	1,028,436
Debt service:				
Principal retirement. . . . .	52,050	-	-	39,386
Interest and fiscal charges . . . . .	82,610	-	-	25,633
<b>Total expenditures . . . . .</b>	<b>12,035,822</b>	<b>5,011,189</b>	<b>3,250,267</b>	<b>1,093,455</b>
Excess (deficiency) of revenues over (under) expenditures. . . . .	165,190	(585,478)	54,516	1,553,675
<b>Other financing sources:</b>				
Sale of capital assets. . . . .	42,008	-	-	-
<b>Total other financing sources . . . . .</b>	<b>42,008</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net change in fund balances . . . . .	207,198	(585,478)	54,516	1,553,675
<b>Fund balances (deficit)</b>				
<b>at beginning of year (restated) . . . . .</b>	<b>693,436</b>	<b>(82,821)</b>	<b>-</b>	<b>(435,471)</b>
<b>Fund balances (deficit) at end of year . . . . .</b>	<b>\$ 900,634</b>	<b>\$ (668,299)</b>	<b>\$ 54,516</b>	<b>\$ 1,118,204</b>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
\$ 400,000	\$ 8,682,757
311,085	1,462,783
140	80,638
73,812	707,714
40,879	334,151
2,045,673	13,908,820
11,071	11,071
16,667	26,377
46	9,206
-	121,706
29,657	162,443
<u>2,929,030</u>	<u>25,507,666</u>
296,802	2,754,883
15,961	7,408,184
85,061	649,477
458,743	5,129,288
1,038,534	1,137,272
116,207	685,042
240,731	5,678,947
140,210	231,646
158,820	267,063
<u>2,551,069</u>	<u>23,941,802</u>
<u>377,961</u>	<u>1,565,864</u>
-	42,008
<u>-</u>	<u>42,008</u>
377,961	1,607,872
3,159,934	3,335,078
<u>\$ 3,537,895</u>	<u>\$ 4,942,950</u>

**CITY OF STEUBENVILLE, OHIO**

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2011

**Net change in fund balances - total governmental funds** \$ 1,607,872

*Amounts reported for governmental activities in the statement of activities are different because:*

Governmental funds report capital outlays as expenditures.

However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeds depreciation expense in the current period.

Capital asset additions	\$ 5,645,566	
Current year depreciation	(2,126,209)	
Total		3,519,357

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

Income taxes	237,516	
Property and other taxes	98,357	
Licenses and permits revenue	(1,910)	
Intergovernmental revenues	(1,104,514)	
Special assessments	(19,999)	
Total		(790,550)

Repayment of bond, loan and lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities on the statement of net assets.

231,646

In the statement of activities, interest is accrued on outstanding bonds and loans, whereas in governmental funds, an interest expenditure is reported when due. The following items resulted in increased interest being reported on the statement of activities:

Decrease in accrued interest payable	5,413	
Accreted interest on capital appreciation bonds	(16,972)	
Amortization of bond issuance costs	(4,175)	
Amortization of bond premiums	4,369	
Total		(11,365)

In the statement of activities, vacation leave is accrued when earned, whereas in governmental funds, an expenditure is reported when vacation leave is taken.

(2,398)

Some expenses reported in the statement of activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

88,193

The internal service fund used by management to charge the costs of insurance to individual funds is not reported in the government-wide statement of activities. Governmental fund expenditures and the related internal service fund revenues are eliminated. The net revenue (expense) of the internal service fund, including internal balances of \$41,391, is allocated among the governmental activities.

(97,310)

**Change in net assets of governmental activities** \$ 4,545,445

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS



**CITY OF STEUBENVILLE, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 GENERAL FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2011

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
Municipal income taxes . . . . .	\$ 7,457,410	\$ 7,547,777	\$ 7,645,079	\$ 97,302
Property and other taxes. . . . .	1,157,958	1,131,378	1,145,644	14,266
Charges for services. . . . .	96,712	81,313	80,498	(815)
Licenses and permits . . . . .	657,700	641,380	633,902	(7,478)
Fines and forfeitures . . . . .	334,161	297,162	293,272	(3,890)
Intergovernmental. . . . .	1,604,090	2,239,219	2,201,236	(37,983)
Contributions and donations. . . . .	-	9,710	9,710	-
Investment income. . . . .	20,000	10,000	9,160	(840)
Rental income . . . . .	101,395	122,831	121,706	(1,125)
Other . . . . .	899,486	594,758	611,702	16,944
<b>Total revenues . . . . .</b>	<u>12,328,912</u>	<u>12,675,528</u>	<u>12,751,909</u>	<u>76,381</u>
<b>Expenditures:</b>				
Current:				
General government . . . . .	4,041,346	4,096,308	3,748,316	347,992
Security of persons and property . . . . .	6,221,350	6,613,824	6,553,909	59,915
Public health and welfare. . . . .	507,463	527,225	516,446	10,779
Transportation . . . . .	1,035,439	1,221,879	1,172,236	49,643
Community environment . . . . .	90,636	79,447	79,609	(162)
Leisure time activity . . . . .	545,981	573,690	525,639	48,051
<b>Total expenditures . . . . .</b>	<u>12,442,215</u>	<u>13,112,373</u>	<u>12,596,155</u>	<u>516,218</u>
Excess (deficiency) of revenues over (under) expenditures. . . . .	<u>(113,303)</u>	<u>(436,845)</u>	<u>155,754</u>	<u>592,599</u>
<b>Other financing sources:</b>				
Sale of capital assets. . . . .	-	23,701	42,008	18,307
<b>Total other financing sources . . . . .</b>	<u>-</u>	<u>23,701</u>	<u>42,008</u>	<u>18,307</u>
Net change in fund balances . . . . .	(113,303)	(413,144)	197,762	610,906
<b>Fund balances at beginning of year . . . . .</b>	449,723	449,723	449,723	-
<b>Prior year encumbrances appropriated . . . . .</b>	113,439	113,439	113,439	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 449,859</u>	<u>\$ 150,018</u>	<u>\$ 760,924</u>	<u>\$ 610,906</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF STEUBENVILLE, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 ARRA FEDERAL GRANT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2011

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 6,415,497	\$ 3,645,375	\$ 4,497,673	\$ 852,298
Total revenues . . . . .	6,415,497	3,645,375	4,497,673	852,298
<b>Expenditures:</b>				
Current:				
Security of persons and property . . . . .	144,597	144,597	144,597	-
Capital outlay . . . . .	6,270,900	3,954,266	4,805,371	(851,105)
Total expenditures . . . . .	6,415,497	4,098,863	4,949,968	(851,105)
Excess of expenditures over revenues . . . . .	-	(453,488)	(452,295)	1,193
<b>Other financing sources (uses):</b>				
Advances in . . . . .	449,000	449,000	449,000	-
Advances (out) . . . . .	(579,000)	-	-	-
Total other financing sources (uses) . . . . .	(130,000)	449,000	449,000	-
Net change in fund balances . . . . .	(130,000)	(4,488)	(3,295)	1,193
<b>Fund balances at beginning of year . . . . .</b>	131,568	131,568	131,568	-
<b>Fund balance at end of year . . . . .</b>	\$ 1,568	\$ 127,080	\$ 128,273	\$ 1,193

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF STEUBENVILLE, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 EMERGENCY MANAGEMENT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2011

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
Intergovernmental . . . . .	3,291,197	3,291,197	3,304,783	13,586
Total revenues . . . . .	<u>3,291,197</u>	<u>3,291,197</u>	<u>3,304,783</u>	<u>13,586</u>
<b>Expenditures:</b>				
Current:				
Transportation . . . . .	3,259,894	3,259,894	3,258,882	1,012
Total expenditures . . . . .	<u>3,259,894</u>	<u>3,259,894</u>	<u>3,258,882</u>	<u>1,012</u>
Net change in fund balances . . . . .	31,303	31,303	45,901	14,598
<b>Fund balances at beginning of year . . . . .</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 31,303</u>	<u>\$ 31,303</u>	<u>\$ 45,901</u>	<u>\$ 14,598</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF STEUBENVILLE, OHIO**

STATEMENT OF NET ASSETS  
 PROPRIETARY FUNDS  
 DECEMBER 31, 2011

	<b>Business-type Activities - Enterprise Funds</b>				<b>Governmental</b>
	<b>Water</b>	<b>Sewer</b>	<b>Refuse</b>	<b>Total</b>	<b>Activities - Internal Service Fund</b>
<b>Assets:</b>					
Current assets:					
Equity in pooled cash and cash equivalents . . .	\$ 1,245,411	\$ 5,570,859	\$ 3,077,176	\$ 9,893,446	\$ 121,923
Receivables (net of allowance for uncollectibles):					
Accounts . . . . .	611,556	696,856	200,588	1,509,000	-
Prepayments . . . . .	2,201	3,684	2,201	8,086	-
Total current assets . . . . .	<u>1,859,168</u>	<u>6,271,399</u>	<u>3,279,965</u>	<u>11,410,532</u>	<u>121,923</u>
Noncurrent assets:					
Capital assets:					
Land and construction in progress . . . . .	2,046,001	1,190,448	30,000	3,266,449	-
Depreciable capital assets, net . . . . .	38,971,218	13,637,272	289,851	52,898,341	-
Total capital assets, net . . . . .	<u>41,017,219</u>	<u>14,827,720</u>	<u>319,851</u>	<u>56,164,790</u>	<u>-</u>
Unamortized bond issue costs . . . . .	26,663	32,589	-	59,252	-
Total noncurrent assets . . . . .	<u>41,043,882</u>	<u>14,860,309</u>	<u>319,851</u>	<u>56,224,042</u>	<u>-</u>
Total assets . . . . .	<u>42,903,050</u>	<u>21,131,708</u>	<u>3,599,816</u>	<u>67,634,574</u>	<u>121,923</u>
<b>Liabilities:</b>					
Current liabilities:					
Accounts payable . . . . .	12,051	34,842	18,885	65,778	-
Contracts payable . . . . .	264,738	258,695	-	523,433	-
Accrued wages and benefits . . . . .	12,400	11,623	9,871	33,894	-
Due to other governments . . . . .	74,464	70,302	46,402	191,168	-
Accrued vacation payable . . . . .	71,674	63,057	47,228	181,959	-
Accrued interest payable . . . . .	1,459	2,484	-	3,943	-
Current portion of compensated absences . . . . .	16,637	9,373	4,792	30,802	-
Current portion of OPWC loans . . . . .	26,820	23,015	-	49,835	-
Current portion of OWDA loans . . . . .	1,687,910	242,500	-	1,930,410	-
Current portion of general obligation bonds . . . . .	54,000	66,000	-	120,000	-
Current portion of revenue bonds . . . . .	-	-	93,956	93,956	-
Current portion of landfill closure/postclosure . . . . .	-	-	100,000	100,000	-
Current portion of loans payable . . . . .	-	17,793	-	17,793	-
Claims payable . . . . .	-	-	-	-	149,835
Total current liabilities . . . . .	<u>2,222,153</u>	<u>799,684</u>	<u>321,134</u>	<u>3,342,971</u>	<u>149,835</u>
Long-term liabilities:					
Compensated absences . . . . .	76,085	62,943	59,713	198,741	-
OWDA loans payable . . . . .	29,479,027	10,374,742	-	39,853,769	-
OPWC loans payable . . . . .	186,337	46,030	-	232,367	-
General obligation bonds payable . . . . .	821,250	1,003,750	-	1,825,000	-
Revenue bonds payable . . . . .	-	-	401,044	401,044	-
Loans payable . . . . .	-	53,972	-	53,972	-
Landfill closure/postclosure . . . . .	-	-	4,516,478	4,516,478	-
Total long-term liabilities . . . . .	<u>30,562,699</u>	<u>11,541,437</u>	<u>4,977,235</u>	<u>47,081,371</u>	<u>-</u>
Total liabilities . . . . .	<u>32,784,852</u>	<u>12,341,121</u>	<u>5,298,369</u>	<u>50,424,342</u>	<u>149,835</u>
<b>Net assets:</b>					
Invested in capital assets, net of related debt . . . . .	8,761,875	2,999,918	319,851	12,081,644	-
Unrestricted (deficit) . . . . .	1,356,323	5,790,669	(2,018,404)	5,128,588	(27,912)
Total net assets (deficit) . . . . .	<u>\$ 10,118,198</u>	<u>\$ 8,790,587</u>	<u>\$ (1,698,553)</u>	<u>17,210,232</u>	<u>\$ (27,912)</u>
Adjustment to reflect the consolidation of the internal service funds activities related to enterprise funds . . . . .				(15,697)	
Net assets of business-type activities . . . . .				<u>\$ 17,194,535</u>	

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF STEUBENVILLE, OHIO**

STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN NET ASSETS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2011

	<b>Business-type Activities - Enterprise Funds</b>				<b>Governmental</b>
	<b>Water</b>	<b>Sewer</b>	<b>Refuse</b>	<b>Total</b>	<b>Activities - Internal Service Fund</b>
<b>Operating revenues:</b>					
Charges for services . . . . .	\$ 4,674,343	\$ 5,296,897	\$ 2,265,419	\$ 12,236,659	\$ 1,665,957
Other operating revenues . . . . .	4,486	1,393	926	6,805	-
Total operating revenues. . . . .	<u>4,678,829</u>	<u>5,298,290</u>	<u>2,266,345</u>	<u>12,243,464</u>	<u>1,665,957</u>
<b>Operating expenses:</b>					
Personal services . . . . .	1,607,396	1,544,078	938,514	4,089,988	-
Contract services. . . . .	-	-	379,760	379,760	-
Maintenance and operations. . . . .	1,226,548	1,382,188	225,740	2,834,476	401
Depreciation. . . . .	844,870	340,548	44,558	1,229,976	-
Claims expense . . . . .	-	-	-	-	1,804,257
Total operating expenses. . . . .	<u>3,678,814</u>	<u>3,266,814</u>	<u>1,588,572</u>	<u>8,534,200</u>	<u>1,804,658</u>
Operating income (loss) . . . . .	<u>1,000,015</u>	<u>2,031,476</u>	<u>677,773</u>	<u>3,709,264</u>	<u>(138,701)</u>
<b>Nonoperating revenues (expenses):</b>					
Interest and fiscal charges . . . . .	(1,270,920)	(514,288)	(559)	(1,785,767)	-
Gain on sale of capital assets . . . . .	1,000	3,090	-	4,090	-
Total nonoperating revenues (expenses). . . . .	<u>(1,269,920)</u>	<u>(511,198)</u>	<u>(559)</u>	<u>(1,781,677)</u>	<u>-</u>
Change in net assets . . . . .	(269,905)	1,520,278	677,214	1,927,587	(138,701)
<b>Net assets (deficit) at beginning of year. . . . .</b>	<u>10,388,103</u>	<u>7,270,309</u>	<u>(2,375,767)</u>		<u>110,789</u>
<b>Net assets (deficit) at end of year . . . . .</b>	<u>\$ 10,118,198</u>	<u>\$ 8,790,587</u>	<u>\$ (1,698,553)</u>		<u>\$ (27,912)</u>
Adjustment to reflect the consolidation of internal service funds activities related to enterprise funds.				(41,391)	
Change in net assets of business-type activities.				<u>\$ 1,886,196</u>	

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF STEUBENVILLE, OHIO**

STATEMENT OF CASH FLOWS  
 PROPRIETARY FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2011

	<b>Business-type Activities - Enterprise Funds</b>				<b>Governmental</b>
	<b>Water</b>	<b>Sewer</b>	<b>Refuse</b>	<b>Total</b>	<b>Activities - Internal Service Fund</b>
<b>Cash flows from operating activities:</b>					
Cash received from charges for services . . . . .	\$ 4,718,901	\$ 5,339,473	\$ 2,299,205	\$ 12,357,579	\$ 1,665,957
Cash received from other operations . . . . .	4,486	1,393	926	6,805	-
Cash payments for personal services . . . . .	(1,640,168)	(1,504,151)	(909,076)	(4,053,395)	-
Cash payments for contractual services . . . . .	-	-	(364,723)	(364,723)	-
Cash payments for maintenance and operations . . . . .	(1,300,680)	(1,445,855)	(230,230)	(2,976,765)	(401)
Cash payments for claims . . . . .	-	-	-	-	(1,767,082)
Net cash provided by (used in) operating activities . . . . .	<u>1,782,539</u>	<u>2,390,860</u>	<u>796,102</u>	<u>4,969,501</u>	<u>(101,526)</u>
<b>Cash flows from capital and related financing activities:</b>					
Cash received on sale of capital assets . . . . .	1,000	3,090	-	4,090	-
Acquisition of capital assets . . . . .	(610,903)	(157,863)	(23,550)	(792,316)	-
Cash used for landfill closure/postclosure . . . . .	-	-	(88,062)	(88,062)	-
Principal retirement on OPWC loans . . . . .	(26,819)	(23,015)	-	(49,834)	-
Principal retirement on OWDA loans . . . . .	(1,621,849)	(233,786)	-	(1,855,635)	-
Principal retirement on loans . . . . .	-	(16,982)	-	(16,982)	-
Principal retirement on notes . . . . .	-	-	(26,304)	(26,304)	-
Principal retirement on general obligation bonds . . . . .	(1,460,100)	(1,154,676)	-	(2,614,776)	-
Cash received from the issuance of bonds . . . . .	-	-	495,000	495,000	-
Loan issuance . . . . .	578,675	15,119	-	593,794	-
Interest and fiscal charges . . . . .	(1,275,374)	(509,462)	(1,073)	(1,785,909)	-
Net cash provided by (used in) capital and related financing activities . . . . .	<u>(4,415,370)</u>	<u>(2,077,575)</u>	<u>356,011</u>	<u>(6,136,934)</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents . . . . .	(2,632,831)	313,285	1,152,113	(1,167,433)	(101,526)
<b>Cash and cash equivalents at beginning of year . . . . .</b>	<u>3,878,242</u>	<u>5,257,574</u>	<u>1,925,063</u>	<u>11,060,879</u>	<u>223,449</u>
<b>Cash and cash equivalents at end of year . . . . .</b>	<u>\$ 1,245,411</u>	<u>\$ 5,570,859</u>	<u>\$ 3,077,176</u>	<u>\$ 9,893,446</u>	<u>\$ 121,923</u>

- - Continued

**CITY OF STEUBENVILLE, OHIO**

STATEMENT OF CASH FLOWS  
 PROPRIETARY FUNDS (CONTINUED)  
 FOR THE YEAR ENDED DECEMBER 31, 2011

	<u>Business-type Activities - Enterprise Funds</u>				<u>Governmental Activities - Internal Service Fund</u>
	<u>Water</u>	<u>Sewer</u>	<u>Refuse</u>	<u>Total</u>	
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>					
Operating income (loss) . . . . .	\$ 1,000,015	\$ 2,031,476	\$ 677,773	\$ 3,709,264	\$ (138,701)
Adjustments:					
Depreciation. . . . .	844,870	340,548	44,558	1,229,976	-
Changes in assets and liabilities:					
Decrease in accounts receivable. . . . .	44,558	42,576	33,786	120,920	-
(Increase) in prepayments . . . . .	(125)	(166)	(125)	(416)	-
Increase (decrease) in accounts payable . . . . .	(70,735)	(61,186)	12,003	(119,918)	-
Increase (decrease) in					
accrued wages and benefits payable. . . . .	(6,266)	(1,748)	1,341	(6,673)	-
Increase in intergovernmental payable. . . . .	231	21,162	15,231	36,624	-
Increase (decrease) in					
compensated absences payable. . . . .	(21,077)	16,814	7,573	3,310	-
Increase (decrease) in accrued vacation payable. . . . .	(8,932)	1,384	3,962	(3,586)	-
Increase in claims payable . . . . .	-	-	-	-	37,175
Net cash provided by (used in) operating activities . . . . .	<u>\$ 1,782,539</u>	<u>\$ 2,390,860</u>	<u>\$ 796,102</u>	<u>\$ 4,969,501</u>	<u>\$ (101,526)</u>

At December 31, 2011, the sewer fund purchased \$211,531 in capital assets on account.

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF STEUBENVILLE, OHIO**

STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES  
FIDUCIARY FUNDS  
DECEMBER 31, 2011

	<u>Agency</u>
<b>Assets:</b>	
Equity in pooled cash and cash equivalents. . . . .	\$ 323,385
Cash in segregated accounts. . . . .	<u>12,663</u>
Total assets . . . . .	<u>\$ 336,048</u>
<b>Liabilities:</b>	
Accounts payable . . . . .	\$ 240
Deposits held and due to others . . . . .	323,145
Undistributed monies. . . . .	<u>12,663</u>
Total liabilities. . . . .	<u>\$ 336,048</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS



## CITY OF STEUBENVILLE, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2011

#### NOTE 1 - DESCRIPTION OF THE CITY

The City of Steubenville, (the "City"), is a body politic and corporate established 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 705.51 to 705.60, Ohio Revised Code, inclusive. The powers and functions of the municipal governments 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 are approved by the Council.

Several board 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 are approved by Council.

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

The financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to local governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial principles. The City also applies Financial Accounting Standards Board (FASB) guidance issued on or before November 30, 1989, to its governmental and business-type activities and its proprietary funds provided it does not conflict with or contradict GASB pronouncements. The City has the option to also apply FASB guidance issued after November 30, 1989 to its business-type activities and enterprise funds, subject to this same limitation. The City has elected not to apply this FASB guidance. The City's significant accounting policies are described below.

##### A. Reporting Entity

For financial reporting purposes, the City's financial statement includes all funds, agencies, boards, commissions, and departments for which the City is financially accountable. Component units are legally separate organizations for which the City is financially accountable. Financial accountability, as defined by the GASB, exists if the City appoints a voting majority of an organization's Governing Board and is either able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or impose specific burdens on, the City. The City may also be financially accountable for governmental organizations with a separately elected Governing Board, a Governing Board appointed by another government, or a jointly appointed Board that is fiscally dependent on the City. The City also took into consideration other organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the City's financial statements to be misleading or incomplete. Based upon the application of these criteria, the City has no component units.

**CITY OF STEUBENVILLE, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

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

The primary government of the City consists of all funds, agencies, departments and offices that are not legally separate from the City. The primary government includes the City departments and agencies that provide the following services: police and fire protection, planning, zoning, refuse collection, street maintenance and repairs, community development, public health and welfare, parks and recreation and water and sewer utilities. The preceding financial statements include all funds of the City (the primary government).

The following organizations are described due to their relationship with the City.

*JOINTLY GOVERNED ORGANIZATIONS*

*Jefferson County Regional Planning Commission:* The City participates in the Jefferson County Regional Planning Commission (the Commission) which is a statutorily created political subdivision of the State of Ohio under Ohio Revised Code Chapter 713. The Commission is jointly governed among Jefferson County and municipalities and townships within Jefferson County. The Commission includes the three Jefferson County Commissioners, fourteen municipal mayors, fourteen township trustees, and six non-governmental representatives appointed by the member governments. Each member's control over the operation of the Commission is limited to its representation on the Board.

The Commission makes studies, maps, plans, recommendations and reports concerning the physical, environment, social, economic and governmental functions and services of Jefferson County and applies for Community Development Block Grants on behalf of member governments. The Board exercises total control of the budgeting, appropriation, contracting and management. The City contributes a fee of \$3,875 annually. Continued existence of the Commission is not dependent on the continued participation of the City. Complete financial statements can be obtained from the Jefferson County Regional Planning Commission, Steubenville, Ohio.

*Jefferson County Family and Children First Council:* The Jefferson County Family and Children First Council (the Council) is a jointly governed organization created under Ohio Revised Code Section 121.37. The Council is currently governed by a 24 member Board, which includes the Health Commissioner of the City of Steubenville. During 2011, the City made no contributions to the Council. Continued existence of the Council is not dependent on the City's continued participation.

**B. Basis of Presentation - Fund Accounting**

The City's financial statements consist of government-wide statements, including a statement of net assets and a statement of activities and fund financial statements which provide a more detailed level of financial information.

*Government-wide Financial Statements* - The statement of net assets and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The activities of the internal service fund are eliminated to avoid "doubling up" revenues and expenses. The statements distinguish between those activities of the City that are governmental and those that are considered business-type activities.

**CITY OF STEUBENVILLE, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

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

The statement of net assets presents the financial condition of the governmental and business-type activities of the City at year end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the City's governmental activities and for the business-type activities of the City. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the City, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental functions are self-financing or draw from the general revenues of the City.

**Fund Financial Statements** - During the year, the City segregates transactions related to certain City functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the City at this more detailed level. The focus of governmental and proprietary fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. The internal service fund is presented in a single column on the face of the proprietary fund statements. Fiduciary funds are reported by type.

**C. Fund Accounting**

The City uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. There are three categories of funds: governmental, proprietary and fiduciary.

**Governmental Funds** - Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the City's major governmental funds:

General fund - The general fund is used to account for and report all financial resources not accounted for and reported in another fund. The general fund balance is available for any purpose provided it is expended or transferred according to the general laws of Ohio.

ARRA federal grant fund - The ARRA federal grant fund is used to account for projects related to federal grants received, including grants from the American Recovery and Reinvestment Act (ARRA).

Emergency management fund - The emergency management fund accounts for grants received from federal, state or local sources intended for disaster relief efforts.

.7% City income tax - street improvement fund - The .7% city income tax - street improvement fund is used to account for income tax revenue and grants designated for improvement of streets within the City

**CITY OF STEUBENVILLE, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

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

Other governmental funds of the City are used to account for (a) financial resources that are restricted, committed, or assigned to expenditures for capital outlays including the acquisition or construction of capital facilities and other capital assets, (b) specific revenue sources that are restricted or committed to an expenditure for specified purposes other than debt service or capital projects and (c) financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

***Proprietary Funds*** - Proprietary fund reporting focuses on changes in net assets, financial position and cash flows. Proprietary funds are classified as either enterprise funds or internal service funds.

***Enterprise funds*** - The enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The following are the City's major enterprise funds:

***Water fund*** - This fund accounts for the provision of water treatment and distribution to its residential and commercial users located within the City.

***Sewer fund*** - This fund accounts for the provision of sanitary sewer service to the residents and commercial users located within the City.

***Refuse fund*** - This fund accounts for the operations providing refuse waste removal to the residents and commercial users located with the City.

***Internal service fund*** - The internal service fund accounts for the financing of services provided by one department or agency to other departments or agencies of the City on a cost-reimbursement basis. The City's internal service fund reports on the activity of the centralized City self-insurance health program.

***Fiduciary Funds*** - Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and agency funds. Trust funds are used to account for assets held by the City under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the City's own programs. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The City's only fiduciary funds are agency funds, which are primarily to account for the Mayor's Court activity and for funds held in trust for deposits.

**D. Measurement Focus and Basis of Accounting**

***Government-wide Financial Statements*** - The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the City are included on the statement of net assets.

***Fund Financial Statements*** - All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the financial statements for governmental funds.

**CITY OF STEUBENVILLE, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

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

Like the government-wide statements, all proprietary funds are accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the statement of net assets. The statement of changes in fund net assets presents increases (i.e., revenues) and decreases (i.e., expenses) in total net assets. The statement of cash flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

**E. Basis of Accounting**

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Proprietary and fiduciary funds also use the accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue and in the presentation of expenses versus expenditures.

**Revenues - Exchange and Nonexchange Transactions** - Revenues resulting from exchange transactions, in which each party gives and receives essentially equal value, are recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the City, available means expected to be received within thirty-one days of year end.

Nonexchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlements and donations. On an accrual basis, revenue from income taxes is recognized in the period in which the income is earned (See Note 6.B.). Revenue from property taxes is recognized in the year for which the taxes are levied (See Note 6.A.). Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year end: income tax, State-levied locally shared taxes (including gasoline tax, local government funds and permissive tax), fines and forfeitures and licenses and permits and fees.

**Unearned Revenue and Deferred Revenue** - Unearned revenue and deferred revenue arise when assets are recognized before revenue recognition criteria have been satisfied.

Property taxes for which there is an enforceable legal claim as of December 31, 2011, but which were levied to finance year 2012 operations, and other revenues received in advance of the fiscal year for which they were intended to finance, have been recorded as unearned revenue. Income taxes and special assessments not received within the available period, grants and entitlements received before the eligibility requirements are met, and delinquent property taxes due at December 31, 2011, are recorded as deferred revenue in the governmental funds.

**CITY OF STEUBENVILLE, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

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

On governmental fund financial statements, receivables that will not be collected within the available period have been reported as deferred revenue.

*Expenses/Expenditures* - On the accrual basis of accounting, expenses are recognized at the time they are incurred.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

**F. Budgetary Data**

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

*Tax Budget* - During the first Council meeting in July, the Finance Director presents the annual operating budget for the following fiscal year to City Council for consideration and passage. The adopted budget is submitted to the County Auditor, as Secretary of the County Budget Commission, by July 20 of each year, for the period January 1 to December 31 of the following year.

*Estimated Resources* - The County Budget Commission determines if the budget substantiates a need to levy all or part of previously authorized taxes and reviews estimated revenue. The Commission certifies its actions to the City by September 1. As part of this certification, the City receives the official certificate of estimated resources, which states the projected revenue of each fund. On or before December 31, the City must revise its budget so that the total contemplated expenditures from any fund during the ensuing fiscal year will not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriations measure. On or about January 1, the certificate of estimated resources is amended to include unencumbered cash balances at December 31 of the preceding year.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the Finance Director. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the amended certificate of estimated resources at the time final appropriations were adopted.

**CITY OF STEUBENVILLE, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011**

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

*Appropriations* - A temporary appropriation ordinance to control expenditures may be passed on or about January 1 of each year for the period January 1 to March 31. An annual appropriation ordinance must be passed by April 1 of each year for the period January 1 to December 31. The appropriation ordinance fixes spending authority at the legal level of budgetary control. The appropriation ordinance may be amended during the year as new information becomes available, provided that total fund appropriations do not exceed current estimated resources, as certified. The amounts reported as the original budgeted amounts reflect the first appropriation resolution for the fund that covers the entire year, including amounts automatically carried forward from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by Council during the year.

*Lapsing of Appropriations* - At the close of each year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriations. Encumbrances are carried forward and are not reappropriated as part of the subsequent year appropriations.

**G. Cash and Cash Equivalents**

To improve cash management, cash received by the City is pooled. Monies for all funds are maintained in this pool. Individual fund integrity is maintained through the City's records. Each fund's interest in the pool is presented as "equity in pooled cash and cash equivalents" on the financial statements.

Under existing Ohio statutes all investment earnings are assigned to the general fund unless statutorily required to be credited to a specific fund. During 2011, interest revenue credited to the general fund amounted to \$9,160, which includes \$8,742 assigned from other City funds.

For purpose of the statement of cash flows and for presentation on the statement of net assets, investments of the cash management pool and investments with original maturities of three months or less at the time they are purchased by the City are considered to be cash equivalents. Investments with an initial maturity of more than three months are reported as investments, to the extent that the investment was purchased from a specific fund.

The City has segregated bank accounts for Mayor's Court monies held separate from the City's central bank account. These interest bearing depository accounts are presented on the financial statements as "cash in segregated accounts" since they are not required to be deposited into the City treasury.

An analysis of the City's depository accounts at year-end is provided in Note 4.

**CITY OF STEUBENVILLE, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

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

**H. Inventories of Materials and Supplies**

On government-wide and fund financial statements, purchased inventories are presented at the lower of cost or market. Inventories are recorded on a first-in, first-out basis and are expensed when used. Inventories are accounted for using the consumption method.

On the fund financial statements, reported material and supplies inventory is equally offset as a component of nonspendable fund balance in the governmental funds which indicates that it does not constitute available spendable resources even though it is a component of net current assets.

Inventory consists of expendable supplies held for consumption.

**I. Capital Assets**

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net assets, but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net assets and in the respective funds.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The City maintains a capitalization threshold of \$5,000. The City's infrastructure consists of streets, irrigation systems, traffic lights, and water and sewer lines. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. Interest incurred during the construction of capital assets is also capitalized for business-type activities.

All reported capital assets are depreciated except for land and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the City's historical records of necessary improvements and replacement. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>	<u>Business-type Activities Estimated Lives</u>
Improvements	10 - 15 years	10 - 15 years
Buildings	50 years	50 years
Equipment	10 - 20 years	10 - 20 years
Vehicles	5 - 20 years	5 - 20 years
Infrastructure:		
Sewer and water lines	N/A	50 years
Roads, traffic lights	10 - 65 years	10 - 65 years



**CITY OF STEUBENVILLE, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

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

**J. Compensated Absences**

Compensated absences of the City consist of sick leave to the extent that payment to the employee for these absences is attributable to services already rendered and are not contingent on a specific event that is outside the control of the City and the employee. Vacation earned in the current year must be used by December 31 of the following year.

In conformity with GASB Statement No. 16, "Accounting for Compensated Absences", vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the City will compensate the employees for the benefits through paid time off or some other means. Sick leave benefits are accrued as a liability using the vesting method. The liability is based on the sick leave accumulated at December 31 by those employees who are currently eligible to receive termination (severance) payments and by those employees for whom it is probable they will become eligible to receive termination (severance) benefits in the future.

The total liability for sick leave payments has been calculated using pay rates in effect at the financial statement date, and reduced to the maximum payment allowed by labor contract and/or statute, plus applicable additional salary related payments. City employees are granted sick leave in varying amounts. In the event of termination, an employee is reimbursed for accumulated sick leave at various rates.

The entire compensated absence liability is reported on the government-wide financial statements.

On governmental fund financial statements, compensated absences are recognized as liabilities and expenditures to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account "compensated absences payable" in the fund from which the employees who have accumulated leave are paid. The noncurrent portion of the liability is not reported. For proprietary funds, the entire amount of compensated absences is reported as a fund liability.

**K. Prepaid Items**

Prepayments made to vendors for services that will benefit future periods beyond December 31, 2011 are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which it was consumed.

**L. Accrued Liabilities and Long-Term Obligations**

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds. However, claims and judgments and compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year.

**CITY OF STEUBENVILLE, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

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

**M. Fund Balance**

Fund balance is divided into five classifications based primarily on the extent to which the City is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

*Nonspendable* - The nonspendable fund balance classification includes amounts that cannot be spent because they are not in spendable form or legally required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash.

*Restricted* - Fund balance is reported as restricted when constraints are placed on the use of resources that are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

*Committed* - The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by a formal action (ordinance) of City Council (the highest level of decision making authority). Those committed amounts cannot be used for any other purpose unless City Council removes or changes the specified use by taking the same type of action (ordinance) it employed to previously commit those amounts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

*Assigned* - Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted nor committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by policies of City Council, which includes giving the Finance Director the authority to constrain monies for intended purposes.

*Unassigned* - Unassigned fund balance is the residual classification for the general fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is only used to report a deficit fund balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

The City applies restricted resources first when expenditures are incurred for purposes for which restricted and unrestricted (committed, assigned, and unassigned) fund balance is available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

**N. Extraordinary and Special Items**

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of Council and that are either unusual in nature or infrequent in occurrence. During 2011, the City had no transactions classified as extraordinary or special items.

## CITY OF STEUBENVILLE, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2011

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

##### **O. Estimates**

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

##### **P. Interfund Activity**

Transfers between governmental and business-type activities on the governmental-wide statements are reported in the same manner as general revenues.

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and as non-operating revenues/expense in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

##### **Q. Net Assets**

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

The City applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

##### **R. Operating Revenues and Expenses**

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are charges for services for the water, sewer and refuse enterprise funds and charges for services to other departments for the self-insurance internal service fund. Operating expenses are necessary costs incurred to provide the good or service that are the primary activity of the fund. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

##### **S. Unamortized Bond Issuance Costs and Bond Premiums**

On the government-wide financial statements, bond issuance costs are deferred and amortized over the term of the bonds using the straight-line method, which approximates the effective interest method. Unamortized bond issuance costs are recorded as an asset on the financial statements.

Bond premiums are deferred and amortized over the term of the bonds. Bond premiums are presented as an addition to the face amount of the bonds.

On the fund financial statements, issuance costs and bond premiums are recognized in the current period.

**CITY OF STEUBENVILLE, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

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

**T. Interfund Balances**

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as “interfund loans receivable/payable”. These amounts are eliminated in the governmental and business-type activities columns of the statement of net assets, except for any net residual amounts due between governmental and business-type activities, which are presented as internal balances.

**NOTE 3 - ACCOUNTABILITY AND COMPLIANCE**

**A. Change in Accounting Principles**

For fiscal year 2011, the City has implemented GASB Statement No. 54, “Fund Balance Reporting and Governmental Fund Type Definitions”, and GASB Statement No. 59, “Financial Instruments Omnibus”.

GASB Statement No. 54 establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. GASB Statement No. 54 also clarifies the definitions of governmental fund types.

GASB Statement No. 59 updates and improves guidance for financial reporting and disclosure requirements of certain financial instruments and external investment pools. The implementation of GASB Statement No. 59 did not have an effect on the financial statements of the City.

**B. Fund Reclassifications**

Fund reclassifications are required in order to report funds in accordance with GASB Statement No 54. These fund reclassifications had the following effect on the City’s governmental fund balances as previously reported:

	General	ARRA Federal Grant	.7% City Income Tax Street Improvement	Nonmajor Governmental	Total Governmental
Fund balance (deficit) as previously reported	\$ 675,986	\$ (82,821)	\$ (435,471)	\$ 3,177,384	\$ 3,335,078
Fund reclassifications:					
Unclaimed monies	<u>17,450</u>	<u>-</u>	<u>-</u>	<u>(17,450)</u>	<u>-</u>
Total fund reclassifications	<u>17,450</u>	<u>-</u>	<u>-</u>	<u>(17,450)</u>	<u>-</u>
Restated fund balance (deficit) at January 1, 2011	<u>\$ 693,436</u>	<u>\$ (82,821)</u>	<u>\$ (435,471)</u>	<u>\$ 3,159,934</u>	<u>\$ 3,335,078</u>

The fund reclassifications did not have an effect on net assets as previously reported.

**CITY OF STEUBENVILLE, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

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

**C. Deficit Fund Balance/Net Assets**

The following funds had deficit fund balance/net assets as of December 31, 2011:

<u>Major governmental fund</u>	
ARRA federal grant	\$ 668,299
<u>Nonmajor governmental fund</u>	
Zoning and planning	129
<u>Major proprietary fund</u>	
Refuse	1,698,553
<u>Internal service fund</u>	
Health assurance	27,912

These funds complied with Ohio state law, which does not permit a cash basis deficit at year end. The deficit net assets in the refuse fund is caused by the reporting of a liability for estimated closure and post-closure care costs for the municipal landfill. The liability for estimated closure and post-closure care costs is more fully described in Note 16. The deficit net assets in the health assurance fund is caused by the accrual for claims payable. The deficit fund balances in the ARRA federal grant fund and zoning and planning fund are caused by accrued liabilities.

**D. Compliance**

Contrary to Ohio Revised Code Section 5705.41(B), the City had expenditures plus encumbrances exceeding appropriations at year end.

**NOTE 4 - DEPOSITS AND INVESTMENTS**

State statutes classify monies held by the City into three categories.

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

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

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

Interim monies may be deposited or invested in the following securities:

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States;

**CITY OF STEUBENVILLE, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

**NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)**

2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in items (1) or (2) above and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasurer's investment pool State Treasury Asset Reserve of Ohio (STAR Ohio);
7. Certain banker's acceptance and commercial paper notes for a period not to exceed one hundred eighty days from the purchase date in an amount not to exceed twenty-five percent of the interim monies available for investment at any one time; and,
8. Under limited circumstances, corporate debt interests rated in either of the two highest classifications by at least two nationally recognized rating agencies.

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

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

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

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the City, and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the Finance Director or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

**CITY OF STEUBENVILLE, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

**NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)**

**A. Cash in Segregated Accounts**

At year end, the City had \$12,663 deposited with a financial institution for monies related to the Mayor's Court which is reported as an agency fund. The entire balance is covered by the FDIC. The amount is not included in the City's depository balance below.

**B. Deposits with Financial Institutions**

At December 31, 2011, the carrying amount of all City deposits was \$15,281,239. Based on the criteria described in GASB Statement No. 40, "Deposits and Investment Risk Disclosures", as of December 31, 2011, \$6,186,975 of the City's bank balance of \$15,182,398 was exposed to custodial risk as discussed below, while \$8,995,423 was covered by the FDIC.

Custodial credit risk is the risk that, in the event of bank failure, the City's deposits may not be returned. All deposits are collateralized with eligible securities in amounts equal to at least 105% of the carrying value of the deposits. Such collateral, as permitted by the Ohio Revised Code, is held in single financial institution collateral pools at Federal Reserve Banks, or at member banks of the federal reserve system, in the name of the respective depository bank and pledged as a pool of collateral against all of the public deposits it holds or as specific collateral held at the Federal Reserve Bank in the name of the City. The City has no deposit policy for custodial credit risk beyond the requirements of State statute. Although the securities were held by the pledging institutions' trust department and all statutory requirements for the deposit of money had been followed, noncompliance with federal requirements could potentially subject the City to a successful claim by the FDIC.

**C. Reconciliation of Cash and Cash Equivalents to the Statement of Net Assets**

The following is a reconciliation of cash as reported in the note above to cash as reported on the statement of net assets as of December 31, 2011:

Cash and cash equivalents per note

Carrying amount of deposits	\$ 15,281,239
Cash in segregated accounts	<u>12,663</u>
Total	<u>\$ 15,293,902</u>

Cash and cash equivalents per statement of net assets

Governmental activities	\$ 5,064,408
Business type activities	9,893,446
Agency funds	<u>336,048</u>
Total	<u>\$ 15,293,902</u>

**CITY OF STEUBENVILLE, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

**NOTE 5 - INTERFUND TRANSACTIONS**

Interfund loans consisted of the following at December 31, 2011, as reported on the fund financial statements:

<u>Receivable fund</u>	<u>Payable fund</u>	<u>Amount</u>
.7% City income tax - street improvement	ARRA federal grant	\$ 579,000

The purpose of the interfund loan was to cover expenditures in the ARRA federal grant fund until the grant money is received. The interfund loan is expected to be repaid within one year.

Interfund balances between governmental funds are eliminated on the government-wide financial statements.

**NOTE 6 - TAXES**

**A. Property Taxes**

Property taxes include amounts levied against all real and public utility property located in the City. Taxes collected from real property taxes (other than public utility) in one calendar year are levied in the preceding calendar year on the assessed value as of January 1 of that preceding year, the lien date. Assessed values are established by the County Auditor at 35 percent of appraised market value. All property is required to be revaluated every six years. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits later payment dates to be established.

Public utility real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Public utility tangible personal property is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2011 public utility property taxes became a lien December 31, 2010, are levied after October 1, 2011, and are collected in 2012 with real property taxes. Public utility property taxes are payable on the same dates as real property taxes described previously.

The County Treasurer collects property taxes on behalf of all taxing districts in the County, including the City of Steubenville. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real property taxes, public utility taxes, delinquent tangible personal property taxes and other outstanding delinquencies which are measurable as of December 31, 2011 and for which there is an enforceable legal claim. In the governmental funds, the current portion receivable has been offset by unearned revenue since the current taxes were not levied to finance 2011 operations and the collection of delinquent taxes has been offset by deferred revenue since the collection of the taxes during the available period is not subject to reasonable estimation. On a full accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue while on a modified accrual basis the revenue is deferred.



**CITY OF STEUBENVILLE, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

**NOTE 6 – TAXES - (Continued)**

The full tax rate for all City operations for the year ended December 31, 2011 was \$8.20 per \$1,000 of assessed value. The assessed values of real and public utility property upon which 2011 property tax receipts were based are as follows:

Real property

Residential/agricultural	\$ 158,505,030
Commercial/industrial/mineral	72,196,780

Public utility

Real	46,090
Personal	<u>11,691,860</u>

Total assessed value	<u><u>\$ 242,439,760</u></u>
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**B. Municipal Income Tax**

The City's municipal income tax of 2.0 percent is levied on gross salaries, wages and other personal service compensation earned by residents both in and out of the City and on the earnings of nonresidents (except certain transients) earned in the City. This tax also applies to net income of business organizations within the City. Residents of the City are allowed a credit for all income taxes paid to other municipalities up to 100% of the City's current rate.

Employers within the City are required to withhold income tax on employee earnings and remit the tax to the Regional Income Tax Agency (RITA) at least quarterly. Corporations and other individual taxpayers are required to pay their estimated tax at least quarterly and file a final return annually. The income tax is collected by RITA and remitted to the City monthly.

Municipal income taxes are allocated by City ordinance as follows: 100% of the original one percent of the City income tax is for the general fund; .7% of the second one percent is allocated in various amounts to the general, street improvement, equipment and recreation funds; and .3% of this second one percent is allocated in various amounts to the general and street improvement funds.

**CITY OF STEUBENVILLE, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011**

**NOTE 7 - RECEIVABLES**

Receivables at December 31, 2011 consisted of taxes, accounts (billings for user charged services), and intergovernmental receivables arising from grants, entitlements and special assessments. Receivables have been recorded to the extent that they are measurable at December 31, 2011.

A summary of the items of receivables reported on the statement of net assets follows:

**Governmental activities:**

Income taxes	\$	2,085,667
Property and other taxes		1,848,931
Accounts		69,896
Special assessments		13,137
Due from other governments		4,237,008

**Business-type activities:**

Accounts		1,509,000
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Receivables have been disaggregated on the face of the financial statements. All receivables are expected to be collected within the subsequent year, with the exception of special assessments which will be collected over the life of the assessment.

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**CITY OF STEUBENVILLE, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

**NOTE 8 - CAPITAL ASSETS**

Capital asset activity for the year ended December 31, 2011, was as follows:

<b><u>Governmental activities:</u></b>	<u>Balance</u> <u>12/31/10</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance</u> <u>12/31/11</u>
<i>Capital assets, not being depreciated:</i>				
Land	\$ 469,112	\$ -	\$ -	\$ 469,112
Construction in progress	<u>5,667,700</u>	<u>4,590,061</u>	<u>(2,185,518)</u>	<u>8,072,243</u>
Total capital assets, not being depreciated	<u>6,136,812</u>	<u>4,590,061</u>	<u>(2,185,518)</u>	<u>8,541,355</u>
<i>Capital assets, being depreciated:</i>				
Buildings	7,938,176	-	(12,000)	7,926,176
Improvements	5,423,025	92,329	(7,600)	5,507,754
Equipment	1,130,314	625,782	-	1,756,096
Vehicles	4,136,079	-	(317,592)	3,818,487
Infrastructure	<u>33,937,025</u>	<u>2,522,912</u>	<u>-</u>	<u>36,459,937</u>
Total capital assets, being depreciated	<u>52,564,619</u>	<u>3,241,023</u>	<u>(337,192)</u>	<u>55,468,450</u>
<i>Less: accumulated depreciation:</i>				
Buildings	(1,411,811)	(153,603)	12,000	(1,553,414)
Improvements	(1,397,909)	(256,755)	7,600	(1,647,064)
Equipment	(634,617)	(142,259)	-	(776,876)
Vehicles	(3,283,188)	(275,358)	317,592	(3,240,954)
Infrastructure	<u>(20,369,201)</u>	<u>(1,298,234)</u>	<u>-</u>	<u>(21,667,435)</u>
Total accumulated depreciation	<u>(27,096,726)</u>	<u>(2,126,209)</u>	<u>337,192</u>	<u>(28,885,743)</u>
Total capital assets, being depreciated, net	<u>25,467,893</u>	<u>1,114,814</u>	<u>-</u>	<u>26,582,707</u>
Governmental activities capital assets, net	<u>\$ 31,604,705</u>	<u>\$ 5,704,875</u>	<u>\$ (2,185,518)</u>	<u>\$ 35,124,062</u>

**CITY OF STEUBENVILLE, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

**NOTE 8 - CAPITAL ASSETS - (Continued)**

In a prior year, depreciation expense in the water fund's infrastructure capital asset category was incorrectly charged to the water fund's vehicles capital asset category and vice versa. Also in a prior year, a disposal of accumulated depreciation was reported in the sewer fund's improvements capital asset category which should have been reported in the sewer fund's equipment capital asset category. The December 31, 2010 accumulated depreciation balances have been restated in order to correct these errors. This restatement has no effect on the net assets previously reported for the business-type activities, water fund, and sewer fund, respectively.

<b><u>Business-type activities:</u></b>	Restated Balance <u>12/31/10</u>	<u>Additions</u>	<u>Disposals</u>	Balance <u>12/31/11</u>
<i>Capital assets, not being depreciated:</i>				
Land	\$ 66,000	\$ -	\$ -	\$ 66,000
Construction in progress	<u>6,735,266</u>	<u>806,534</u>	<u>(4,341,351)</u>	<u>3,200,449</u>
Total capital assets, not being depreciated	<u>6,801,266</u>	<u>806,534</u>	<u>(4,341,351)</u>	<u>3,266,449</u>
<i>Capital assets, being depreciated:</i>				
Buildings	31,285,548	-	-	31,285,548
Improvements	293,835	4,219,491	-	4,513,326
Equipment	492,767	239,478	-	732,245
Vehicles	1,441,839	-	(25,337)	1,416,502
Infrastructure	<u>26,992,245</u>	<u>79,695</u>	<u>-</u>	<u>27,071,940</u>
Total capital assets, being depreciated	<u>60,506,234</u>	<u>4,538,664</u>	<u>(25,337)</u>	<u>65,019,561</u>
<i>Less: accumulated depreciation:</i>				
Buildings	(7,111,329)	(544,883)	-	(7,656,212)
Improvements	(10,817)	(12,908)	-	(23,725)
Equipment	(206,247)	(44,254)	-	(250,501)
Vehicles	(1,176,609)	(81,790)	25,337	(1,233,062)
Infrastructure	<u>(2,411,579)</u>	<u>(546,141)</u>	<u>-</u>	<u>(2,957,720)</u>
Total accumulated depreciation	<u>(10,916,581)</u>	<u>(1,229,976)</u>	<u>25,337</u>	<u>(12,121,220)</u>
Total capital assets, being depreciated, net	<u>49,589,653</u>	<u>3,308,688</u>	<u>-</u>	<u>52,898,341</u>
Business-type activities capital assets, net	<u>\$ 56,390,919</u>	<u>\$ 4,115,222</u>	<u>\$ (4,341,351)</u>	<u>\$ 56,164,790</u>

**CITY OF STEUBENVILLE, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

**NOTE 8 - CAPITAL ASSETS - (Continued)**

Depreciation expense was charged to functions/programs of the City as follows:

**Governmental activities:**

General government	\$ 212,745
Security of persons and property	248,909
Transportation	1,360,775
Community environment	7,118
Leisure time activity	<u>296,662</u>
Total depreciation expense - governmental activities	<u>\$ 2,126,209</u>

**Business-type activities:**

Water	\$ 844,870
Sewer	340,548
Refuse	<u>44,558</u>
Total depreciation expense - business-type activities	<u>\$ 1,229,976</u>

**NOTE 9 - OTHER EMPLOYEE BENEFITS**

**Compensated Absences**

**Vacation** - Employees earn vacation leave at varying rates based upon length of service. Vacation earned in any one year must be used within the following year with no carryover. At time of separation employees are entitled to any earned and unused vacation leave.

**Sick leave** - Sick leave is accrued according to contracts. Members of AFSCME, police and non-union personnel are credited with 120 hours at the beginning of each year and fire department personnel are credited with 168 hours. There is no limit to the amount employees can accumulate during their service time with the City. Upon termination, an employee with less than 10 years is entitled to 25% of accumulated sick hours. An employee with 10 years or more is entitled to 50% of accumulated sick hours. For AFSCME union members and non-union personnel there is a limit of 2,000 hours of accumulated sick hours that can be paid; police and fire personnel have no limit that can be paid. The total obligation for sick leave accrual for the City as a whole as of December 31, 2011 was \$1,661,916.

**CITY OF STEUBENVILLE, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011**

**NOTE 10 - LEASES**

In prior years, the City entered into capitalized lease agreements for copiers. These lease agreements meet the criteria of a capital lease as defined by generally accepted accounting principles, which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee. Capital lease payments have been reclassified and are reflected as debt service expenditures in the governmental funds. These expenditures are reported as function expenditures on the budgetary statements.

General capital assets consisting of equipment have been capitalized in the statement of net assets in the amount of \$24,406. This amount represents the present value of the minimum lease payments at the time of acquisition. Accumulated depreciation as of December 31, 2011 was \$21,965, leaving a current book value of \$2,441. A corresponding liability was recorded in the statement of net assets. Principal payments in 2011 totaled \$5,532 paid by the general fund.

The following is a schedule of the future long-term minimum lease payments required under the capital lease and the present value of the minimum lease payments as of December 31, 2011:

<u>Year Ended</u> <u>December 31,</u>	<u>Amount</u>
2012	\$ 1,826
Total	1,826
Less: amount representing interest	<u>(32)</u>
Present value of net minimum lease payments	<u>\$ 1,794</u>

**CITY OF STEUBENVILLE, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

**NOTE 11 - LONG-TERM OBLIGATIONS**

- A. During fiscal year 2011, the following changes occurred in the City's governmental activities long-term obligations:

	Interest Rate	Balance 12/31/10	Additions	Reductions	Balance 12/31/11	Due Within One Year
<b><u>Governmental activities:</u></b>						
<b><u>Loans:</u></b>						
Sunset Blvd (ODOT)	3.00%	\$ 747,560	\$ -	\$ (39,386)	\$ 708,174	\$ 40,677
Route 43 project	4.69%	312,200	-	(60,210)	251,990	63,084
Total loans		1,059,760	-	(99,596)	960,164	103,761
<b><u>General obligation bonds:</u></b>						
Current interest bonds	2%-5%	3,405,000	-	(80,000)	3,325,000	85,000
Capital appreciation bonds		92,612	-	-	92,612	-
Accreted interest		310	16,972	-	17,282	-
Total general obligation bonds		3,497,922	16,972	(80,000)	3,434,894	85,000
<b><u>Other long-term liabilities:</u></b>						
Police and fire pension liability		1,945,885	-	(46,518)	1,899,367	48,518
Capital lease obligation		7,326	-	(5,532)	1,794	1,794
Compensated absences		1,520,566	74,910	(163,103)	1,432,373	70,751
Total other long-term liabilities		3,473,777	74,910	(215,153)	3,333,534	121,063
Total governmental activities long-term liabilities		\$ 8,031,459	\$ 91,882	\$ (394,749)	7,728,592	\$ 309,824
				Unamortized premium on bonds	126,338	
				Total on statement of net assets	\$ 7,854,930	

*ODOT loan* - During 2000, the City obtained a loan through the Ohio Department of Transportation (ODOT) to fund the Sunset Boulevard widening project. This loan bears an interest rate of 3.00% and matures in 2025. The loan is paid from the .7% City income tax - street improvement fund. Payment is derived from income tax levies.

*Route 43 project loan* - During 2005, the City issued a loan for the Route 43 construction project. The loan bears an interest rate of 4.69% and is paid from the motor vehicle license fund, a non major governmental fund. The loan matures in 2015 and is funded by motor vehicle tax revenues.

*Police and fire pension liability* - The police and fire pension obligation payable was entered into in 1973 with a total principal amount financed of \$2,574,594. These obligations payable were offered to assist governments throughout the State of Ohio to fund their unfunded pension costs associated with police and fire service. Payments are due in May and November of each year, with the final payment due in May, 2035. This obligation is being repaid through the use of local property tax revenues in the general fund.

**CITY OF STEUBENVILLE, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

**NOTE 11 - LONG-TERM OBLIGATIONS - (Continued)**

General obligation bonds - On November 17, 2010, the City issued general obligation bonds to retire the municipal building note, which provided funds for construction of a new municipal building. These bonds are general obligations of the City for which the full faith and credit of the City is pledged for repayment. Accordingly, such unmatured obligations of the City are accounted for on the statement of net assets. Payments of principal and interest relating to this bond are recorded as expenditures in the general bond retirement fund, a nonmajor governmental fund.

This issue is comprised of both current interest bonds, par value \$3,405,000, and capital appreciation bonds, par value \$92,612. The interest rates on the current interest bonds range from 2.00% to 5.00%. The capital appreciation bonds mature on December 1, 2017 (approximate initial offering yield to maturity 3.32%), December 1, 2018 (approximate initial offering yield to maturity 3.64%), December 1, 2019 (approximate initial offering yield to maturity 3.92%) and December 1, 2020 (approximate initial offering yield to maturity 4.31%) at a redemption price equal to 100% of the principal, plus accrued interest to the redemption date. The accreted value at maturity for the capital appreciation bonds is \$380,000. A total of \$17,282 in accreted interest on the capital appreciation bonds has been included on the statement of net assets at December 31, 2011.

Interest payments on the current interest bonds are due on June 1 and December 1 of each year. The final maturity stated in the issue is December 1, 2040.

Capital lease obligation - Capital lease payments are made from the general fund. See Note 10 for lease details.

Compensated absences - Compensated absences for governmental activities will be paid from the fund in which the employee who has earned the leave is paid from, which, for the City, is the general fund and the following nonmajor governmental funds: food fund, community development fund and CHIP loan fund.



**CITY OF STEUBENVILLE, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

**NOTE 11 - LONG-TERM OBLIGATIONS - (Continued)**

**B.** The annual requirements amortize governmental activities long-term obligations outstanding as of December 31, 2011, are as follows:

Year Ended	ODOT Loan			Route 43 Loan		
	Principal	Interest	Total	Principal	Interest	Total
2012	\$ 40,677	\$ 20,943	\$ 61,620	\$ 63,084	\$ 10,745	\$ 73,829
2013	42,009	19,712	61,721	66,095	7,734	73,829
2014	43,386	18,442	61,828	69,250	4,579	73,829
2015	44,808	17,130	61,938	53,561	4,134	57,695
2016	46,275	15,775	62,050	-	-	-
2017 - 2021	255,135	56,940	312,075	-	-	-
2022 - 2025	235,884	16,222	252,106	-	-	-
Totals	<u>\$ 708,174</u>	<u>\$ 165,164</u>	<u>\$ 873,338</u>	<u>\$ 251,990</u>	<u>\$ 27,192</u>	<u>\$ 279,182</u>

Year Ended	Current Interest Bonds			Capital Appreciation Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2012	\$ 85,000	\$ 140,831	\$ 225,831	\$ -	\$ -	\$ -
2013	85,000	139,131	224,131	-	-	-
2014	90,000	137,431	227,431	-	-	-
2015	90,000	135,631	225,631	-	-	-
2016	95,000	133,831	228,831	-	-	-
2017 - 2021	95,000	658,468	753,468	92,612	287,388	380,000
2022 - 2026	530,000	598,670	1,128,670	-	-	-
2027 - 2031	650,000	481,412	1,131,412	-	-	-
2032 - 2036	805,000	320,463	1,125,463	-	-	-
2037 - 2040	800,000	102,500	902,500	-	-	-
Totals	<u>\$ 3,325,000</u>	<u>\$ 2,848,368</u>	<u>\$ 6,173,368</u>	<u>\$ 92,612</u>	<u>\$ 287,388</u>	<u>\$ 380,000</u>

Year Ended	Police and Fire Pension Liability		
	Principal	Interest	Total
2012	\$ 48,518	\$ 80,213	\$ 128,731
2013	50,600	78,129	128,729
2014	52,774	75,956	128,730
2015	55,041	73,688	128,729
2016	57,404	71,325	128,729
2017 - 2021	326,195	317,454	643,649
2022 - 2026	402,531	241,119	643,650
2027 - 2031	496,728	147,119	643,847
2032 - 2035	409,576	35,187	444,763
Totals	<u>\$ 1,899,367</u>	<u>\$ 1,120,190</u>	<u>\$ 3,019,557</u>

**CITY OF STEUBENVILLE, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

**NOTE 11 - LONG-TERM OBLIGATIONS - (Continued)**

C. During fiscal year 2011, the following changes occurred in the City's business-type activities long-term obligations:

	<u>Interest Rate</u>	<u>Balance 12/31/10</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 12/31/11</u>	<u>Due Within One Year</u>
<b><u>Business-type activities:</u></b>						
<b><u>OWDA loans:</u></b>						
Sewer - OWDA #3868	3.53%	\$ 183,141	\$ -	\$ (17,185)	\$ 165,956	\$ 17,500
Sewer - OWDA #4791	4.11%	10,652,768	15,119	(216,601)	10,451,286	225,000
Water - OWDA #3441	3.90%	5,515,011	-	(368,343)	5,146,668	382,848
Water - OWDA #5093	4.95%	3,431,765	578,675	(136,629)	3,873,811	150,000
Water - OWDA #3686	3.95%	2,935,725	-	(168,346)	2,767,379	175,062
Water - OWDA #4427	3.25%	20,327,610	-	(948,531)	19,379,079	980,000
Total OWDA loans		<u>43,046,020</u>	<u>593,794</u>	<u>(1,855,635)</u>	<u>41,784,179</u>	<u>1,930,410</u>
<b><u>OPWC loans:</u></b>						
Sewer - OPWC #CN28D	0.00%	92,060	-	(23,015)	69,045	23,015
Water - OPWC #CN523	0.00%	29,364	-	(5,872)	23,492	5,873
Water - OPWC #CN729	0.00%	39,380	-	(6,058)	33,322	6,058
Water - OPWC #CN038	0.00%	171,232	-	(14,889)	156,343	14,889
Total OPWC loans		<u>332,036</u>	<u>-</u>	<u>(49,834)</u>	<u>282,202</u>	<u>49,835</u>
<b><u>Improvement loan:</u></b>						
Sewer improvement	4.60%	88,747	-	(16,982)	71,765	17,793
Total loan		<u>88,747</u>	<u>-</u>	<u>(16,982)</u>	<u>71,765</u>	<u>17,793</u>
<b><u>General obligation note:</u></b>						
Refuse - garbage packer	5.20%	26,304	-	(26,304)	-	-
Total general obligation notes		<u>26,304</u>	<u>-</u>	<u>(26,304)</u>	<u>-</u>	<u>-</u>
<b><u>Revenue bond:</u></b>						
Refuse - garbage packer bond	2.59%	-	495,000	-	495,000	93,956
Total revenue bonds		<u>-</u>	<u>495,000</u>	<u>-</u>	<u>495,000</u>	<u>93,956</u>
<b><u>General obligation bonds:</u></b>						
Water improvement bonds	4.30%	520,000	-	(520,000)	-	-
Water refunding bonds	2%-5%	927,000	-	(51,750)	875,250	54,000
Water improvement bonds	5.45%	888,350	-	(888,350)	-	-
Sewer refunding bonds	2%-5%	1,133,000	-	(63,250)	1,069,750	66,000
Sewer improvement bonds	5.45%	1,091,426	-	(1,091,426)	-	-
Total general obligations bonds		<u>4,559,776</u>	<u>-</u>	<u>(2,614,776)</u>	<u>1,945,000</u>	<u>120,000</u>
<b><u>Other long-term liabilities:</u></b>						
Compensated absences	n/a	226,233	30,750	(27,440)	229,543	30,802
Landfill closure/postclosure	n/a	4,704,540	-	(88,062)	4,616,478	100,000
Total other long-term liabilities		<u>4,930,773</u>	<u>30,750</u>	<u>(115,502)</u>	<u>4,846,021</u>	<u>130,802</u>
Total business-type long-term obligations		<u>\$ 52,983,656</u>	<u>\$ 1,119,544</u>	<u>\$ (4,679,033)</u>	<u>\$ 49,424,167</u>	<u>\$ 2,342,796</u>

**CITY OF STEUBENVILLE, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

**NOTE 11 - LONG-TERM OBLIGATIONS - (Continued)**

OWDA loans - The City has entered into debt financing arrangements through the Ohio Water Development Authority (OWDA) to fund construction projects. The amounts due to the OWDA are payable from water and sewer revenues. The loan agreements function similar to a line-of-credit agreement. At December 31, 2011, the City has outstanding borrowings of \$41,784,179. The loan agreements require semi-annual payments based on the permissible borrowings rather than the actual amount loaned. These payments are reflected in the future maturities of principal and interest table and are subject to revision if the total amount is not drawn down. Future annual debt service principal and interest requirements for the open loans, which have a total balance of \$33,870,132 at December 31, 2011, are not available.

The City has pledged future water revenues to repay OWDA loans. The loans are payable solely from water fund revenues and are payable through 2029. Annual principal and interest payments on the loans are expected to require 151.64 percent of net revenues and 59.79 percent of total revenues. Principal and interest paid for the current year were \$2,797,615, total net revenues were \$1,844,885 and total operating revenues were \$4,678,829.

The City has pledged future sewer revenues to repay OWDA loans. The loans are payable solely from sewer fund revenues and are payable through 2039. Annual principal and interest payments on the loans are expected to require 29.35 percent of net revenues and 13.14 percent of total revenues. Principal and interest paid for the current year were \$696,175, total net revenues were \$2,372,024 and total operating revenues were \$5,298,290.

OPWC loans - During 2003, the City was granted a \$230,150 loan from the Ohio Public Works Commission (OPWC). The purpose of the loan is to finance and reimburse the costs of replacing a wastewater treatment laboratory facility to meet Ohio Environmental Protection Agency requirements. The loan is being paid from the sewer fund over 10 years, with semi-annual payments of \$11,507. As of December 31, 2011, the loan has a balance of \$69,045. In prior years the City received loans from OPWC to fund improvements of the water plant. The loans granted totaled \$536,402 and payments are made from the water fund in semi-annual payments over 20 years. During 2011, the City made principal payments of \$26,819 on the water improvement OPWC loans. There is no interest on these loans.

Improvement loan - During 2005 the City issued a loan to fund the construction of sewer lines for \$126,000 and an emergency sewer project for \$40,000, totaling \$166,000. The loan matures in 2015 and will be repaid using user charges collected by the sewer fund.

General obligation note - During 2006, the City issued a note for \$119,000 in the refuse fund to finance the purchase of a garbage packer. This note matured in 2011 and had an interest rate of 5.20%.

General obligation bonds - During 2005 the City issued bonds for water and sewer improvements in the amounts of \$2,359,000 and \$1,120,000, respectively. The water improvement bonds consist of two separate issues in the amounts of \$1,120,000 and \$1,059,000. The 2005 water and sewer improvement bonds were completely retired during 2011.

**CITY OF STEUBENVILLE, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

**NOTE 11 - LONG-TERM OBLIGATIONS - (Continued)**

On November 17, 2010, the City issued bonds to retire the 2005 water and sewer bonds. The 2010 bonds are general obligation bonds and are direct obligations of the City for which its full faith, credit and resources are pledged for repayment. The 2010 bond issue is comprised of \$927,000 in water bonds and \$1,133,000 in sewer bonds. The bonds will be retired with user charges in the water and sewer funds. The bonds bear interest rates ranging from 2.00% to 5.00% and mature on December 1, 2025.

Revenue bonds: In 2011, the City issued \$495,000 in refuse garbage packer revenue bonds for the purchase of garbage packers. These bonds are direct obligations of the City's refuse utility and the revenues derived from charges for refuse collection are pledged to repay this debt.

The City has pledged future refuse customer revenues, net of specified operating expenses, to repay the 2011 refuse garbage packer revenue bonds. The 2011 refuse garbage packer revenue bonds are payable solely from refuse customer net revenues and are payable through 2016. The total principal and interest remaining to be paid on the 2011 refuse garbage packer revenue bonds is \$529,341. Principal and interest paid for the current year and total customer net revenues available for debt service were \$0 and \$722,331, respectively. As of December 31, 2011, the City has not purchased any garbage packers with the proceeds from this bond. Therefore this bond is excluded from the calculation of invested in capital assets, net of related debt in the refuse fund.

Landfill closure/postclosure liability - See Note 16 for landfill information.

Compensated absences - Compensated absences for business-type activities will be paid from the water, sewer and refuse funds.

- D.** The annual requirements amortize business-type activities long-term obligations outstanding as of December 31, 2011, are as follows:

Year Ended	OWDA Loans			OPWC Loans		
	Principal	Interest	Total	Principal	Interest	Total
2012	\$ 557,910	\$ 304,623	\$ 862,533	\$ 49,835	\$ -	\$ 49,835
2013	579,970	282,563	862,533	49,835	-	49,835
2014	602,902	259,631	862,533	49,835	-	49,835
2015	626,741	235,792	862,533	26,820	-	26,820
2016	651,522	211,010	862,532	20,947	-	20,947
2017 - 2021	3,665,021	647,643	4,312,664	77,477	-	77,477
2022 - 2024	1,229,981	56,544	1,286,525	7,453	-	7,453
Totals	<u>\$ 7,914,047</u>	<u>\$ 1,997,806</u>	<u>\$ 9,911,853</u>	<u>\$ 282,202</u>	<u>\$ -</u>	<u>\$ 282,202</u>

**CITY OF STEUBENVILLE, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

**NOTE 11 - LONG-TERM OBLIGATIONS - (Continued)**

Year Ended	Sewer Loan			Garbage Packer Revenue Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2012	\$ 17,793	\$ 3,031	\$ 20,824	\$ 93,956	\$ 11,913	\$ 105,869
2013	18,642	2,181	20,823	96,412	9,456	105,868
2014	19,532	1,251	20,783	98,934	6,934	105,868
2015	15,798	538	16,336	101,521	4,346	105,867
2016	-	-	-	104,177	1,692	105,869
Totals	<u>\$ 71,765</u>	<u>\$ 7,001</u>	<u>\$ 78,766</u>	<u>\$ 495,000</u>	<u>\$ 34,341</u>	<u>\$ 529,341</u>

Year Ended	Water & Sewer Refunding Bonds		
	Principal	Interest	Total
2012	\$ 120,000	\$ 61,431	\$ 181,431
2013	120,000	59,031	179,031
2014	120,000	56,631	176,631
2015	125,000	54,231	179,231
2016	125,000	51,731	176,731
2017 - 2021	685,000	205,407	890,407
2022 - 2025	650,000	66,000	716,000
Totals	<u>\$ 1,945,000</u>	<u>\$ 554,462</u>	<u>\$ 2,499,462</u>

- E.** The Ohio Revised Code provides that the net debt of a municipal corporation, whether or not approved by the electors, shall not exceed 10.5% of the total value of all property in the municipal corporation as listed and assessed for taxation. In addition, the unvoted net debt of municipal corporations cannot exceed 5.5% of the total taxation value of property. The assessed valuation used in determining the City's legal debt margin has been modified by House Bill 530 which became effective March 30, 2006. In accordance with House Bill 530, the assessed valuation used in calculating the City's legal debt margin calculation excludes tangible personal property used in business, telephone or telegraph property, interexchange telecommunications company property, and personal property owned or leased by a railroad company and used in railroad operations. The statutory limitations on debt are measured by a direct ratio of net debt to tax valuation and expressed in terms of a percentage. At December 31, 2011, the City's total debt margin was \$22,119,872 and the unvoted debt margin was \$13,334,187.

**CITY OF STEUBENVILLE, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

**NOTE 12 - RISK MANAGEMENT**

**A. Comprehensive**

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City was part of the Ohio Municipal Alliance, an insurance purchasing pool, for all property, crime, liability, boiler and machinery, and public official liability. The City has transferred its risk of loss to the insurance carrier to the extent of the limits shown below.

<u>Type of Coverage</u>	<u>Deductible</u>	<u>Limits of Coverage</u>
Property	\$ 25,000	\$72,512,000
Employee dishonesty	1,000	100,000
Money and securities	1,000	25,000
Vehicle	2,500	1,000,000
General liabilities	25,000	1,000,000
Law enforcement	25,000	1,000,000
Public officials liability	25,000	1,000,000
Employment practices	25,000	1,000,000
Umbrella liability	N/A	2,000,000

**B. Health Insurance**

The City provides health care coverage through a self-insured program administered by Health Assurance. The City pays 100% of the monthly medical claims for full-time and part-time employees. The City's insurance claims are 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.

Claims payable is based on the requirements of GASB Statement No. 10, "Accounting and Financial Reporting for Risk Financing and Related Insurance Issues", which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred, but not reported claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount can be reasonably estimated. The estimate was not affected by incremental claim adjustment expenses and does not include allocated or unallocated claim adjustment expenses. Claims payable at December 31, 2011, is estimated by the third party administrator at \$149,835. The changes in the claims liability for 2011 and 2010 were as follows:

<u>Year</u>	<u>Beginning Balance</u>	<u>Current-Year Claims and Changes in Estimates</u>	<u>Claims Payments</u>	<u>Ending Balance</u>
2011	\$ 112,660	\$ 1,804,257	\$ (1,767,082)	\$ 149,835
2010	121,915	1,550,966	(1,560,221)	112,660

**CITY OF STEUBENVILLE, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

**NOTE 12 - RISK MANAGEMENT - (Continued)**

**C. Workers' Compensation**

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

There were no significant reductions in insurance coverage from the prior year in any category of risk. Claims have not exceeded coverage limitations in any of the past three years.

Post-employment health care is provided to plan participants or their beneficiaries through the respective retirement systems discussed in Note 14. As such, no funding provisions are required by the City.

**NOTE 13 - PENSION PLANS**

**A. Ohio Public Employees Retirement System**

Plan Description - The City participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The Traditional Pension Plan is a cost-sharing, multiple-employer defined benefit pension plan. The Member-Directed Plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20% per year). Under the Member-Directed Plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earnings. The Combined Plan is a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and a defined contribution plan. Under the Combined Plan, employer contributions are invested by the retirement system to provide a formula retirement benefit similar to the Traditional Pension Plan benefit. Member contributions, whose investment is self-directed by the member, accumulate retirement assets in a manner similar to the Member-Directed Plan.

OPERS provides retirement, disability, survivor and death benefits and annual cost of living adjustments to members of the Traditional Pension and the Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report which may be obtained by visiting <https://www.opers.org/investments/cafr.shtml>, writing to OPERS, Attention: Finance Director, 277 E. Town St., Columbus, OH 43215-4642 or by calling (614) 222-5601 or (800) 222-7377.

Funding Policy - The Ohio Revised Code provides statutory authority for member and employer contributions. For 2011, member and contribution rates were consistent across all three plans. The 2011 member contribution rates were 10.00% for members. The City's contribution rate for 2011 was 14.00% of covered payroll.

**CITY OF STEUBENVILLE, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011**

**NOTE 13 - PENSION PLANS - (Continued)**

The City's contribution rate for pension benefits for members in the Traditional Plan for 2011 was 10.00%. The City's contribution rate for pension benefits for members in the Combined Plan for 2011 was 7.95%. The City's required contributions for pension obligations to the Traditional Pension and Combined Plans for the years ended December 31, 2011, 2010, and 2009 were \$543,545, \$467,613, and \$480,843, respectively; 89.20% has been contributed for 2011 and 100% has been contributed for 2010 and 2009. Contributions to the Member-Directed Plan for 2011 were \$5,329 made by the City and \$3,806 made by the plan members.

**B. Ohio Police and Fire Pension Fund**

Plan Description - The City contributes to the Ohio Police and Fire Pension Fund (OP&F), a cost-sharing multiple-employer defined benefit pension plan. OP&F provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the Ohio Revised Code. OP&F issues a publicly available financial report that includes financial statements and required supplementary information for the plan. That report may be obtained by writing to the OP&F, 140 East Town Street, Columbus, Ohio 43215-5164.

Funding Policy - Plan members are required to contribute 10.00% of their annual covered salary, while the City is required to contribute 19.50% and 24.00% for police officers and firefighters, respectively. Contribution rates are established by State statute. For 2011, the portion of the City's contributions to fund pension obligations was 12.75% for police officers and 17.25% for firefighters. The City's required contributions for pension obligations to OP&F for police officers and firefighters were \$297,135 and \$356,041 for the year ended December 31, 2011, \$310,558 and \$355,947 for the year ended December 31, 2010, and \$307,577 and \$368,987, for the year ended December 31, 2009. The full amount has been contributed for 2010 and 2009. 70.11% has been contributed for police and firefighters for 2011.

**NOTE 14 - POSTRETIREMENT BENEFIT PLANS**

**A. Ohio Public Employees Retirement System**

Plan Description - OPERS maintains a cost-sharing multiple employer defined benefit post-employment healthcare plan, which includes a medical plan, prescription drug program and Medicare Part B premium reimbursement, to qualifying members of both the Traditional Pension and the Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits, including post-employment health care coverage.

To qualify for post-employment health care coverage, age-and-service retirees under the Traditional Pension and Combined Plans must have ten years or more of qualifying Ohio service credit. The Ohio Revised Code permits, but does not mandate, OPERS to provide OPEB benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.

Disclosures for the healthcare plan are presented separately in the OPERS financial report which may be obtained by visiting <https://www.opers.org/investments/cafr.shtml>, writing to OPERS, Attention: Finance Director, 277 E. Town St., Columbus, OH 43215-4642 or by calling (614) 222-5601 or (800) 222-7377.



**CITY OF STEUBENVILLE, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011**

**NOTE 14 - POSTRETIREMENT BENEFIT PLANS - (Continued)**

Funding Policy - The post-employment healthcare plan was established under, and is administered in accordance with, Internal Revenue Code Section 401(h). State statute requires that public employers fund post-employment healthcare through contributions to OPERS. A portion of each employer's contribution to the Traditional or Combined Plans is set aside for the funding of post-employment health care.

Employer contribution rates are expressed as a percentage of the covered payroll of active employees. In 2011, local government employers contributed 14.00% of covered payroll. Each year the OPERS' Retirement Board determines the portion of the employer contribution rate that will be set aside for the funding of the postemployment health care benefits. The portion of employer contributions allocated to fund post-employment healthcare for members in the Traditional Plan for 2011 was 4.00%. The portion of employer contributions allocated to fund post-employment healthcare for members in the Combined Plan for 2011 was 6.05%.

The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the health care benefits provided by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected. Active members do not make contributions to the post-employment healthcare plan.

The City's contributions allocated to fund post-employment health care benefits for the years ended December 31, 2011, 2010, and 2009 were \$221,137, \$265,050, and \$347,686, respectively; 89.20% has been contributed for 2011 and 100% has been contributed for 2010 and 2009.

The Health Care Preservation Plan (HCPP) adopted by the OPERS Board of Trustees on September 9, 2004, was effective January 1, 2007. Member and employer contribution rates for state and local employers increased on January 1 of each year from 2006 to 2008. Rates for law and public safety employers increased over a six year period beginning on January 1, 2006, with a final rate increase on January 1, 2011. These rate increases allowed additional funds to be allocated to the health care plan.

**B. Ohio Police and Fire Pension Fund**

Plan Description - The City contributes to the OP&F Pension Fund sponsored health care program, a cost-sharing multiple-employer defined postemployment health care plan administered by OP&F. OP&F provides healthcare benefits including coverage for medical, prescription drugs, dental, vision, Medicare Part B Premium and long term care to retirees, qualifying benefit recipients and their eligible dependents.

OP&F provides access to post-employment health care coverage to any person who receives or is eligible to receive a monthly service, disability or survivor benefit check or is a spouse or eligible dependent child of such person.

The Ohio Revised Code allows, but does not mandate OP&F to provide OPEB benefits. Authority for the OP&F Board of Trustees to provide health care coverage to eligible participants and to establish and amend benefits is codified in Chapter 742 of the Ohio Revised Code.

OP&F issues a publicly available financial report that includes financial statements and required supplementary information for the plan. That report may be obtained by writing to the OP&F, 140 East Town Street, Columbus, Ohio 43215-5164.

**CITY OF STEUBENVILLE, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011**

**NOTE 14 - POSTRETIREMENT BENEFIT PLANS - (Continued)**

Funding Policy - The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OP&F (defined benefit pension plan). Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently, 19.50% and 24.00% of covered payroll for police and fire employers, respectively. The Ohio Revised Code states that the employer contribution may not exceed 19.50% of covered payroll for police employer units and 24.00% of covered payroll for fire employer units. Active members do not make contributions to the OPEB Plan.

OP&F maintains funds for health care in two separate accounts, one for health care benefits under an Internal Revenue Code Section 115 trust and one for Medicare Part B reimbursements administered as an Internal Revenue Code Section 401(h) account, both of which are within the defined benefit pension plan, under the authority granted by the Ohio Revised Code to the OP&F Board of Trustees.

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan into the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. For the year ended December 31, 2011, the employer contribution allocated to the health care plan was 6.75% of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that the pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

The OP&F Board of Trustees also is authorized to establish requirements for contributions to the health care plan by retirees and their eligible dependents, or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

The City's contributions to OP&F which were allocated to fund post-employment healthcare benefits for police officers and firefighters were \$157,307 and \$139,320 for the year ended December 31, 2011, \$164,413 and \$139,284 for the year ended December 31, 2010, and \$162,835 and \$144,386, for the year ended December 31, 2009. The full amount has been contributed for 2010 and 2009. 70.11% has been contributed for police and firefighters for 2011.

**NOTE 15 - BUDGETARY BASIS OF ACCOUNTING**

While the City is reporting financial position, results of operations and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The statements of revenues, expenditures and changes in fund balances - budget and actual (non-GAAP budgetary basis) presented for the general fund, ARRA federal grant fund and emergency management fund are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and GAAP basis are as follows:

1. Revenues and other financing sources are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis);
2. Expenditures/expenses and other financing uses are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis);

**CITY OF STEUBENVILLE, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

**NOTE 15 - BUDGETARY BASIS OF ACCOUNTING - (Continued)**

3. In order to determine compliance with Ohio law, and to reserve that portion of the applicable appropriation, total outstanding encumbrances (budget basis) are recorded as the equivalent of an expenditure, as opposed to assigned or committed fund balance for that portion of outstanding encumbrances not already recognized as an account payable (GAAP basis);
4. Advances-in and advances-out are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP basis); and,
5. Some funds are included in the general fund (GAAP basis), but have separate legally adopted budgets (budget basis).

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements (as reported in the fund financial statements) to the budgetary basis statements for all governmental funds for which a budgetary basis statement is presented.

**Net Change in Fund Balance**

	General	ARRA Federal Grant	Emergency Management
Budget basis	\$ 197,762	\$ (3,295)	\$ 45,901
Net adjustment for revenue accruals	(552,232)	(71,962)	-
Net adjustment for expenditure accruals	448,926	(73,076)	(1,510)
Net adjustment for other sources/uses	-	(449,000)	-
Funds budgeted elsewhere	58	-	-
Adjustment for encumbrances	112,684	11,855	10,125
GAAP basis	<u>\$ 207,198</u>	<u>\$ (585,478)</u>	<u>\$ 54,516</u>

Certain funds that are legally budgeted in separate special revenue funds are considered part of the general fund on a GAAP basis. This includes the unclaimed monies fund.

**NOTE 16 - LANDFILL CLOSURE AND POSTCLOSURE CARE COST**

State and federal laws and regulations require the City to place a final cover on its municipal landfill site and to perform certain maintenance and monitoring functions at the closed landfill site for thirty years after closure. The landfill is no longer being used; however, the final cover as required by State and federal laws has not been placed on the landfill. The first phase of placing the final cover on the landfill began in 2006. The estimated liability for the landfill is \$2,792,750 for closure costs and \$2,692,492 for the post closure care costs for a total liability of \$5,485,242. The estimated cost of landfill closure and postclosure care expenses is based on the amount that would be paid if all materials and services required to monitor and maintain the closed landfill were acquired as of December 31, 2004. However, the actual costs of closure and postclosure care may be higher due to inflation, changes in technology, or changes in landfill laws and regulations. At December 31, 2010, the landfill outstanding balance was \$4,704,540. Outlays of \$88,062 were made during 2011, which decreased the estimated liability to \$4,616,478.

**CITY OF STEUBENVILLE, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011**

**NOTE 17 - 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 \$54 million to upgrade these facilities over the next several years. Construction began in 2002 to upgrade the water system (raw water transmission mains, raw water intake lines and pump station). Some loans have been obtained through the Ohio Public Works Commission which are included in the long-term liabilities of the water and sewer enterprise funds and are described in Note 11.

**NOTE 18 - CONTINGENCIES**

**A. Grants**

The City receives significant financial assistance from numerous federal and State agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on any of the financial statements of the individual fund types included herein or on the overall financial position of the City at December 31, 2011.

**B. Litigation**

The City has been named in various lawsuits, however, according to the City's legal counsel pending litigation will not have a material effect, if any, on the financial condition of the City.

**NOTE 19 - CONTRACTUAL COMMITMENTS**

At of December 31, 2011, the City has commitments with the following companies for various construction projects.

<u>Project</u>	<u>Contract Amounts</u>	<u>Amount Paid as of December 31, 2011</u>	<u>Amount Remaining on Contracts</u>
Washington Street Rehabilitation	\$ 7,945,704	\$ 6,902,462	\$ 1,043,242
Permars Run	12,065,124	11,652,837	412,287
Total	<u>\$ 20,010,828</u>	<u>\$ 18,555,299</u>	<u>\$ 1,455,529</u>

**CITY OF STEUBENVILLE, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

**NOTE 20 - FUND BALANCE**

Fund balance is classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the City is bound to observe constraints imposed upon the use of resources in the governmental funds. The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented below:

Fund balance	General	ARRA Federal Grant	Emergency Management	.7% City Income Tax Street Improvement	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable:						
Materials and supplies inventory	\$ 315,106	\$ -	\$ -	\$ -	\$ 130,240	\$ 445,346
Prepays	8,690	-	-	-	1,033	9,723
Unclaimed monies	17,508	-	-	-	-	17,508
Total nonspendable	341,304	-	-	-	131,273	472,577
Restricted:						
Capital improvements	-	-	-	-	277,873	277,873
Street construction, maintenance and repair	-	-	-	-	387,622	387,622
Municipal court improvements	-	-	-	-	59,114	59,114
Community development	-	-	-	-	99,156	99,156
Emergency management	-	-	54,516	-	-	54,516
Court programs	-	-	-	-	70,929	70,929
Safety programs	-	-	-	-	966,327	966,327
Other purposes	-	-	-	-	223,215	223,215
Total restricted	-	-	54,516	-	2,084,236	2,138,752
Committed:						
Debt service	-	-	-	-	81,309	81,309
Street construction, maintenance and repair	-	-	-	1,118,204	-	1,118,204
Equipment improvement	-	-	-	-	1,185,776	1,185,776
Other purposes	-	-	-	-	55,430	55,430
Total committed	-	-	-	1,118,204	1,322,515	2,440,719
Assigned:						
General government	40,171	-	-	-	-	40,171
Security of persons and property	8,335	-	-	-	-	8,335
Leisure time activity	1,475	-	-	-	-	1,475
Transportation	30,656	-	-	-	-	30,656
Public health and welfare	12,420	-	-	-	-	12,420
Total assigned	93,057	-	-	-	-	93,057
Unassigned (deficit)	466,273	(668,299)	-	-	(129)	(202,155)
Total fund balances	\$ 900,634	\$ (668,299)	\$ 54,516	\$ 1,118,204	\$ 3,537,895	\$ 4,942,950

**CITY OF STEUBENVILLE, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

**NOTE 21 - CONDUIT DEBT**

To provide funds to finance the cost of acquiring, constructing, installing and equipping certain hospital facilities and refunding prior debt obligations, the City has issued \$43,930,000 hospital facilities revenue refunding bonds, series 2010 (Trinity Health System Obligated Group). These bonds are special limited obligations of the City, payable solely from and secured by a sublease and pledged receipts. The bonds do not constitute a debt or pledge of the faith and credit of the City and, accordingly, have not been reported in the accompanying financial statements.

At December 31, 2011, hospital facilities revenue refunding bonds outstanding aggregated \$42,540,000.

**NOTE 22 - OTHER COMMITMENTS**

The City utilizes encumbrance accounting as part of its budgetary controls. Encumbrances outstanding at year end may be reported as part of restricted, committed, or assigned classifications of fund balance. At year end, the City's commitments for encumbrances in the governmental funds were as follows:

<u>Fund</u>	<u>Year-End</u> <u>Encumbrances</u>
General fund	\$ 93,057
ARRA federal grant	6,167
Emergency management	10,125
.7% City income tax - street improvement	174,078
Other governmental	<u>41,496</u>
Total	<u>\$ 324,923</u>

**NOTE 23 - SUBSEQUENT EVENTS**

- A. On February 28, 2012, the City entered into an oil and gas lease with Hess Ohio Developments, LLC (Hess). The lease gives Hess the right to explore and drill for oil and gas on approximately 111 acres of City land. The City will receive a one-time nonrefundable payment from Hess in the amount of \$597,256. In addition, the City will receive a 19% royalty on any oil or gas that is recovered from the land. The City will record this revenue in the refuse fund and intends to use the revenue to pay for expenses incurred regarding the closing of the City's landfill.
- B. On May 22, 2012, the City awarded a contract to Utility Contracting, Inc. in the amount of \$573,305 for construction on the University Storm Sewer Extension Project.
- C. On May 31, 2012, the City entered into a debt financing arrangement with the Ohio Water Development Authority (OWDA) for the Waste Water Settling Tank and Raw Sewage Pump Improvement Project in the amount of \$3,458,292. The City awarded the planning and design contract for the project to MWH Global, Inc. in the amount of \$251,420, the contract for construction management to MWH Global, Inc. in the amount of \$238,282, and the general construction contract to Cattrell Companies, Inc. in the amount of \$2,968,590.

COMBINING STATEMENTS  
AND INDIVIDUAL FUND SCHEDULES

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**CITY OF STEUBENVILLE, OHIO**  
INDIVIDUAL FUND SCHEDULES  
FUND DESCRIPTIONS - GOVERNMENTAL FUNDS

**GENERAL FUND**

The general fund accounts for all financial resources except those required to be accounted for in another fund. The general fund balance is available to the City for any purpose provided it is expended or transferred according to the charter of the City and/or the general laws of Ohio.

**FUNDS INCLUDED IN THE GENERAL FUND**

The following funds are included in the general fund (GAAP basis), but have separate legally adopted budgets (budget basis):

***Unclaimed Monies Fund***

This fund accounts for uncashed checks issued by the City.

**MAJOR SPECIAL REVENUE FUNDS**

***ARRA Federal Grant Fund***

This fund accounts for projects related to federal grants received, including grants from the American Recovery and Reinvestment Act (ARRA).

***Emergency Management Fund***

This fund accounts for grant monies received from federal, state or local sources for disaster relief efforts.

**MAJOR CAPITAL PROJECTS FUND**

***.7% City Income Tax - Street Improvement Fund***

This fund accounts for income tax and Ohio Department of Transportation grants designated for improvement of the streets within the City.

**NONMAJOR SPECIAL REVENUE FUNDS**

The special revenue funds are used to account for all specific financial resources (other than major capital projects) that are legally restricted for specified expenditure purposes. The following are the special revenue funds which the City operates:

***Street Maintenance and Repair Fund***

This fund accounts for the portion of State gasoline tax and motor vehicle registration fees designated for the maintenance of the streets within the City.

***State Highway Improvement Fund***

This fund accounts for the portion of the State gasoline tax and motor vehicle registration fees designated for maintenance of State highways within the City.

***Litter***

This fund accounts for grants for litter prevention.

***Hotel/Motel Tax Fund***

This fund accounts for hotel occupancy taxes levied for operation of the Steubenville Convention and Visitors Bureau.

***Improvement Bond Escrow Fund***

This fund accounts for miscellaneous escrow funds.

***Floto Historical Site Fund***

This fund accounts for money held to improve a historical site in Steubenville.

***Indigent Drivers Fund***

This fund accounts for fees and fines to be used as payment of the cost of attendance at an alcohol and drug addiction treatment program.

**CITY OF STEUBENVILLE, OHIO**

INDIVIDUAL FUND SCHEDULES  
FUND DESCRIPTIONS - GOVERNMENTAL FUNDS

**NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)**

***Enforcement and Education Fund***

This fund accounts for grant monies received from DUI arrests to be used for enforcement and education and for DUI housing reimbursements pursuant to Ohio Revised Code Section 4511.191.

***Parks Material Usage Fund***

This fund accounts for fees assessed for using park facilities.

***Law Enforcement Trust Fund***

This fund accounts for monies received from Federal Law Enforcement agencies designated for law enforcement purposes.

***Court Security Fund***

This fund accounts for fines and forfeitures designated for municipal court improvements.

***South End Economic Development Fund***

This fund accounts for designated funds for the development of the South End of Downtown Steubenville.

***Safety Fund***

This fund accounts for monies and grants used for programs and equipment to prevent employee injuries and maintain a reasonable workers' compensation rate.

***Summer Food Program Fund***

This fund accounts for federal grants to provide meals to school-aged children during summer months.

***Special Assessments Fund***

This fund accounts for special assessments charged to property owners for City services.

***Motor Vehicle License Tax Fund***

This fund accounts for fees from license plates to be used for street improvements within the City.

***Zoning and Planning Fund***

This fund accounts for fees paid by residents applying for a zoning permit.

***OJJDP Recreation Fund***

This fund accounts for federal grant money for afterschool recreation programs.

***Police Education Trust Fund***

This fund accounts for monies designated to be used for police training and education.

***Special Projects Fund***

This fund accounts for the proceeds of the \$10 increase in municipal court criminal/traffic court costs.

***IDIAM Court Fund***

The Indigent Driver's Interlock and Monitoring (IDIAM) fund is used to account for court costs and fines in funding Interlock and SCRAM.

***Court Community Correction Act Grant Fund***

This fund accounts for all activity associated with the Court Community Corrections Act State Grant. The purpose of this grant is to provide community service, treatment, and house arrest as an alternative to jail time. The State grant is a complement to the Federal Stimulus Grant.

***Court Daily Reporting Center Grant Fund***

This fund accounts for all activity associated with the Court Daily Reporting Center Federal Stimulus Grant. The purpose of this grant is to provide community service, treatment, and house arrest as an alternative to jail time.

***Food Fund***

This fund accounts for license fees from local food service vendors. 86

**CITY OF STEUBENVILLE, OHIO**

INDIVIDUAL FUND SCHEDULES  
FUND DESCRIPTIONS - GOVERNMENTAL FUNDS

**NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)**

***EPSDT Fund***

This fund accounts for State monies designated for use in the health department.

***Mears Relief Fund***

This fund accounts for monies bequeathed to the City in 1871, held in a certificate of deposit, with interest payable to non-profit organizations.

***Swimming Pool Fund***

This fund accounts for license fees for public and private swimming pools within the City.

***Route 7 Project Fund***

This fund accounts for monies reserved for State Route 7 improvements.

***Community Development Fund***

This fund accounts for monies received from Community Development Block Grant projects.

***CDP - Revolving Loan Fund***

This fund accounts for monies loaned to local businesses for economic development purposes.

***CHIP Loan Fund***

This fund accounts for federal grant monies for first-time homebuyers and home rehabilitation projects.

**NONMAJOR DEBT SERVICE FUND**

The debt service fund is used to account for the accumulation of resources and the payments of general obligation and special assessment principal, interest, and related costs.

***General Bond Retirement Fund***

This fund accounts for the resources that are used for the payment of principal, interest, and other fiscal charges on general obligation debt.

**NONMAJOR CAPITAL PROJECTS FUNDS**

The capital project funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds. Following are descriptions of the nonmajor capital project funds:

***General Capital Improvement Fund***

This fund accounts for the acquisition and construction of major capital improvements other than those financed by proprietary funds.

***Municipal Court Improvement Fund***

This fund accounts for fines and forfeitures designated for municipal court improvements.

***.7% City Income Tax - Equipment Improvement Fund***

This fund accounts for income tax revenue designated for purchases of new equipment for City departments.

***.7% City Income Tax - Recreation Improvement Fund***

This fund accounts for income tax revenue designated for improvement of the City's parks and recreational facilities.

**CITY OF STEUBENVILLE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 GENERAL FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2011

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Municipal income taxes . . . . .	\$ 7,457,410	\$ 7,547,777	\$ 7,645,079	\$ 97,302
Property and other taxes . . . . .	1,157,958	1,131,378	1,145,644	14,266
Charges for services . . . . .	96,712	81,313	80,498	(815)
Licenses and permits . . . . .	657,700	641,380	633,902	(7,478)
Fines and forfeitures . . . . .	334,161	297,162	293,272	(3,890)
Intergovernmental . . . . .	1,604,090	2,239,219	2,201,236	(37,983)
Contributions and donations . . . . .	-	9,710	9,710	-
Investment income . . . . .	20,000	10,000	9,160	(840)
Rental income . . . . .	101,395	122,831	121,706	(1,125)
Other . . . . .	899,486	594,758	611,702	16,944
<b>Total revenues . . . . .</b>	<b>12,328,912</b>	<b>12,675,528</b>	<b>12,751,909</b>	<b>76,381</b>
<b>Expenditures:</b>				
Current:				
General government				
Mayor				
Personal services . . . . .	17,226	17,470	17,456	14
Maintenance and operations . . . . .	4,681	3,433	3,432	1
<b>Total mayor . . . . .</b>	<b>21,907</b>	<b>20,903</b>	<b>20,888</b>	<b>15</b>
Finance				
Personal services . . . . .	161,570	161,184	159,906	1,278
Maintenance and operations . . . . .	13,238	7,736	7,272	464
Other . . . . .	161,529	149,529	140,744	8,785
<b>Total finance . . . . .</b>	<b>336,337</b>	<b>318,449</b>	<b>307,922</b>	<b>10,527</b>
Law director				
Personal services . . . . .	77,863	54,213	56,388	(2,175)
Maintenance and operations . . . . .	34,000	25,267	25,228	39
<b>Total law director . . . . .</b>	<b>111,863</b>	<b>79,480</b>	<b>81,616</b>	<b>(2,136)</b>
Civil service				
Maintenance and operations . . . . .	10,406	14,835	14,835	-
<b>Total civil service . . . . .</b>	<b>10,406</b>	<b>14,835</b>	<b>14,835</b>	<b>-</b>
Central purchasing				
Personal services . . . . .	1,562,887	1,562,887	1,286,720	276,167
Contractual services . . . . .	41,040	37,904	37,904	-
Maintenance and operations . . . . .	568,320	613,801	581,433	32,368
Other . . . . .	265,000	308,660	296,761	11,899
<b>Total central purchasing . . . . .</b>	<b>2,437,247</b>	<b>2,523,252</b>	<b>2,202,818</b>	<b>320,434</b>
City manager				
Personal services . . . . .	114,209	76,539	76,546	(7)
Maintenance and operations . . . . .	10,238	7,192	7,081	111
<b>Total city manager . . . . .</b>	<b>124,447</b>	<b>83,731</b>	<b>83,627</b>	<b>104</b>

-- Continued

**CITY OF STEUBENVILLE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 GENERAL FUND (CONTINUED)  
 FOR THE YEAR ENDED DECEMBER 31, 2011

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Engineering				
Personal services . . . . .	\$ 159,283	\$ 163,300	\$ 163,818	\$ (518)
Maintenance and operations . . . . .	6,470	3,496	3,482	14
Total engineering . . . . .	<u>165,753</u>	<u>166,796</u>	<u>167,300</u>	<u>(504)</u>
City buildings				
Maintenance and operations . . . . .	132,700	148,443	135,587	12,856
Total city buildings . . . . .	<u>132,700</u>	<u>148,443</u>	<u>135,587</u>	<u>12,856</u>
Council				
Personal services . . . . .	77,261	76,909	76,464	445
Maintenance and operations . . . . .	36,345	27,136	27,034	102
Total council . . . . .	<u>113,606</u>	<u>104,045</u>	<u>103,498</u>	<u>547</u>
Municipal court				
Personal services . . . . .	384,995	443,098	443,846	(748)
Contractual services . . . . .	22,000	22,000	22,000	-
Maintenance and operations . . . . .	79,017	78,194	74,178	4,016
Total municipal court . . . . .	<u>486,012</u>	<u>543,292</u>	<u>540,024</u>	<u>3,268</u>
Building department				
Personal services . . . . .	51,926	51,794	50,883	911
Contractual services . . . . .	34,837	26,449	26,416	33
Maintenance and operations . . . . .	14,305	14,839	12,902	1,937
Total building department . . . . .	<u>101,068</u>	<u>93,082</u>	<u>90,201</u>	<u>2,881</u>
Total general government . . . . .	<u>4,041,346</u>	<u>4,096,308</u>	<u>3,748,316</u>	<u>347,992</u>
Security of persons and property				
Police				
Personal services . . . . .	3,201,461	3,322,204	3,306,603	15,601
Maintenance and operations . . . . .	134,806	129,431	128,302	1,129
Total police . . . . .	<u>3,336,267</u>	<u>3,451,635</u>	<u>3,434,905</u>	<u>16,730</u>
Fire				
Personal services . . . . .	2,668,587	2,947,410	2,915,650	31,760
Maintenance and operations . . . . .	92,870	88,422	79,239	9,183
Total fire . . . . .	<u>2,761,457</u>	<u>3,035,832</u>	<u>2,994,889</u>	<u>40,943</u>
Electrical				
Personal services . . . . .	105,444	111,342	109,890	1,452
Maintenance and operations . . . . .	18,182	15,015	14,225	790
Total electrical . . . . .	<u>123,626</u>	<u>126,357</u>	<u>124,115</u>	<u>2,242</u>
Total security of persons and property . . . . .	<u>6,221,350</u>	<u>6,613,824</u>	<u>6,553,909</u>	<u>59,915</u>

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**CITY OF STEUBENVILLE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 GENERAL FUND (CONTINUED)  
 FOR THE YEAR ENDED DECEMBER 31, 2011

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Public health and welfare				
Health services				
Personal services . . . . .	\$ 137,407	\$ 141,378	\$ 140,615	\$ 763
Maintenance and operations . . . . .	8,750	7,919	7,684	235
Total health services . . . . .	<u>146,157</u>	<u>149,297</u>	<u>148,299</u>	<u>998</u>
Health clinic				
Personal services . . . . .	57,603	57,429	57,915	(486)
Maintenance and operations . . . . .	8,144	8,460	8,007	453
Total health clinic . . . . .	<u>65,747</u>	<u>65,889</u>	<u>65,922</u>	<u>(33)</u>
Health administration				
Personal services . . . . .	153,357	155,548	155,455	93
Maintenance and operations . . . . .	135,452	139,366	129,720	9,646
Total health administration . . . . .	<u>288,809</u>	<u>294,914</u>	<u>285,175</u>	<u>9,739</u>
Assistance to the needy				
Other . . . . .	6,750	17,125	17,050	75
Total assistance to the needy . . . . .	<u>6,750</u>	<u>17,125</u>	<u>17,050</u>	<u>75</u>
Total public health and welfare . . . . .	<u>507,463</u>	<u>527,225</u>	<u>516,446</u>	<u>10,779</u>
Transportation				
Street department				
Personal services . . . . .	704,080	765,792	736,974	28,818
Maintenance and operations . . . . .	23,032	33,433	30,848	2,585
Total street department . . . . .	<u>727,112</u>	<u>799,225</u>	<u>767,822</u>	<u>31,403</u>
Lighting				
Maintenance and operations . . . . .	308,327	422,654	404,414	18,240
Total lighting . . . . .	<u>308,327</u>	<u>422,654</u>	<u>404,414</u>	<u>18,240</u>
Total transportation . . . . .	<u>1,035,439</u>	<u>1,221,879</u>	<u>1,172,236</u>	<u>49,643</u>
Community environment				
Planning				
Personal services . . . . .	78,696	78,414	78,576	(162)
Maintenance and operations . . . . .	11,940	1,033	1,033	-
Total planning . . . . .	<u>90,636</u>	<u>79,447</u>	<u>79,609</u>	<u>(162)</u>
Total community environment . . . . .	<u>90,636</u>	<u>79,447</u>	<u>79,609</u>	<u>(162)</u>
Leisure time activity				
Recreation-parks				
Personal services . . . . .	124,577	136,253	123,712	12,541
Maintenance and operations . . . . .	83,737	97,074	83,803	13,271
Total recreation-parks . . . . .	<u>208,314</u>	<u>233,327</u>	<u>207,515</u>	<u>25,812</u>

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**CITY OF STEUBENVILLE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 GENERAL FUND (CONTINUED)  
 FOR THE YEAR ENDED DECEMBER 31, 2011

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Recreation-pools				
Personal services . . . . .	\$ 71,889	\$ 58,973	\$ 58,973	\$ -
Maintenance and operations . . . . .	21,090	26,675	21,374	5,301
Total recreation-pools . . . . .	<u>92,979</u>	<u>85,648</u>	<u>80,347</u>	<u>5,301</u>
Recreation-indoors				
Personal services . . . . .	77,100	89,612	84,777	4,835
Maintenance and operations . . . . .	50,307	66,707	56,463	10,244
Total recreation-indoors . . . . .	<u>127,407</u>	<u>156,319</u>	<u>141,240</u>	<u>15,079</u>
Recreation-administration				
Personal services . . . . .	77,301	70,613	68,842	1,771
Contractual services . . . . .	500	-	-	-
Maintenance and operations . . . . .	9,480	7,349	7,346	3
Total recreation-administration . . . . .	<u>87,281</u>	<u>77,962</u>	<u>76,188</u>	<u>1,774</u>
Community celebrations				
Personal services . . . . .	-	38	38	-
Maintenance and operations . . . . .	30,000	20,396	20,311	85
Total community celebrations . . . . .	<u>30,000</u>	<u>20,434</u>	<u>20,349</u>	<u>85</u>
Total leisure time activity . . . . .	<u>545,981</u>	<u>573,690</u>	<u>525,639</u>	<u>48,051</u>
Total expenditures . . . . .	<u>12,442,215</u>	<u>13,112,373</u>	<u>12,596,155</u>	<u>516,218</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	<u>(113,303)</u>	<u>(436,845)</u>	<u>155,754</u>	<u>592,599</u>
<b>Other financing sources:</b>				
Sale of capital assets . . . . .	-	23,701	42,008	18,307
Total other financing sources . . . . .	<u>-</u>	<u>23,701</u>	<u>42,008</u>	<u>18,307</u>
Net change in fund balance . . . . .	(113,303)	(413,144)	197,762	610,906
<b>Fund balance at beginning of year . . . . .</b>	<b>449,723</b>	<b>449,723</b>	<b>449,723</b>	<b>-</b>
<b>Prior year encumbrances appropriated . . . . .</b>	<b>113,439</b>	<b>113,439</b>	<b>113,439</b>	<b>-</b>
<b>Fund balance (deficit) at end of year . . . . .</b>	<b>\$ 449,859</b>	<b>\$ 150,018</b>	<b>\$ 760,924</b>	<b>\$ 610,906</b>

**CITY OF STEUBENVILLE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 UNCLAIMED MONIES FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Other . . . . .	\$ 7,866	\$ 7,866	\$ 1,335	\$ (6,531)
Total revenues . . . . .	<u>7,866</u>	<u>7,866</u>	<u>1,335</u>	<u>(6,531)</u>
<b>Expenditures:</b>				
Current:				
General government				
Unclaimed monies				
Maintenance and operations . . . . .	2,564	1,278	1,277	1
Total expenditures . . . . .	<u>2,564</u>	<u>1,278</u>	<u>1,277</u>	<u>1</u>
Net change in fund balance . . . . .	5,302	6,588	58	(6,530)
<b>Fund balance at beginning of year. . . . .</b>	<u>17,450</u>	<u>17,450</u>	<u>17,450</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 22,752</u>	<u>\$ 24,038</u>	<u>\$ 17,508</u>	<u>\$ (6,530)</u>



**CITY OF STEUBENVILLE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 ARRA FEDERAL GRANT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2011

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 6,415,497	\$ 3,645,375	\$ 4,497,673	\$ 852,298
Total revenues . . . . .	6,415,497	3,645,375	4,497,673	852,298
<b>Expenditures:</b>				
Current:				
Security of persons and property				
Police				
Personal services . . . . .	144,597	144,597	144,597	-
Total security of persons and property. . .	144,597	144,597	144,597	-
Capital outlay:				
Capital improvement				
Capital outlay . . . . .	6,270,900	3,954,266	4,805,371	(851,105)
Total capital outlay . . . . .	6,270,900	3,954,266	4,805,371	(851,105)
Total expenditures . . . . .	6,415,497	4,098,863	4,949,968	(851,105)
Excess of revenues over expenditures. . . .	-	(453,488)	(452,295)	1,193
<b>Other financing sources (uses):</b>				
Advances in . . . . .	449,000	449,000	449,000	-
Advances out. . . . .	(579,000)	-	-	-
Total other financing sources (uses) . . . . .	(130,000)	449,000	449,000	-
Net change in fund balance. . . . .	(130,000)	(4,488)	(3,295)	1,193
<b>Fund balance at beginning of year . . . . .</b>	131,568	131,568	131,568	-
<b>Fund balance at end of year. . . . .</b>	\$ 1,568	\$ 127,080	\$ 128,273	\$ 1,193

**CITY OF STEUBENVILLE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 EMERGENCY MANAGEMENT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2011

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 3,291,197	\$ 3,291,197	\$ 3,304,783	\$ 13,586
Total revenues . . . . .	<u>3,291,197</u>	<u>3,291,197</u>	<u>3,304,783</u>	<u>13,586</u>
<b>Expenditures:</b>				
Transportation				
Street department				
Maintenance and operations . . . . .	3,259,894	3,259,894	3,258,882	1,012
Total expenditures . . . . .	<u>3,259,894</u>	<u>3,259,894</u>	<u>3,258,882</u>	<u>1,012</u>
Net change in fund balance. . . . .	31,303	31,303	45,901	14,598
<b>Fund balance at beginning of year . . . . .</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balance at end of year. . . . .</b>	<u>\$ 31,303</u>	<u>\$ 31,303</u>	<u>\$ 45,901</u>	<u>\$ 14,598</u>

**CITY OF STEUBENVILLE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 .7% CITY INCOME TAX - STREET IMPROVEMENT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Municipal income taxes . . . . .	\$ 692,370	\$ 643,651	\$ 645,891	\$ 2,240
Intergovernmental . . . . .	1,752,872	2,017,213	2,014,772	(2,441)
Other. . . . .	80,242	11,086	11,086	-
<b>Total revenues . . . . .</b>	<u>2,525,484</u>	<u>2,671,950</u>	<u>2,671,749</u>	<u>(201)</u>
<b>Expenditures:</b>				
Capital outlay				
Street department				
Maintenance and operations. . . . .	-	7,369	7,369	-
Capital outlay. . . . .	2,385,800	2,867,285	2,774,951	92,334
Other. . . . .	78,000	36,975	36,976	(1)
<b>Total capital outlay . . . . .</b>	<u>2,463,800</u>	<u>2,911,629</u>	<u>2,819,296</u>	<u>92,333</u>
Debt service:				
Principal retirement. . . . .	39,170	39,170	39,170	-
Interest and fiscal charges. . . . .	25,849	25,849	25,849	-
<b>Total debt service. . . . .</b>	<u>65,019</u>	<u>65,019</u>	<u>65,019</u>	<u>-</u>
<b>Total expenditures. . . . .</b>	<u>2,528,819</u>	<u>2,976,648</u>	<u>2,884,315</u>	<u>92,333</u>
Excess of expenditures over revenues. . . . .	<u>(3,335)</u>	<u>(304,698)</u>	<u>(212,566)</u>	<u>92,132</u>
<b>Other financing sources (uses):</b>				
Advances in. . . . .	579,000	-	-	-
Advances out. . . . .	(449,000)	(449,000)	(449,000)	-
<b>Total other financing sources (uses) . . . . .</b>	<u>130,000</u>	<u>(449,000)</u>	<u>(449,000)</u>	<u>-</u>
<b>Net change in fund balance . . . . .</b>	126,665	(753,698)	(661,566)	92,132
<b>Fund balance at beginning of year . . . . .</b>	741,564	741,564	741,564	-
<b>Prior year encumbrances appropriated . . . . .</b>	251,952	251,952	251,952	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 1,120,181</u>	<u>\$ 239,818</u>	<u>\$ 331,950</u>	<u>\$ 92,132</u>

**CITY OF STEUBENVILLE, OHIO**

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
DECEMBER 31, 2011

	<b>Nonmajor Special Revenue Funds</b>	<b>Nonmajor Debt Service Fund</b>	<b>Nonmajor Capital Projects Funds</b>	<b>Total Nonmajor Governmental Funds</b>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . .	\$ 1,675,886	\$ 81,309	\$ 1,581,257	\$ 3,338,452
Receivables (net of allowances of uncollectibles):				
Income taxes . . . . .	-	-	93,965	93,965
Real and other taxes . . . . .	7,150	288,931	-	296,081
Special assessments . . . . .	13,137	-	-	13,137
Due from other governments . . . . .	2,003,835	15,107	-	2,018,942
Prepayments . . . . .	1,033	-	-	1,033
Materials and supplies inventory . . . . .	130,240	-	-	130,240
Total assets . . . . .	<u>\$ 3,831,281</u>	<u>\$ 385,347</u>	<u>\$ 1,675,222</u>	<u>\$ 5,891,850</u>
<b>Liabilities:</b>				
Accounts payable . . . . .	\$ 6,075	\$ -	\$ 4,024	\$ 10,099
Contracts payable . . . . .	3,015	-	-	3,015
Accrued wages and benefits . . . . .	2,188	-	-	2,188
Due to other governments . . . . .	16,773	-	-	16,773
Deferred revenue . . . . .	1,923,877	90,708	93,965	2,108,550
Unearned revenue . . . . .	-	213,330	-	213,330
Total liabilities . . . . .	<u>1,951,928</u>	<u>304,038</u>	<u>97,989</u>	<u>2,353,955</u>
<b>Fund balances:</b>				
Nonspendable . . . . .	131,273	-	-	131,273
Restricted . . . . .	1,747,249	-	336,987	2,084,236
Committed . . . . .	960	81,309	1,240,246	1,322,515
Unassigned (deficit) . . . . .	(129)	-	-	(129)
Total fund balances . . . . .	<u>1,879,353</u>	<u>81,309</u>	<u>1,577,233</u>	<u>3,537,895</u>
Total liabilities and fund balances . . . . .	<u>\$ 3,831,281</u>	<u>\$ 385,347</u>	<u>\$ 1,675,222</u>	<u>\$ 5,891,850</u>

**CITY OF STEUBENVILLE, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2011

	<b>Nonmajor Special Revenue Funds</b>	<b>Nonmajor Debt Service Fund</b>	<b>Nonmajor Capital Projects Funds</b>	<b>Total Nonmajor Governmental Funds</b>
<b>Revenues:</b>				
Municipal income taxes . . . . .	\$ -	\$ -	\$ 400,000	\$ 400,000
Property and other taxes . . . . .	94,677	216,408	-	311,085
Charges for services . . . . .	140	-	-	140
Licenses and permits . . . . .	73,812	-	-	73,812
Fines and forfeitures . . . . .	12,635	-	28,244	40,879
Intergovernmental . . . . .	1,951,490	33,188	60,995	2,045,673
Special assessments . . . . .	11,071	-	-	11,071
Contributions and donations . . . . .	-	-	16,667	16,667
Investment income . . . . .	46	-	-	46
Other . . . . .	29,097	-	560	29,657
<b>Total revenues . . . . .</b>	<b>2,172,968</b>	<b>249,596</b>	<b>506,466</b>	<b>2,929,030</b>
<b>Expenditures:</b>				
Current:				
General government . . . . .	289,374	7,428	-	296,802
Security of persons and property . . . . .	15,961	-	-	15,961
Public health and welfare . . . . .	85,061	-	-	85,061
Transportation . . . . .	458,743	-	-	458,743
Community environment . . . . .	1,038,534	-	-	1,038,534
Leisure time activity . . . . .	116,207	-	-	116,207
Capital outlay . . . . .	-	-	240,731	240,731
Debt service:				
Principal retirement . . . . .	60,210	80,000	-	140,210
Interest and fiscal charges . . . . .	13,619	145,201	-	158,820
<b>Total expenditures . . . . .</b>	<b>2,077,709</b>	<b>232,629</b>	<b>240,731</b>	<b>2,551,069</b>
Net change in fund balances . . . . .	95,259	16,967	265,735	377,961
<b>Fund balances at beginning of year (restated) . .</b>	<b>1,784,094</b>	<b>64,342</b>	<b>1,311,498</b>	<b>3,159,934</b>
<b>Fund balances at end of year . . . . .</b>	<b>\$ 1,879,353</b>	<b>\$ 81,309</b>	<b>\$ 1,577,233</b>	<b>\$ 3,537,895</b>

**CITY OF STEUBENVILLE, OHIO**

COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS  
DECEMBER 31, 2011

	<b>Street Maintenance and Repair</b>	<b>State Highway Improvement</b>	<b>Litter</b>
<b>Assets:</b>			
Equity in pooled cash and cash equivalents . . . . .	\$ 89,285	\$ 198,157	\$ 4,771
Receivables (net of allowances of uncollectibles):			
Property and other taxes . . . . .	-	-	-
Special assessments . . . . .	-	-	-
Due from other governments . . . . .	267,433	45,772	-
Prepayments . . . . .	-	-	-
Materials and supplies inventory . . . . .	130,240	-	-
Total assets . . . . .	<u>\$ 486,958</u>	<u>\$ 243,929</u>	<u>\$ 4,771</u>
<b>Liabilities:</b>			
Accounts payable . . . . .	\$ 347	\$ -	\$ -
Contracts payable . . . . .	-	-	-
Accrued wages and benefits . . . . .	-	-	-
Due to other governments . . . . .	-	-	-
Deferred revenue . . . . .	218,692	41,820	-
Total liabilities . . . . .	<u>219,039</u>	<u>41,820</u>	<u>-</u>
<b>Fund balances:</b>			
Nonspendable . . . . .	130,240	-	-
Restricted . . . . .	137,679	202,109	4,771
Committed . . . . .	-	-	-
Unassigned (deficit) . . . . .	-	-	-
Total fund balances . . . . .	<u>267,919</u>	<u>202,109</u>	<u>4,771</u>
Total liabilities and fund balances . . . . .	<u>\$ 486,958</u>	<u>\$ 243,929</u>	<u>\$ 4,771</u>

<u>Hotel/Motel Tax</u>	<u>Improvement Bond Escrow</u>	<u>Floto Historical Site</u>	<u>Indigent Drivers</u>	<u>Enforcement and Education</u>	<u>Parks Material Usage</u>
\$ -	\$ 8,000	\$ 1,510	\$ 12,859	\$ 27,435	\$ 960
7,150	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 7,150</u>	<u>\$ 8,000</u>	<u>\$ 1,510</u>	<u>\$ 12,859</u>	<u>\$ 27,435</u>	<u>\$ 960</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
7,150	8,000	1,510	12,859	27,435	-
-	-	-	-	-	960
-	-	-	-	-	-
<u>7,150</u>	<u>8,000</u>	<u>1,510</u>	<u>12,859</u>	<u>27,435</u>	<u>960</u>
<u>\$ 7,150</u>	<u>\$ 8,000</u>	<u>\$ 1,510</u>	<u>\$ 12,859</u>	<u>\$ 27,435</u>	<u>\$ 960</u>

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**CITY OF STEUBENVILLE, OHIO**

COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
DECEMBER 31, 2011

	<u>Law Enforcement Trust</u>	<u>Court Security</u>	<u>South End Economic Development</u>	<u>Safety</u>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . .	\$ 26,605	\$ 3,824	\$ 6,671	\$ 969,865
Receivables (net of allowances of uncollectibles):				
Property and other taxes . . . . .	-	-	-	-
Special assessments . . . . .	-	-	-	-
Due from other governments . . . . .	-	-	-	-
Prepayments . . . . .	-	-	-	-
Materials and supplies inventory . . . . .	-	-	-	-
Total assets . . . . .	<u>\$ 26,605</u>	<u>\$ 3,824</u>	<u>\$ 6,671</u>	<u>\$ 969,865</u>
<b>Liabilities:</b>				
Accounts payable . . . . .	\$ 47	\$ -	\$ -	\$ 3,538
Contracts payable . . . . .	-	-	-	-
Accrued wages and benefits . . . . .	-	-	-	-
Due to other governments . . . . .	-	-	-	-
Deferred revenue . . . . .	-	-	-	-
Total liabilities . . . . .	<u>47</u>	<u>-</u>	<u>-</u>	<u>3,538</u>
<b>Fund balances:</b>				
Nonspendable . . . . .	-	-	-	-
Restricted . . . . .	26,558	3,824	6,671	966,327
Committed . . . . .	-	-	-	-
Unassigned (deficit) . . . . .	-	-	-	-
Total fund balances . . . . .	<u>26,558</u>	<u>3,824</u>	<u>6,671</u>	<u>966,327</u>
Total liabilities and fund balances . . . . .	<u>\$ 26,605</u>	<u>\$ 3,824</u>	<u>\$ 6,671</u>	<u>\$ 969,865</u>



<b>Summer Food Program</b>	<b>Special Assessments</b>	<b>Motor Vehicle License Tax</b>	<b>Zoning and Planning</b>	<b>Police Education Trust</b>	<b>Special Projects</b>
\$ 3,691	\$ 30,034	\$ 41,689	\$ 124	\$ 16,847	\$ 7,997
-	-	-	-	-	-
-	13,137	-	-	-	-
-	-	6,145	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 3,691</u>	<u>\$ 43,171</u>	<u>\$ 47,834</u>	<u>\$ 124</u>	<u>\$ 16,847</u>	<u>\$ 7,997</u>
\$ -	\$ -	\$ -	\$ 253	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
1,272	-	-	-	-	-
-	13,137	-	-	-	-
<u>1,272</u>	<u>13,137</u>	<u>-</u>	<u>253</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
2,419	30,034	47,834	-	16,847	7,997
-	-	-	-	-	-
-	-	-	(129)	-	-
<u>2,419</u>	<u>30,034</u>	<u>47,834</u>	<u>(129)</u>	<u>16,847</u>	<u>7,997</u>
<u>\$ 3,691</u>	<u>\$ 43,171</u>	<u>\$ 47,834</u>	<u>\$ 124</u>	<u>\$ 16,847</u>	<u>\$ 7,997</u>

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**CITY OF STEUBENVILLE, OHIO**

COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS (CONCLUDED)  
DECEMBER 31, 2011

	<b>IDIAM Court</b>	<b>Court Community Correction Act Grant</b>	<b>Food</b>	<b>EPSDT</b>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ 7,836	\$ 39,481	\$ 37,828	\$ 30,788
Receivables (net of allowances of uncollectibles):				
Property and other taxes . . . . .	-	-	-	-
Special assessments . . . . .	-	-	-	-
Due from other governments . . . . .	-	31,500	-	-
Prepayments . . . . .	-	-	-	1,033
Materials and supplies inventory . . . . .	-	-	-	-
<b>Total assets . . . . .</b>	<b>\$ 7,836</b>	<b>\$ 70,981</b>	<b>\$ 37,828</b>	<b>\$ 31,821</b>
<b>Liabilities:</b>				
Accounts payable . . . . .	\$ -	\$ 135	\$ 345	\$ -
Contracts payable . . . . .	-	-	-	-
Accrued wages and benefits . . . . .	-	-	515	116
Due to other governments . . . . .	-	-	3,506	734
Deferred revenue . . . . .	-	15,750	-	-
<b>Total liabilities . . . . .</b>	<b>-</b>	<b>15,885</b>	<b>4,366</b>	<b>850</b>
<b>Fund balances:</b>				
Nonspendable . . . . .	-	-	-	1,033
Restricted . . . . .	7,836	55,096	33,462	29,938
Committed . . . . .	-	-	-	-
Unassigned (deficit) . . . . .	-	-	-	-
<b>Total fund balances . . . . .</b>	<b>7,836</b>	<b>55,096</b>	<b>33,462</b>	<b>30,971</b>
<b>Total liabilities and fund balances . . . . .</b>	<b>\$ 7,836</b>	<b>\$ 70,981</b>	<b>\$ 37,828</b>	<b>\$ 31,821</b>

<b>Mears Relief</b>	<b>Route 7 Project</b>	<b>Community Development</b>	<b>CDP - Revolving Loan</b>	<b>CHIP Loan</b>	<b>Total Nonmajor Special Revenue Funds</b>
\$ 10,142	\$ 1,595	\$ 732	\$ 2,835	\$ 94,325	\$ 1,675,886
-	-	-	-	-	7,150
-	-	-	-	-	13,137
-	-	1,652,985	-	-	2,003,835
-	-	-	-	-	1,033
-	-	-	-	-	130,240
<u>\$ 10,142</u>	<u>\$ 1,595</u>	<u>\$ 1,653,717</u>	<u>\$ 2,835</u>	<u>\$ 94,325</u>	<u>\$ 3,831,281</u>
\$ -	\$ -	\$ 1,410	\$ -	\$ -	\$ 6,075
-	-	3,015	-	-	3,015
-	-	1,557	-	-	2,188
-	-	8,477	-	2,784	16,773
-	-	1,634,478	-	-	1,923,877
-	-	1,648,937	-	2,784	1,951,928
-	-	-	-	-	131,273
10,142	1,595	4,780	2,835	91,541	1,747,249
-	-	-	-	-	960
-	-	-	-	-	(129)
<u>10,142</u>	<u>1,595</u>	<u>4,780</u>	<u>2,835</u>	<u>91,541</u>	<u>1,879,353</u>
<u>\$ 10,142</u>	<u>\$ 1,595</u>	<u>\$ 1,653,717</u>	<u>\$ 2,835</u>	<u>\$ 94,325</u>	<u>\$ 3,831,281</u>

**CITY OF STEUBENVILLE, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2011

	<b>Street Maintenance and Repair</b>	<b>State Highway Improvement</b>	<b>Litter</b>
<b>Revenues:</b>			
Property and other taxes . . . . .	\$ -	\$ -	\$ -
Charges for services . . . . .	-	-	-
Licenses and permits . . . . .	-	-	-
Fines and forfeitures . . . . .	-	-	-
Intergovernmental . . . . .	600,251	45,474	-
Special assessments . . . . .	-	-	-
Investment income . . . . .	7	19	-
Other . . . . .	-	-	-
<b>Total revenues . . . . .</b>	<b>600,258</b>	<b>45,493</b>	<b>-</b>
<b>Expenditures:</b>			
Current:			
General government . . . . .	-	-	-
Security of persons and property . . . . .	-	-	-
Public health and welfare . . . . .	-	-	-
Transportation . . . . .	438,130	20,613	-
Community environment . . . . .	-	-	-
Leisure time activity . . . . .	-	-	-
Debt service:			
Principal retirement . . . . .	-	-	-
Interest and fiscal charges . . . . .	-	-	-
<b>Total expenditures . . . . .</b>	<b>438,130</b>	<b>20,613</b>	<b>-</b>
<b>Net change in fund balances . . . . .</b>	<b>162,128</b>	<b>24,880</b>	<b>-</b>
<b>Fund balances (deficit) at beginning of year (restated) . . . . .</b>	<b>105,791</b>	<b>177,229</b>	<b>4,771</b>
<b>Fund balances (deficit) at end of year . . . . .</b>	<b>\$ 267,919</b>	<b>\$ 202,109</b>	<b>\$ 4,771</b>

<u>Hotel/Motel Tax</u>	<u>Improvement Bond Escrow</u>	<u>Floto Historical Site</u>	<u>Indigent Drivers</u>	<u>Enforcement and Education</u>	<u>Parks Material Usage</u>
\$ 94,677	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	140
-	-	-	-	-	-
-	-	-	4,669	1,464	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>94,677</u>	<u>-</u>	<u>-</u>	<u>4,669</u>	<u>1,464</u>	<u>140</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
90,354	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>90,354</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
4,323	-	-	4,669	1,464	140
<u>2,827</u>	<u>8,000</u>	<u>1,510</u>	<u>8,190</u>	<u>25,971</u>	<u>820</u>
<u>\$ 7,150</u>	<u>\$ 8,000</u>	<u>\$ 1,510</u>	<u>\$ 12,859</u>	<u>\$ 27,435</u>	<u>\$ 960</u>

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**CITY OF STEUBENVILLE, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2011

	<u>Law Enforcement Trust</u>	<u>Court Security</u>	<u>South End Economic Development</u>	<u>Safety</u>
<b>Revenues:</b>				
Property and other taxes . . . . .	\$ -	\$ -	\$ -	\$ -
Charges for services . . . . .	-	-	-	-
Licenses and permits . . . . .	-	-	-	-
Fines and forfeitures . . . . .	-	-	-	-
Intergovernmental . . . . .	-	-	-	-
Special assessments . . . . .	-	-	-	-
Investment income . . . . .	-	-	-	-
Other . . . . .	2,770	-	-	8,843
	<hr/>	<hr/>	<hr/>	<hr/>
Total revenues . . . . .	2,770	-	-	8,843
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Expenditures:</b>				
Current:				
General government . . . . .	-	-	-	94,308
Security of persons and property . . . . .	15,961	-	-	-
Public health and welfare . . . . .	-	-	-	-
Transportation . . . . .	-	-	-	-
Community environment . . . . .	-	-	-	-
Leisure time activity . . . . .	-	-	-	-
Debt service:				
Principal retirement . . . . .	-	-	-	-
Interest and fiscal charges . . . . .	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditures . . . . .	15,961	-	-	94,308
	<hr/>	<hr/>	<hr/>	<hr/>
Net change in fund balances . . . . .	(13,191)	-	-	(85,465)
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Fund balances (deficit) at beginning of year (restated) . . . . .</b>	<u>39,749</u>	<u>3,824</u>	<u>6,671</u>	<u>1,051,792</u>
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Fund balances (deficit) at end of year . . . . .</b>	<u>\$ 26,558</u>	<u>\$ 3,824</u>	<u>\$ 6,671</u>	<u>\$ 966,327</u>

<u>Summer Food Program</u>	<u>Special Assessments</u>	<u>Motor Vehicle License Tax</u>	<u>Zoning and Planning</u>	<u>OJJDP Recreation</u>	<u>Police Education Trust</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
101,172	-	71,745	-	-	-
-	11,071	-	-	-	-
-	-	-	-	-	-
-	-	-	3,500	-	-
<u>101,172</u>	<u>11,071</u>	<u>71,745</u>	<u>3,500</u>	<u>-</u>	<u>-</u>
-	32,483	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	3,925	-	-
110,940	-	-	-	3,644	-
-	-	60,210	-	-	-
-	-	13,619	-	-	-
<u>110,940</u>	<u>32,483</u>	<u>73,829</u>	<u>3,925</u>	<u>3,644</u>	<u>-</u>
(9,768)	(21,412)	(2,084)	(425)	(3,644)	-
<u>12,187</u>	<u>51,446</u>	<u>49,918</u>	<u>296</u>	<u>3,644</u>	<u>16,847</u>
<u>\$ 2,419</u>	<u>\$ 30,034</u>	<u>\$ 47,834</u>	<u>\$ (129)</u>	<u>\$ -</u>	<u>\$ 16,847</u>

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**CITY OF STEUBENVILLE, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2011

	<b>Special Projects</b>	<b>IDIAM Court</b>	<b>Court Community Correction Act Grant</b>	<b>Court Daily Reporting Center Grant</b>
<b>Revenues:</b>				
Property and other taxes . . . . .	\$ -	\$ -	\$ -	\$ -
Charges for services . . . . .	-	-	-	-
Licenses and permits . . . . .	-	-	-	-
Fines and forfeitures . . . . .	2,931	3,571	-	-
Intergovernmental . . . . .	-	-	68,000	76,561
Special assessments . . . . .	-	-	-	-
Investment income . . . . .	-	-	-	-
Other . . . . .	-	-	-	11,149
<b>Total revenues . . . . .</b>	<b>2,931</b>	<b>3,571</b>	<b>68,000</b>	<b>87,710</b>
<b>Expenditures:</b>				
Current:				
General government . . . . .	-	-	60,873	101,710
Security of persons and property . . . . .	-	-	-	-
Public health and welfare . . . . .	-	-	-	-
Transportation . . . . .	-	-	-	-
Community environment . . . . .	-	-	-	-
Leisure time activity . . . . .	-	-	-	-
Debt service:				
Principal retirement . . . . .	-	-	-	-
Interest and fiscal charges . . . . .	-	-	-	-
<b>Total expenditures . . . . .</b>	<b>-</b>	<b>-</b>	<b>60,873</b>	<b>101,710</b>
<b>Net change in fund balances . . . . .</b>	<b>2,931</b>	<b>3,571</b>	<b>7,127</b>	<b>(14,000)</b>
<b>Fund balances (deficit) at beginning of year (restated) . . . . .</b>	<b>5,066</b>	<b>4,265</b>	<b>47,969</b>	<b>14,000</b>
<b>Fund balances at end of year . . . . .</b>	<b>\$ 7,997</b>	<b>\$ 7,836</b>	<b>\$ 55,096</b>	<b>\$ -</b>



<b>Food</b>	<b>EPSDT</b>	<b>Mears Relief</b>	<b>Swimming Pool</b>	<b>Route 7 Project</b>	<b>Community Development</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
59,534	12,655	-	1,623	-	-
-	-	-	-	-	-
-	-	-	-	-	633,383
-	-	-	-	-	-
-	-	20	-	-	-
-	-	-	-	-	-
<u>59,534</u>	<u>12,655</u>	<u>20</u>	<u>1,623</u>	<u>-</u>	<u>633,383</u>
-	-	-	-	-	-
-	-	-	-	-	-
69,598	15,463	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	625,152
-	-	-	1,623	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>69,598</u>	<u>15,463</u>	<u>-</u>	<u>1,623</u>	<u>-</u>	<u>625,152</u>
(10,064)	(2,808)	20	-	-	8,231
<u>43,526</u>	<u>33,779</u>	<u>10,122</u>	<u>-</u>	<u>1,595</u>	<u>(3,451)</u>
<u>\$ 33,462</u>	<u>\$ 30,971</u>	<u>\$ 10,142</u>	<u>\$ -</u>	<u>\$ 1,595</u>	<u>\$ 4,780</u>

-- Continued

**CITY OF STEUBENVILLE, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS (CONCLUDED)  
FOR THE YEAR ENDED DECEMBER 31, 2011

	<u>CDP - Revolving Loan</u>	<u>CHIP Loan</u>	<u>Total Nonmajor Special Revenue Funds</u>
<b>Revenues:</b>			
Property and other taxes . . . . .	\$ -	\$ -	\$ 94,677
Charges for services . . . . .	-	-	140
Licenses and permits . . . . .	-	-	73,812
Fines and forfeitures . . . . .	-	-	12,635
Intergovernmental . . . . .	-	354,904	1,951,490
Special assessments . . . . .	-	-	11,071
Investment income . . . . .	-	-	46
Other . . . . .	2,835	-	29,097
	<hr/>	<hr/>	<hr/>
Total revenues . . . . .	2,835	354,904	2,172,968
	<hr/>	<hr/>	<hr/>
<b>Expenditures:</b>			
Current:			
General government . . . . .	-	-	289,374
Security of persons and property . . . . .	-	-	15,961
Public health and welfare . . . . .	-	-	85,061
Transportation . . . . .	-	-	458,743
Community environment . . . . .	-	319,103	1,038,534
Leisure time activity . . . . .	-	-	116,207
Debt service:			
Principal retirement . . . . .	-	-	60,210
Interest and fiscal charges . . . . .	-	-	13,619
	<hr/>	<hr/>	<hr/>
Total expenditures . . . . .	-	319,103	2,077,709
	<hr/>	<hr/>	<hr/>
Net change in fund balances . . . . .	2,835	35,801	95,259
	<hr/>	<hr/>	<hr/>
<b>Fund balances (deficit) at beginning of year (restated).</b> . . . . .	-	55,740	1,784,094
	<hr/>	<hr/>	<hr/>
<b>Fund balances at end of year</b> . . . . .	\$ 2,835	\$ 91,541	\$ 1,879,353
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**CITY OF STEUBENVILLE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 STREET MAINTENANCE AND REPAIR FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2011

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental. . . . .	\$ 659,771	\$ 572,928	\$ 596,311	\$ 23,383
Investment income . . . . .	23,991	7	7	-
Total revenues . . . . .	<u>683,762</u>	<u>572,935</u>	<u>596,318</u>	<u>23,383</u>
<b>Expenditures:</b>				
Current:				
Transportation				
Street department				
Maintenance and operations. . . . .	227,007	349,286	337,133	12,153
Other. . . . .	<u>396,000</u>	<u>200,000</u>	<u>200,000</u>	<u>-</u>
Total transportation. . . . .	<u>623,007</u>	<u>549,286</u>	<u>537,133</u>	<u>12,153</u>
Total expenditures. . . . .	<u>623,007</u>	<u>549,286</u>	<u>537,133</u>	<u>12,153</u>
Net change in fund balance . . . . .	60,755	23,649	59,185	35,536
<b>Fund balance at beginning of year. . . . .</b>	14,440	14,440	14,440	-
<b>Prior year encumbrances appropriated . . . . .</b>	<u>8,052</u>	<u>8,052</u>	<u>8,052</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 83,247</u>	<u>\$ 46,141</u>	<u>\$ 81,677</u>	<u>\$ 35,536</u>

**CITY OF STEUBENVILLE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 STATE HIGHWAY IMPROVEMENT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental. . . . .	\$ 52,993	\$ 73,170	\$ 48,350	\$ (24,820)
Investment income . . . . .	4,131	19	19	-
<b>Total revenues.</b> . . . .	<u>57,124</u>	<u>73,189</u>	<u>48,369</u>	<u>(24,820)</u>
<b>Expenditures:</b>				
Current:				
Transportation				
Street department				
Maintenance and operations . . . . .	2,579	60,597	20,612	39,985
Other . . . . .	36,000	-	-	-
<b>Total transportation.</b> . . . .	<u>38,579</u>	<u>60,597</u>	<u>20,612</u>	<u>39,985</u>
<b>Total expenditures.</b> . . . .	<u>38,579</u>	<u>60,597</u>	<u>20,612</u>	<u>39,985</u>
Net change in fund balance . . . . .	18,545	12,592	27,757	15,165
<b>Fund balance at beginning of year.</b> . . . .	<u>170,400</u>	<u>170,400</u>	<u>170,400</u>	<u>-</u>
<b>Fund balance at end of year</b> . . . . .	<u>\$ 188,945</u>	<u>\$ 182,992</u>	<u>\$ 198,157</u>	<u>\$ 15,165</u>

**CITY OF STEUBENVILLE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 LITTER FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2011

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Fund balance at beginning of year. . . . .</b>	\$ 4,771	\$ 4,771	\$ 4,771	\$ -
<b>Fund balance at end of year . . . . .</b>	<u>\$ 4,771</u>	<u>\$ 4,771</u>	<u>\$ 4,771</u>	<u>\$ -</u>

**CITY OF STEUBENVILLE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 HOTEL/MOTEL TAX FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Property and other taxes . . . . .	\$ 125,000	\$ 88,133	\$ 90,354	\$ 2,221
Total revenues . . . . .	<u>125,000</u>	<u>88,133</u>	<u>90,354</u>	<u>2,221</u>
<b>Expenditures:</b>				
Current:				
Community environment				
Convention and visitors bureau				
Other . . . . .	125,000	88,133	90,354	(2,221)
Total expenditures . . . . .	<u>125,000</u>	<u>88,133</u>	<u>90,354</u>	<u>(2,221)</u>
Net change in fund balance . . . . .	-	-	-	-
<b>Fund balance at beginning of year . . . . .</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**CITY OF STEUBENVILLE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 IMPROVEMENT BOND ESCROW FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2011

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Fund balance at beginning of year . . . . .</b>	\$ 8,000	\$ 8,000	\$ 8,000	\$ -
<b>Fund balance at end of year . . . . .</b>	<u>\$ 8,000</u>	<u>\$ 8,000</u>	<u>\$ 8,000</u>	<u>\$ -</u>

**CITY OF STEUBENVILLE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 FLOTO HISTORICAL SITE FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		
<b>Fund balance at beginning of year . . . . .</b>	\$ 1,510	\$ 1,510	\$ 1,510	\$ -
<b>Fund balance at end of year. . . . .</b>	<u>\$ 1,510</u>	<u>\$ 1,510</u>	<u>\$ 1,510</u>	<u>\$ -</u>



**CITY OF STEUBENVILLE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 INDIGENT DRIVERS FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Fines and forfeitures . . . . .	\$ 3,546	\$ 3,546	\$ 4,669	\$ 1,123
Total revenues . . . . .	<u>3,546</u>	<u>3,546</u>	<u>4,669</u>	<u>1,123</u>
<b>Expenditures:</b>				
Current:				
General government				
Municipal court				
Other . . . . .	5,000	-	-	-
Total expenditures . . . . .	<u>5,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance . . . . .	(1,454)	3,546	4,669	1,123
<b>Fund balance at beginning of year . . . . .</b>	<u>8,190</u>	<u>8,190</u>	<u>8,190</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 6,736</u>	<u>\$ 11,736</u>	<u>\$ 12,859</u>	<u>\$ 1,123</u>

**CITY OF STEUBENVILLE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 ENFORCEMENT AND EDUCATION FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Fines and forfeitures . . . . .	\$ 1,404	\$ 1,404	\$ 1,464	\$ 60
Total revenues . . . . .	<u>1,404</u>	<u>1,404</u>	<u>1,464</u>	<u>60</u>
Net change in fund balance . . . . .	1,404	1,404	1,464	60
<b>Fund balance at beginning of year . . . . .</b>	<u>25,971</u>	<u>25,971</u>	<u>25,971</u>	<u>-</u>
<b>Fund balance at end of year. . . . .</b>	<u>\$ 27,375</u>	<u>\$ 27,375</u>	<u>\$ 27,435</u>	<u>\$ 60</u>

**CITY OF STEUBENVILLE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 PARKS MATERIAL USAGE FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2011

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Charges for services . . . . .	\$ 1,000	\$ 140	\$ 140	\$ -
Total revenues . . . . .	1,000	140	140	-
<b>Expenditures:</b>				
Current:				
Leisure time activity				
Recreation-parks				
Maintenance and operations . . . . .	1,000	-	-	-
Total expenditures . . . . .	1,000	-	-	-
Net change in fund balance . . . . .	-	140	140	-
<b>Fund balance at beginning of year . . . . .</b>	820	820	820	-
<b>Fund balance at end of year . . . . .</b>	\$ 820	\$ 960	\$ 960	\$ -

**CITY OF STEUBENVILLE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 LAW ENFORCEMENT TRUST FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2011

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Other . . . . .	\$ 104,939	\$ 2,939	\$ 2,770	\$ (169)
Total revenues. . . . .	104,939	2,939	2,770	(169)
<b>Expenditures:</b>				
Current:				
Security of persons and property				
Police				
Other . . . . .	50,000	16,227	16,189	38
Total expenditures . . . . .	50,000	16,227	16,189	38
Net change in fund balance. . . . .	54,939	(13,288)	(13,419)	(131)
<b>Fund balance at beginning of year . . . . .</b>	39,977	39,977	39,977	-
<b>Fund balance at end of year . . . . .</b>	\$ 94,916	\$ 26,689	\$ 26,558	\$ (131)

**CITY OF STEUBENVILLE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 COURT SECURITY FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2011

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Fund balance at beginning of year . . . . .</b>	\$ 3,824	\$ 3,824	\$ 3,824	\$ -
<b>Fund balance at end of year . . . . .</b>	<u>\$ 3,824</u>	<u>\$ 3,824</u>	<u>\$ 3,824</u>	<u>\$ -</u>

**CITY OF STEUBENVILLE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 SOUTH END ECONOMIC DEVELOPMENT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2011

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Fund balance at beginning of year . . . . .</b>	\$ 6,671	\$ 6,671	\$ 6,671	\$ -
<b>Fund balance at end of year. . . . .</b>	<u>\$ 6,671</u>	<u>\$ 6,671</u>	<u>\$ 6,671</u>	<u>\$ -</u>

**CITY OF STEUBENVILLE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 SAFETY FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2011

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 40,902	\$ -	\$ -	\$ -
Other . . . . .	-	8,603	8,843	240
<b>Total revenues . . . . .</b>	40,902	8,603	8,843	240
<b>Expenditures:</b>				
Current:				
General government				
Safety				
Contractual services . . . . .	19,992	20,159	19,992	167
Maintenance and operations . . . . .	59,916	79,322	75,609	3,713
<b>Total expenditures . . . . .</b>	79,908	99,481	95,601	3,880
Net change in fund balance . . . . .	(39,006)	(90,878)	(86,758)	4,120
<b>Fund balance at beginning of year . . . . .</b>	1,046,095	1,046,095	1,046,095	-
<b>Prior year encumbrances appropriated. . . . .</b>	6,416	6,416	6,416	-
<b>Fund balance at end of year . . . . .</b>	\$ 1,013,505	\$ 961,633	\$ 965,753	\$ 4,120

**CITY OF STEUBENVILLE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 SUMMER FOOD PROGRAM FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 140,000	\$ 101,172	\$ 101,172	\$ -
Total revenues . . . . .	<u>140,000</u>	<u>101,172</u>	<u>101,172</u>	<u>-</u>
<b>Expenditures:</b>				
Current:				
Leisure time activity				
Recreation-administration				
Personal services . . . . .	48,262	32,327	32,089	238
Maintenance and operations . . . . .	<u>88,773</u>	<u>81,430</u>	<u>81,431</u>	<u>(1)</u>
Total expenditures . . . . .	<u>137,035</u>	<u>113,757</u>	<u>113,520</u>	<u>237</u>
Net change in fund balance. . . . .	2,965	(12,585)	(12,348)	237
<b>Fund balance at beginning of year . . . . .</b>	11,762	11,762	11,762	-
<b>Prior year encumbrances appropriated . . . . .</b>	<u>4,277</u>	<u>4,277</u>	<u>4,277</u>	<u>-</u>
<b>Fund balance at end of year. . . . .</b>	<u>\$ 19,004</u>	<u>\$ 3,454</u>	<u>\$ 3,691</u>	<u>\$ 237</u>



**CITY OF STEUBENVILLE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 SPECIAL ASSESSMENTS FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Special assessments. . . . .	\$ 33,137	\$ 13,137	\$ 11,071	\$ (2,066)
Investment income. . . . .	2,613	-	-	-
Other . . . . .	25,482	-	-	-
<b>Total revenues . . . . .</b>	<u>61,232</u>	<u>13,137</u>	<u>11,071</u>	<u>(2,066)</u>
<b>Expenditures:</b>				
Current:				
General government				
Central purchasing				
Maintenance and operations. . . . .	-	29,161	29,162	(1)
Total central purchasing. . . . .	-	29,161	29,162	(1)
Special assessment				
Maintenance and operations. . . . .	1,171	3,321	3,321	-
Total special assessment. . . . .	1,171	3,321	3,321	-
Total general government. . . . .	1,171	32,482	32,483	(1)
<b>Total expenditures . . . . .</b>	<u>1,171</u>	<u>32,482</u>	<u>32,483</u>	<u>(1)</u>
Net change in fund balance. . . . .	60,061	(19,345)	(21,412)	(2,067)
<b>Fund balance at beginning of year . . . . .</b>	<u>51,446</u>	<u>51,446</u>	<u>51,446</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 111,507</u>	<u>\$ 32,101</u>	<u>\$ 30,034</u>	<u>\$ (2,067)</u>

**CITY OF STEUBENVILLE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 MOTOR VEHICLE LICENSE TAX FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental. . . . .	\$ 66,860	\$ 66,860	\$ 70,340	\$ 3,480
Total revenues . . . . .	<u>66,860</u>	<u>66,860</u>	<u>70,340</u>	<u>3,480</u>
<b>Expenditures:</b>				
Debt service:				
Principal retirement. . . . .	60,241	60,241	60,241	-
Interest and fiscal charges. . . . .	13,588	13,588	13,588	-
Total expenditures . . . . .	<u>73,829</u>	<u>73,829</u>	<u>73,829</u>	<u>-</u>
Net change in fund balance. . . . .	(6,969)	(6,969)	(3,489)	3,480
<b>Fund balance at beginning of year . . . . .</b>	<u>45,178</u>	<u>45,178</u>	<u>45,178</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 38,209</u>	<u>\$ 38,209</u>	<u>\$ 41,689</u>	<u>\$ 3,480</u>

**CITY OF STEUBENVILLE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 ZONING AND PLANNING FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2011

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Other . . . . .	\$ 15,500	\$ 3,500	\$ 3,500	\$ -
Total revenues . . . . .	15,500	3,500	3,500	-
<b>Expenditures:</b>				
Current:				
Community environment				
Zoning and rezoning				
Personal services . . . . .	500	-	-	-
Maintenance and operations . . . . .	15,000	3,672	3,672	-
Total expenditures. . . . .	15,500	3,672	3,672	-
Net change in fund balance. . . . .	-	(172)	(172)	-
<b>Fund balance at beginning of year . . . . .</b>	296	296	296	-
<b>Fund balance at end of year . . . . .</b>	\$ 296	\$ 124	\$ 124	\$ -

**CITY OF STEUBENVILLE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 OJJD RECREATION FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2011

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Expenditures:</b>				
Current:				
Leisure time activity				
Recreation-administration				
Personal services . . . . .	\$ 713	\$ 4,395	\$ 4,287	\$ 108
Total expenditures . . . . .	713	4,395	4,287	108
Net change in fund balance . . . . .	(713)	(4,395)	(4,287)	108
<b>Fund balance at beginning of year . . . . .</b>	4,089	4,089	4,089	-
<b>Prior year encumbrances appropriated . . .</b>	198	198	198	-
<b>Fund balance (deficit) at end of year . . . . .</b>	\$ 3,574	\$ (108)	\$ -	\$ 108

**CITY OF STEUBENVILLE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 POLICE EDUCATION TRUST FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		
<b>Fund balance at beginning of year . . . . .</b>	\$ 16,847	\$ 16,847	\$ 16,847	\$ -
<b>Fund balance at end of year . . . . .</b>	<u>\$ 16,847</u>	<u>\$ 16,847</u>	<u>\$ 16,847</u>	<u>\$ -</u>

**CITY OF STEUBENVILLE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 SPECIAL PROJECTS FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Fines and forfeitures. . . . .	\$ 2,017	\$ 2,711	\$ 2,931	\$ 220
Total revenues. . . . .	<u>2,017</u>	<u>2,711</u>	<u>2,931</u>	<u>220</u>
Net change in fund balance. . . . .	2,017	2,711	2,931	220
<b>Fund balance at beginning of year . . . . .</b>	<u>5,066</u>	<u>5,066</u>	<u>5,066</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 7,083</u>	<u>\$ 7,777</u>	<u>\$ 7,997</u>	<u>\$ 220</u>

**CITY OF STEUBENVILLE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 IDIAM COURT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Fines and forfeitures . . . . .	\$ 1,144	\$ 2,843	\$ 3,571	\$ 728
Total revenues . . . . .	<u>1,144</u>	<u>2,843</u>	<u>3,571</u>	<u>728</u>
Net change in fund balance . . . . .	1,144	2,843	3,571	728
<b>Fund balance at beginning of year . . . . .</b>	<u>4,265</u>	<u>4,265</u>	<u>4,265</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 5,409</u>	<u>\$ 7,108</u>	<u>\$ 7,836</u>	<u>\$ 728</u>

**CITY OF STEUBENVILLE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 COURT COMMUNITY CORRECTION ACT GRANT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 31,500	\$ 73,000	\$ 73,000	\$ -
Total revenues. . . . .	<u>31,500</u>	<u>73,000</u>	<u>73,000</u>	<u>-</u>
<b>Expenditures:</b>				
Current:				
General government				
Municipal court				
Maintenance and operations . . . . .	31,500	60,738	60,738	-
Total expenditures . . . . .	<u>31,500</u>	<u>60,738</u>	<u>60,738</u>	<u>-</u>
Net change in fund balance. . . . .	-	12,262	12,262	-
<b>Fund balance at beginning of year . . . . .</b>	<u>27,219</u>	<u>27,219</u>	<u>27,219</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 27,219</u>	<u>\$ 39,481</u>	<u>\$ 39,481</u>	<u>\$ -</u>



**CITY OF STEUBENVILLE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 COURT DAILY REPORTING CENTER GRANT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ -	\$ 87,553	\$ 76,561	\$ (10,992)
Other . . . . .	-	11,149	11,149	-
<b>Total revenues.</b> . . . . .	<u>-</u>	<u>98,702</u>	<u>87,710</u>	<u>(10,992)</u>
<b>Expenditures:</b>				
Current:				
General government				
Municipal court				
Maintenance and operations . . . . .	-	112,702	101,710	10,992
<b>Total expenditures.</b> . . . . .	<u>-</u>	<u>112,702</u>	<u>101,710</u>	<u>10,992</u>
Net change in fund balance. . . . .	-	(14,000)	(14,000)	-
<b>Fund balance at beginning of year . . . . .</b>	<u>14,000</u>	<u>14,000</u>	<u>14,000</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 14,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**CITY OF STEUBENVILLE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 FOOD FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Licenses and permits . . . . .	\$ 60,663	\$ 60,663	\$ 59,534	\$ (1,129)
Other . . . . .	645	247	1,032	785
<b>Total revenues . . . . .</b>	<u>61,308</u>	<u>60,910</u>	<u>60,566</u>	<u>(344)</u>
<b>Expenditures:</b>				
Current:				
Public health and welfare				
Food				
Personal services . . . . .	60,063	64,463	63,721	742
Maintenance and operations . . . . .	9,613	6,805	6,579	226
Other . . . . .	20,399	-	-	-
<b>Total expenditures . . . . .</b>	<u>90,075</u>	<u>71,268</u>	<u>70,300</u>	<u>968</u>
Excess of expenditures over revenues. . . . .	<u>(28,767)</u>	<u>(10,358)</u>	<u>(9,734)</u>	<u>624</u>
<b>Other financing sources:</b>				
Transfers in . . . . .	848	-	-	-
<b>Total other financing sources. . . . .</b>	<u>848</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance. . . . .	(27,919)	(10,358)	(9,734)	624
<b>Fund balance at beginning of year . . . . .</b>	<u>47,352</u>	<u>47,352</u>	<u>47,352</u>	<u>-</u>
<b>Prior year encumbrances appropriated . . . . .</b>	<u>200</u>	<u>200</u>	<u>200</u>	<u>-</u>
<b>Fund balance at end of year. . . . .</b>	<u>\$ 19,633</u>	<u>\$ 37,194</u>	<u>\$ 37,818</u>	<u>\$ 624</u>

**CITY OF STEUBENVILLE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 EPSDT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Licenses and permits. . . . .	\$ 12,294	\$ 12,294	\$ 12,655	\$ 361
Other . . . . .	556	-	-	-
<b>Total revenues . . . . .</b>	<u>12,850</u>	<u>12,294</u>	<u>12,655</u>	<u>361</u>
<b>Expenditures:</b>				
Current:				
Public health and welfare				
EPSDT				
Personal services. . . . .	12,612	12,985	12,825	160
Contractual services. . . . .	1,500	-	-	-
Maintenance and operations. . . . .	5,720	2,466	2,466	-
Other . . . . .	18,278	-	-	-
<b>Total expenditures . . . . .</b>	<u>38,110</u>	<u>15,451</u>	<u>15,291</u>	<u>160</u>
Net change in fund balance. . . . .	(25,260)	(3,157)	(2,636)	521
<b>Fund balance at beginning of year . . . . .</b>	<u>33,424</u>	<u>33,424</u>	<u>33,424</u>	<u>-</u>
<b>Fund balance at end of year. . . . .</b>	<u>\$ 8,164</u>	<u>\$ 30,267</u>	<u>\$ 30,788</u>	<u>\$ 521</u>

**CITY OF STEUBENVILLE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 MEARS RELIEF FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Investment income . . . . .	\$ 375	\$ 18	\$ 20	\$ 2
Total revenues . . . . .	<u>375</u>	<u>18</u>	<u>20</u>	<u>2</u>
<b>Expenditures:</b>				
Current:				
Public health and welfare				
Mears relief				
Maintenance and operations . . . . .	375	-	-	-
Total expenditures . . . . .	<u>375</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance. . . . .	-	18	20	2
<b>Fund balance at beginning of year . . . . .</b>	<u>10,122</u>	<u>10,122</u>	<u>10,122</u>	<u>-</u>
<b>Fund balance at end of year. . . . .</b>	<u>\$ 10,122</u>	<u>\$ 10,140</u>	<u>\$ 10,142</u>	<u>\$ 2</u>

**CITY OF STEUBENVILLE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 SWIMMING POOL FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2011

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Licenses and permits. . . . .	\$ 1,970	\$ 1,623	\$ 1,623	\$ -
Total revenues . . . . .	<u>1,970</u>	<u>1,623</u>	<u>1,623</u>	<u>-</u>
<b>Expenditures:</b>				
Current:				
Leisure time activity				
Recreation-pools				
Maintenance and operations . . . . .	803	838	838	-
Other . . . . .	<u>855</u>	<u>785</u>	<u>785</u>	<u>-</u>
Total expenditures . . . . .	<u>1,658</u>	<u>1,623</u>	<u>1,623</u>	<u>-</u>
Net change in fund balance. . . . .	312	-	-	-
<b>Fund balance at beginning of year . . . . .</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balance at end of year. . . . .</b>	<u><u>\$ 312</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

**CITY OF STEUBENVILLE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 ROUTE 7 PROJECT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Investment income. . . . .	\$ 3	\$ -	\$ -	\$ -
Total revenues. . . . .	<u>3</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance. . . . .	3	-	-	-
<b>Fund balance at beginning of year . . . . .</b>	<u>\$ 1,595</u>	<u>\$ 1,595</u>	<u>\$ 1,595</u>	<u>\$ -</u>
<b>Fund balance at end of year. . . . .</b>	<u><u>\$ 1,598</u></u>	<u><u>\$ 1,595</u></u>	<u><u>\$ 1,595</u></u>	<u><u>\$ -</u></u>

**CITY OF STEUBENVILLE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 COMMUNITY DEVELOPMENT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 1,241,323	\$ 891,323	\$ 651,006	\$ (240,317)
Total revenues . . . . .	<u>1,241,323</u>	<u>891,323</u>	<u>651,006</u>	<u>(240,317)</u>
<b>Expenditures:</b>				
Current:				
Community environment				
Community development				
Personal services . . . . .	237,689	201,729	201,407	322
Maintenance and operations . . . . .	66,142	39,344	36,369	2,975
Capital outlay . . . . .	<u>605,361</u>	<u>513,384</u>	<u>417,415</u>	<u>95,969</u>
Total expenditures . . . . .	<u>909,192</u>	<u>754,457</u>	<u>655,191</u>	<u>99,266</u>
Net change in fund balance . . . . .	332,131	136,866	(4,185)	(141,051)
<b>Fund balance at beginning of year . . . . .</b>	3,483	3,483	3,483	-
<b>Prior year encumbrances appropriated . . . . .</b>	<u>1,434</u>	<u>1,434</u>	<u>1,434</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 337,048</u>	<u>\$ 141,783</u>	<u>\$ 732</u>	<u>\$ (141,051)</u>

**CITY OF STEUBENVILLE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 CDP - REVOLVING LOAN  
 FOR THE YEAR ENDED DECEMBER 31, 2011

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 35,000	\$ -	\$ -	\$ -
Other . . . . .	-	2,481	2,835	354
Total revenues . . . . .	35,000	2,481	2,835	354
<b>Expenditures:</b>				
Current:				
Community environment				
Community development				
Other . . . . .	35,000	-	-	-
Total expenditures . . . . .	35,000	-	-	-
Net change in fund balance. . . . .	-	2,481	2,835	354
<b>Fund balance at beginning of year . . . . .</b>	-	-	-	-
<b>Fund balance at end of year. . . . .</b>	\$ -	\$ 2,481	\$ 2,835	\$ 354



**CITY OF STEUBENVILLE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 CHIP LOAN FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Investment income . . . . .	\$ 257	\$ -	\$ -	\$ -
Intergovernmental . . . . .	173,616	349,890	354,904	5,014
<b>Total revenues . . . . .</b>	<u>173,873</u>	<u>349,890</u>	<u>354,904</u>	<u>5,014</u>
<b>Expenditures:</b>				
Current:				
Community environment				
Community development				
Personal services . . . . .	30,526	41,302	39,557	1,745
Maintenance and operations . . . . .	71	-	-	-
Other . . . . .	188,454	352,758	316,916	35,842
<b>Total expenditures . . . . .</b>	<u>219,051</u>	<u>394,060</u>	<u>356,473</u>	<u>37,587</u>
Net change in fund balance . . . . .	(45,178)	(44,170)	(1,569)	42,601
<b>Fund balance at beginning of year . . . . .</b>	24,736	24,736	24,736	-
<b>Prior year encumbrances appropriated . . . . .</b>	55,858	55,858	55,858	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 35,416</u>	<u>\$ 36,424</u>	<u>\$ 79,025</u>	<u>\$ 42,601</u>

**CITY OF STEUBENVILLE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 GENERAL BOND RETIREMENT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Property and other taxes . . . . .	\$ 243,544	\$ 216,407	\$ 216,408	\$ 1
Intergovernmental. . . . .	28,019	8,396	33,188	24,792
Other . . . . .	49,719	49,719	-	(49,719)
<b>Total revenues.</b> . . . .	<u>321,282</u>	<u>274,522</u>	<u>249,596</u>	<u>(24,926)</u>
<b>Expenditures:</b>				
Current:				
General government				
General bond retirement				
Maintenance and operations . . . . .	6,800	5,541	5,541	-
Other. . . . .	-	1,887	1,887	-
<b>Total general government.</b> . . . .	<u>6,800</u>	<u>7,428</u>	<u>7,428</u>	<u>-</u>
Debt service:				
Principal retirement. . . . .	80,000	80,000	80,000	-
Interest and fiscal charges. . . . .	145,201	145,201	145,201	-
<b>Total debt service.</b> . . . .	<u>225,201</u>	<u>225,201</u>	<u>225,201</u>	<u>-</u>
<b>Total expenditures.</b> . . . .	<u>232,001</u>	<u>232,629</u>	<u>232,629</u>	<u>-</u>
<b>Net change in fund balance.</b> . . . .	89,281	41,893	16,967	(24,926)
<b>Fund balance at beginning of year . . . . .</b>	<u>64,342</u>	<u>64,342</u>	<u>64,342</u>	<u>-</u>
<b>Fund balance at end of year.</b> . . . .	<u>\$ 153,623</u>	<u>\$ 106,235</u>	<u>\$ 81,309</u>	<u>\$ (24,926)</u>

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**CITY OF STEUBENVILLE, OHIO**

COMBINING BALANCE SHEET  
NONMAJOR CAPITAL PROJECTS FUNDS  
DECEMBER 31, 2011

	<b>Capital Improvement</b>	<b>Municipal Court Improvement</b>	<b>.7% City Income Tax - Equipment Improvement</b>
<b>Assets:</b>			
Equity in pooled cash and cash equivalents . . . .	\$ 277,873	\$ 59,114	\$ 1,189,800
Receivables (net of allowances of uncollectibles):			
Income taxes . . . . .	-	-	70,474
Total assets . . . . .	<u>\$ 277,873</u>	<u>\$ 59,114</u>	<u>\$ 1,260,274</u>
<b>Liabilities:</b>			
Accounts payable . . . . .	\$ -	\$ -	\$ 4,024
Deferred revenue . . . . .	-	-	70,474
Total liabilities . . . . .	<u>-</u>	<u>-</u>	<u>74,498</u>
<b>Fund balances:</b>			
Restricted . . . . .	277,873	59,114	-
Committed . . . . .	-	-	1,185,776
Total fund balances . . . . .	<u>277,873</u>	<u>59,114</u>	<u>1,185,776</u>
Total liabilities and fund balances. . . . .	<u>\$ 277,873</u>	<u>\$ 59,114</u>	<u>\$ 1,260,274</u>

<b>.7% City Income Tax - Recreation Improvement</b>	<b>Total Nonmajor Capital Projects Funds</b>
\$ 54,470	\$ 1,581,257
<u>23,491</u>	<u>93,965</u>
<u>\$ 77,961</u>	<u>\$ 1,675,222</u>
\$ -	\$ 4,024
<u>23,491</u>	<u>93,965</u>
<u>23,491</u>	<u>97,989</u>
-	336,987
54,470	1,240,246
<u>54,470</u>	<u>1,577,233</u>
<u>\$ 77,961</u>	<u>\$ 1,675,222</u>

**CITY OF STEUBENVILLE, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR CAPITAL PROJECTS FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2011

	<u>Capital Improvement</u>	<u>Municipal Court Improvement</u>	<u>.7% City Income Tax - Equipment Improvement</u>
<b>Revenues:</b>			
Municipal income taxes . . . . .	\$ -	\$ -	\$ 300,000
Fines and forfeitures . . . . .	-	28,244	-
Intergovernmental . . . . .	23,740	-	-
Contributions and donations . . . . .	16,667	-	-
Other . . . . .	560	-	-
	<hr/>	<hr/>	<hr/>
Total revenues . . . . .	40,967	28,244	300,000
	<hr/>	<hr/>	<hr/>
<b>Expenditures:</b>			
Capital outlay . . . . .	51,408	23,696	53,585
	<hr/>	<hr/>	<hr/>
Total expenditures . . . . .	51,408	23,696	53,585
	<hr/>	<hr/>	<hr/>
Net change in fund balances . . . . .	(10,441)	4,548	246,415
	<hr/>	<hr/>	<hr/>
<b>Fund balances at beginning of year (restated) .</b>	288,314	54,566	939,361
	<hr/>	<hr/>	<hr/>
<b>Fund balances at end of year . . . . .</b>	<u>\$ 277,873</u>	<u>\$ 59,114</u>	<u>\$ 1,185,776</u>

<b>.7% City Income Tax - Recreation Improvement</b>	<b>Total Nonmajor Capital Projects Funds</b>
\$ 100,000	\$ 400,000
-	28,244
37,255	60,995
-	16,667
-	560
<u>137,255</u>	<u>506,466</u>
<u>112,042</u>	<u>240,731</u>
<u>112,042</u>	<u>240,731</u>
25,213	265,735
<u>29,257</u>	<u>1,311,498</u>
<u>\$ 54,470</u>	<u>\$ 1,577,233</u>

**CITY OF STEUBENVILLE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 CAPITAL IMPROVEMENT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental. . . . .	\$ -	\$ 23,740	\$ 23,740	\$ -
Contributions and donations. . . . .	16,667	16,667	16,667	-
Other . . . . .	-	560	560	-
<b>Total revenues . . . . .</b>	<u>16,667</u>	<u>40,967</u>	<u>40,967</u>	<u>-</u>
<b>Expenditures:</b>				
Capital improvement				
Capital outlay . . . . .	100,000	51,408	51,408	-
<b>Total expenditures. . . . .</b>	<u>100,000</u>	<u>51,408</u>	<u>51,408</u>	<u>-</u>
Net change in fund balance. . . . .	(83,333)	(10,441)	(10,441)	-
<b>Fund balance at beginning of year . . . . .</b>	<u>288,314</u>	<u>288,314</u>	<u>288,314</u>	<u>-</u>
<b>Fund balance at end of year. . . . .</b>	<u>\$ 204,981</u>	<u>\$ 277,873</u>	<u>\$ 277,873</u>	<u>\$ -</u>



**CITY OF STEUBENVILLE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 MUNICIPAL COURT IMPROVEMENT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2011

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Fines and forfeitures . . . . .	\$ 34,440	\$ 28,235	\$ 28,244	\$ 9
Other . . . . .	2,072	-	-	-
<b>Total revenues . . . . .</b>	<b>36,512</b>	<b>28,235</b>	<b>28,244</b>	<b>9</b>
<b>Expenditures:</b>				
Capital outlay				
Municipal court				
Maintenance and operations . . . . .	-	69	69	-
Capital outlay . . . . .	31,967	19,981	19,941	40
Other . . . . .	3,881	3,686	3,686	-
<b>Total expenditures . . . . .</b>	<b>35,848</b>	<b>23,736</b>	<b>23,696</b>	<b>40</b>
Net change in fund balance . . . . .	664	4,499	4,548	49
<b>Fund balance at beginning of year . . . . .</b>	<b>54,566</b>	<b>54,566</b>	<b>54,566</b>	<b>-</b>
<b>Fund balance at end of year . . . . .</b>	<b>\$ 55,230</b>	<b>\$ 59,065</b>	<b>\$ 59,114</b>	<b>\$ 49</b>

**CITY OF STEUBENVILLE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 .7% CITY INCOME TAX - EQUIPMENT IMPROVEMENT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2011

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Municipal income taxes . . . . .	\$ 300,000	\$ 300,000	\$ 300,000	\$ -
Total revenues . . . . .	300,000	300,000	300,000	-
<b>Expenditures:</b>				
Capital outlay				
Equipment improvement				
Maintenance and operations. . . . .	-	572	572	-
Capital outlay . . . . .	155,000	43,650	43,073	577
Other . . . . .	11,535	11,148	11,148	-
Total expenditures. . . . .	166,535	55,370	54,793	577
Net change in fund balance . . . . .	133,465	244,630	245,207	577
<b>Fund balance at beginning of year. . . . .</b>	939,361	939,361	939,361	-
<b>Fund balance at end of year . . . . .</b>	\$ 1,072,826	\$ 1,183,991	\$ 1,184,568	\$ 577

**CITY OF STEUBENVILLE, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 .7% CITY INCOME TAX - RECREATION IMPROVEMENT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Municipal income taxes . . . . .	\$ 100,000	\$ 100,000	\$ 100,000	\$ -
Intergovernmental . . . . .	-	-	37,255	37,255
<b>Total revenues.</b> . . . .	<u>100,000</u>	<u>100,000</u>	<u>137,255</u>	<u>37,255</u>
<b>Expenditures:</b>				
Capital outlay				
Recreation improvement				
Maintenance and operations . . . . .	-	15,741	15,709	32
Capital outlay . . . . .	98,200	109,930	106,754	3,176
Other. . . . .	3,400	3,529	3,529	-
<b>Total expenditures.</b> . . . .	<u>101,600</u>	<u>129,200</u>	<u>125,992</u>	<u>3,208</u>
Net change in fund balance. . . . .	(1,600)	(29,200)	11,263	40,463
<b>Fund balance at beginning of year . . . . .</b>	24,257	24,257	24,257	-
<b>Prior year encumbrances appropriated . . .</b>	5,000	5,000	5,000	-
<b>Fund balance at end of year.</b> . . . .	<u>\$ 27,657</u>	<u>\$ 57</u>	<u>\$ 40,520</u>	<u>\$ 40,463</u>

**CITY OF STEUBENVILLE, OHIO**  
INDIVIDUAL FUND SCHEDULES  
FUND DESCRIPTIONS - PROPRIETARY FUNDS

**ENTERPRISE FUNDS**

To account for the financing of costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis that are financed or recovered primarily through user charges.

**Major Enterprise Funds**

***Water Fund***

This fund accounts for the provision of water treatment and distribution to its residential and commercial users located within the City.

***Sewer Fund***

This fund accounts for the provision of sanitary sewer service to the residents and commercial users located within the City.

***Refuse Fund***

This fund accounts for the operations of providing refuse waste removal to the residents and commercial users located within the City.

**INTERNAL SERVICE FUND**

To account for the financing of services provided by one department or agency to other departments or agencies of the City on a cost-reimbursement basis.

**Internal Service Fund**

***Health Assurance Fund***

This fund accounts for health care claims for the City's employees.

**CITY OF STEUBENVILLE, OHIO**

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN  
 FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 WATER FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2011

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Operating revenues:</b>				
Charges for services . . . . .	\$ 4,800,929	\$ 4,766,568	\$ 4,716,918	\$ (49,650)
Other . . . . .	1,048,937	4,486	4,486	-
Total revenues . . . . .	<u>5,849,866</u>	<u>4,771,054</u>	<u>4,721,404</u>	<u>(49,650)</u>
<b>Operating expenses:</b>				
Personal services . . . . .	1,677,945	1,678,315	1,640,168	38,147
Maintenance and operations . . . . .	1,635,981	1,556,862	1,429,283	127,579
Capital outlay . . . . .	230,387	442,335	619,000	(176,665)
Total expenses . . . . .	<u>3,544,313</u>	<u>3,677,512</u>	<u>3,688,451</u>	<u>(10,939)</u>
Operating income . . . . .	<u>2,305,553</u>	<u>1,093,542</u>	<u>1,032,953</u>	<u>(60,589)</u>
<b>Nonoperating revenues (expenses):</b>				
Sale of capital assets . . . . .	-	-	1,000	1,000
Loans issued . . . . .	201,387	401,717	578,675	176,958
Reimbursements . . . . .	(169,825)	(7,613)	(7,745)	(132)
Debt service:				
Principal retirement . . . . .	(2,826,341)	(3,141,224)	(3,141,224)	-
Interest and fiscal charges . . . . .	(1,118,412)	(1,243,014)	(1,242,919)	95
Total nonoperating revenues (expenses) . . . . .	<u>(3,913,191)</u>	<u>(3,990,134)</u>	<u>(3,812,213)</u>	<u>177,921</u>
Net change in fund equity . . . . .	(1,607,638)	(2,896,592)	(2,779,260)	117,332
<b>Fund equity at beginning of year . . . . .</b>	2,930,133	2,930,133	2,930,133	-
<b>Prior year encumbrances appropriated . . . . .</b>	<u>948,109</u>	<u>948,109</u>	<u>948,109</u>	<u>-</u>
<b>Fund equity at end of year . . . . .</b>	<u>\$ 2,270,604</u>	<u>\$ 981,650</u>	<u>\$ 1,098,982</u>	<u>\$ 117,332</u>

**CITY OF STEUBENVILLE, OHIO**

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN  
 FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 SEWER FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2011

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Operating revenues:</b>				
Charges for services . . . . .	\$ 5,424,590	\$ 5,424,590	\$ 5,339,473	\$ (85,117)
Other . . . . .	151,737	1,393	1,393	-
Total revenues . . . . .	5,576,327	5,425,983	5,340,866	(85,117)
<b>Operating expenses:</b>				
Personal services . . . . .	1,472,820	1,524,737	1,504,151	20,586
Maintenance and operations . . . . .	1,765,187	1,848,833	1,725,604	123,229
Capital outlay . . . . .	415,326	649,979	602,460	47,519
Total expenses . . . . .	3,653,333	4,023,549	3,832,215	191,334
Operating income . . . . .	1,922,994	1,402,434	1,508,651	106,217
<b>Nonoperating revenues (expenses):</b>				
Sale of capital assets . . . . .	-	-	3,090	3,090
Loans issued . . . . .	200,766	15,119	15,119	-
Reimbursements . . . . .	(243,755)	(10,534)	(10,941)	(407)
Debt service:				
Principal retirement . . . . .	(1,424,945)	(1,425,803)	(1,425,803)	-
Interest and fiscal charges . . . . .	(511,927)	(512,235)	(512,118)	117
Total nonoperating revenues (expenses) . . . . .	(1,979,861)	(1,933,453)	(1,930,653)	2,800
Net change in fund equity . . . . .	(56,867)	(531,019)	(422,002)	109,017
<b>Fund equity at beginning of year . . . . .</b>	4,094,878	4,094,878	4,094,878	-
<b>Prior year encumbrances appropriated . . . . .</b>	1,162,696	1,162,696	1,162,696	-
<b>Fund equity at end of year . . . . .</b>	\$ 5,200,707	\$ 4,726,555	\$ 4,835,572	\$ 109,017

**CITY OF STEUBENVILLE, OHIO**

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN  
 FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 REFUSE FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Operating revenues:</b>				
Charges for services . . . . .	\$ 2,285,201	\$ 2,285,201	\$ 2,299,205	\$ 14,004
Other. . . . .	9,865	920	926	6
Total revenues . . . . .	<u>2,295,066</u>	<u>2,286,121</u>	<u>2,300,131</u>	<u>14,010</u>
<b>Operating expenses:</b>				
Personal services. . . . .	967,858	961,076	909,075	52,001
Contractual services . . . . .	355,625	396,482	387,593	8,889
Maintenance and operations . . . . .	166,100	754,248	711,678	42,570
Capital outlay . . . . .	138,989	142,851	115,346	27,505
Total expenses . . . . .	<u>1,628,572</u>	<u>2,254,657</u>	<u>2,123,692</u>	<u>130,965</u>
Operating income . . . . .	<u>666,494</u>	<u>31,464</u>	<u>176,439</u>	<u>144,975</u>
<b>Nonoperating revenues (expenses):</b>				
Intergovernmental. . . . .	5,000	-	-	-
Note issuance . . . . .	-	495,000	495,000	-
Reimbursements. . . . .	(147,207)	(28,755)	(293)	28,462
Debt service:				
Principal retirement . . . . .	(26,329)	(26,329)	(26,329)	-
Interest and fiscal charges. . . . .	(1,005)	(1,048)	(1,048)	-
Total nonoperating revenues (expenses). . . . .	<u>(169,541)</u>	<u>438,868</u>	<u>467,330</u>	<u>28,462</u>
Net change in fund equity . . . . .	496,953	470,332	643,769	173,437
<b>Fund equity at beginning of year. . . . .</b>	1,843,994	1,843,994	1,843,994	-
<b>Prior year encumbrances appropriated . . . . .</b>	<u>81,069</u>	<u>81,069</u>	<u>81,069</u>	<u>-</u>
<b>Fund equity at end of year . . . . .</b>	<u>\$ 2,422,016</u>	<u>\$ 2,395,395</u>	<u>\$ 2,568,832</u>	<u>\$ 173,437</u>

**CITY OF STEUBENVILLE, OHIO**

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN  
 FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 HEALTH ASSURANCE FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		
<b>Operating revenues:</b>				
Charges for services . . . . .	\$ 1,952,033	\$ 1,762,674	\$ 1,665,953	\$ (96,721)
Total revenues . . . . .	<u>1,952,033</u>	<u>1,762,674</u>	<u>1,665,953</u>	<u>(96,721)</u>
<b>Operating expenses:</b>				
Claims . . . . .	1,709,949	1,707,924	1,767,082	(59,158)
Maintenance and operations. . . . .	<u>1,170</u>	<u>405</u>	<u>405</u>	<u>-</u>
Total expenses . . . . .	<u>1,711,119</u>	<u>1,708,329</u>	<u>1,767,487</u>	<u>(59,158)</u>
Net change in fund equity . . . . .	240,914	54,345	(101,534)	(155,879)
<b>Fund equity at beginning of year. . . . .</b>	<u>223,449</u>	<u>223,449</u>	<u>223,449</u>	<u>-</u>
<b>Fund equity at end of year . . . . .</b>	<u>\$ 464,363</u>	<u>\$ 277,794</u>	<u>\$ 121,915</u>	<u>\$ (155,879)</u>



**CITY OF STEUBENVILLE, OHIO**  
INDIVIDUAL FUND SCHEDULES  
FUND DESCRIPTION - AGENCY FUNDS

**Agency Funds**

Agency funds are purely custodial (assets equal liabilities) and thus do not involve measurement of results of operations.

***Utility Service Deposit***

This fund is to account for monies put forth by customers as deposits on their utility accounts.

***Fire Damage Removal***

This fund is to account for monies deposited with the City in escrow until proper completion of work on fire damaged buildings.

***Zoning and Rezoning***

This fund accounts for monies paid by residents or businesses applying for zoning or rezoning of their property.

***Mayor's Court***

This fund accounts for fines and forfeitures used for the operation of the City's Mayor's Court.

**CITY OF STEUBENVILLE, OHIO**

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 AGENCY FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2011

	<b>Beginning Balance 12/31/2010</b>	<b>Additions</b>	<b>Reductions</b>	<b>Ending Balance 12/31/2011</b>
<b>Utility Service Deposit</b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ 261,244	\$ 101,486	\$ 90,071	\$ 272,659
Total assets . . . . .	<u>\$ 261,244</u>	<u>\$ 101,486</u>	<u>\$ 90,071</u>	<u>\$ 272,659</u>
<b>Liabilities:</b>				
Accounts payable. . . . .	\$ -	\$ 240	\$ -	\$ 240
Deposits held and due to others . . . . .	261,244	101,246	90,071	272,419
Total liabilities . . . . .	<u>\$ 261,244</u>	<u>\$ 101,486</u>	<u>\$ 90,071</u>	<u>\$ 272,659</u>
 <b>Fire Damage Removal</b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ 16,819	\$ 23,430	\$ 136	\$ 40,113
Total assets . . . . .	<u>\$ 16,819</u>	<u>\$ 23,430</u>	<u>\$ 136</u>	<u>\$ 40,113</u>
<b>Liabilities:</b>				
Deposits held and due to others . . . . .	\$ 16,819	\$ 23,430	\$ 136	\$ 40,113
Total liabilities . . . . .	<u>\$ 16,819</u>	<u>\$ 23,430</u>	<u>\$ 136</u>	<u>\$ 40,113</u>
 <b>Zoning and Rezoning</b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ 9,525	\$ 2,500	\$ 1,412	\$ 10,613
Total assets . . . . .	<u>\$ 9,525</u>	<u>\$ 2,500</u>	<u>\$ 1,412</u>	<u>\$ 10,613</u>
<b>Liabilities:</b>				
Deposits held and due to others . . . . .	\$ 9,525	\$ 2,500	\$ 1,412	\$ 10,613
Total liabilities . . . . .	<u>\$ 9,525</u>	<u>\$ 2,500</u>	<u>\$ 1,412</u>	<u>\$ 10,613</u>

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**CITY OF STEUBENVILLE, OHIO**

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 AGENCY FUNDS (CONCLUDED)  
 FOR THE YEAR ENDED DECEMBER 31, 2011

	<b>Beginning Balance 12/31/2010</b>	<b>Additions</b>	<b>Reductions</b>	<b>Ending Balance 12/31/2011</b>
<b>Mayor's Court</b>				
<b>Assets:</b>				
Cash in segregated accounts . . . . .	\$ 30,726	\$ 926,071	\$ 944,134	\$ 12,663
Total assets . . . . .	<u>\$ 30,726</u>	<u>\$ 926,071</u>	<u>\$ 944,134</u>	<u>\$ 12,663</u>
<b>Liabilities:</b>				
Undistributed monies . . . . .	\$ 30,726	\$ 926,071	\$ 944,134	\$ 12,663
Total liabilities . . . . .	<u>\$ 30,726</u>	<u>\$ 926,071</u>	<u>\$ 944,134</u>	<u>\$ 12,663</u>
 <b>Total Agency Funds</b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ 287,588	\$ 127,416	\$ 91,619	\$ 323,385
Cash in segregated accounts . . . . .	30,726	926,071	944,134	12,663
Total assets . . . . .	<u>\$ 318,314</u>	<u>\$ 1,053,487</u>	<u>\$ 1,035,753</u>	<u>\$ 336,048</u>
<b>Liabilities:</b>				
Accounts payable . . . . .	\$ -	\$ 240	\$ -	\$ 240
Undistributed monies . . . . .	30,726	926,071	944,134	12,663
Deposits held and due to others . . . . .	287,588	127,176	91,619	323,145
Total liabilities . . . . .	<u>\$ 318,314</u>	<u>\$ 1,053,487</u>	<u>\$ 1,035,753</u>	<u>\$ 336,048</u>

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# **STATISTICAL SECTION**



**CITY OF STEUBENVILLE, OHIO**  
**STATISTICAL SECTION**

This part of the City of Steubenville's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

<b><u>Contents</u></b>	<b><u>Page</u></b>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	<b>162-175</b>
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the City's most significant local revenue sources, income and property taxes.	<b>176-182</b>
<b>Debt Capacity</b> These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	<b>184-191</b>
<b>Demographic and Economic Information</b> These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	<b>192-193</b>
<b>Operating Information</b> These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	<b>194-199</b>

**Sources:** Sources are noted on the individual schedules. The City implemented GASB Statement 34 in 2003; schedules presenting government-wide information include information beginning in that year.

**CITY OF STEUBENVILLE, OHIO**

NET ASSETS BY COMPONENT  
LAST NINE YEARS  
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
<b>Governmental activities:</b>				
Invested in capital assets, net of related debt	\$ 30,738,893	\$ 26,909,300	\$ 23,206,767	\$ 16,585,071
Restricted for:				
Capital projects	277,873	288,314	-	-
Debt service	-	-	420,527	879,230
Street construction, maintenance and repair	775,909	622,845	1,728,087	2,435,015
Police and fire	43,405	82,567	102,051	88,829
Municipal court improvements	59,114	54,566	60,325	59,684
Recreation	-	15,831	29,430	2,846,834
Community development projects	1,670,954	1,747,983	1,829,627	2,354,668
Health programs	-	57,079	114,445	128,361
Safety programs	966,327	1,051,792	1,136,229	1,210,404
Equipment improvement	-	-	786,267	654,301
Court programs	86,679	-	-	-
Emergency management	54,516	-	-	-
Other purposes	168,242	156,074	63,380	58,704
Unrestricted (deficit)	2,502,916	1,813,032	(2,205,828)	(2,163,937)
Total governmental activities net assets	<u>\$ 37,344,828</u>	<u>\$ 32,799,383</u>	<u>\$ 27,271,307</u>	<u>\$ 25,137,164</u>
<b>Business-type activities:</b>				
Invested in capital assets, net of related debt	\$ 12,081,644	\$ 10,317,812	\$ 10,038,419	\$ 7,806,962
Restricted for:				
Debt service	-	1,996,135	-	-
Capital projects	-	-	-	-
Unrestricted (deficit)	5,112,891	2,994,392	3,603,255	5,195,321
Total business-type activities net assets (deficit)	<u>\$ 17,194,535</u>	<u>\$ 15,308,339</u>	<u>\$ 13,641,674</u>	<u>\$ 13,002,283</u>
<b>Total primary government:</b>				
Invested in capital assets, net of related debt	\$ 42,820,537	\$ 37,227,112	\$ 33,245,186	\$ 24,392,033
Restricted for:				
Capital projects	277,873	288,314	-	-
Debt service	-	1,996,135	420,527	879,230
Street construction, maintenance and repair	775,909	622,845	1,728,087	2,435,015
Police and fire	43,405	82,567	102,051	88,829
Court computer	59,114	54,566	60,325	59,684
Recreation	-	15,831	29,430	2,846,834
Community development projects	1,670,954	1,747,983	1,829,627	2,354,668
Health programs	-	57,079	114,445	128,361
Safety programs	966,327	1,051,792	1,136,229	1,210,404
Equipment improvement	-	-	786,267	654,301
Court programs	86,679	-	-	-
Emergency management	54,516	-	-	-
Other purposes	168,242	156,074	63,380	58,704
Unrestricted (deficit)	7,615,807	4,807,424	1,397,427	3,031,384
Total primary government net assets	<u>\$ 54,539,363</u>	<u>\$ 48,107,722</u>	<u>\$ 40,912,981</u>	<u>\$ 38,139,447</u>

**Source:** City financial records

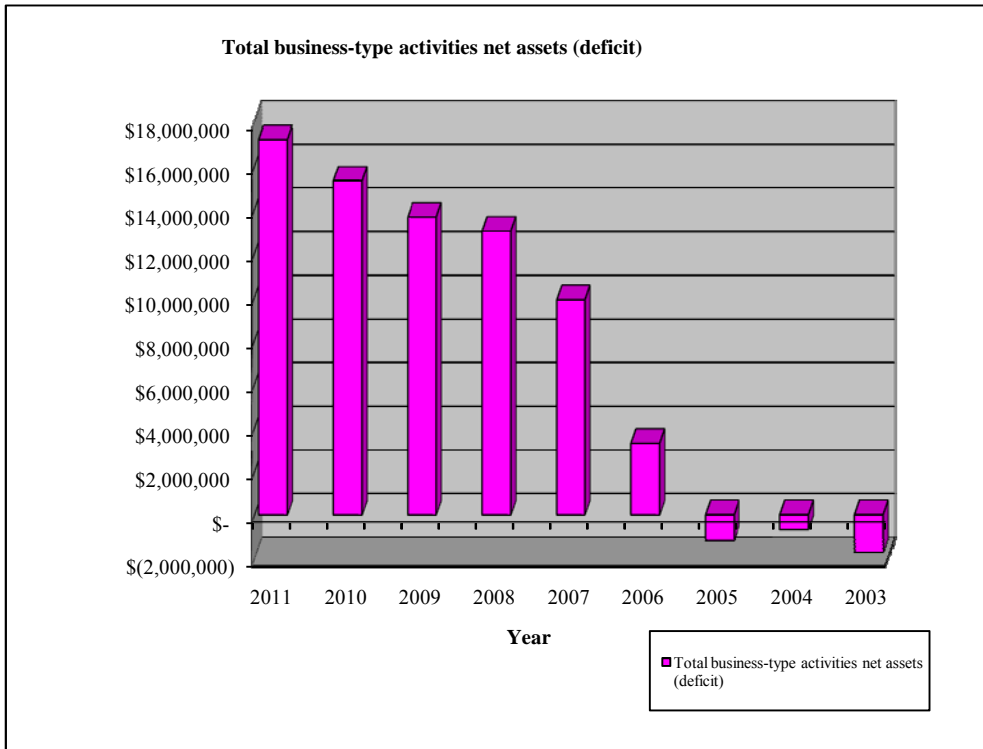
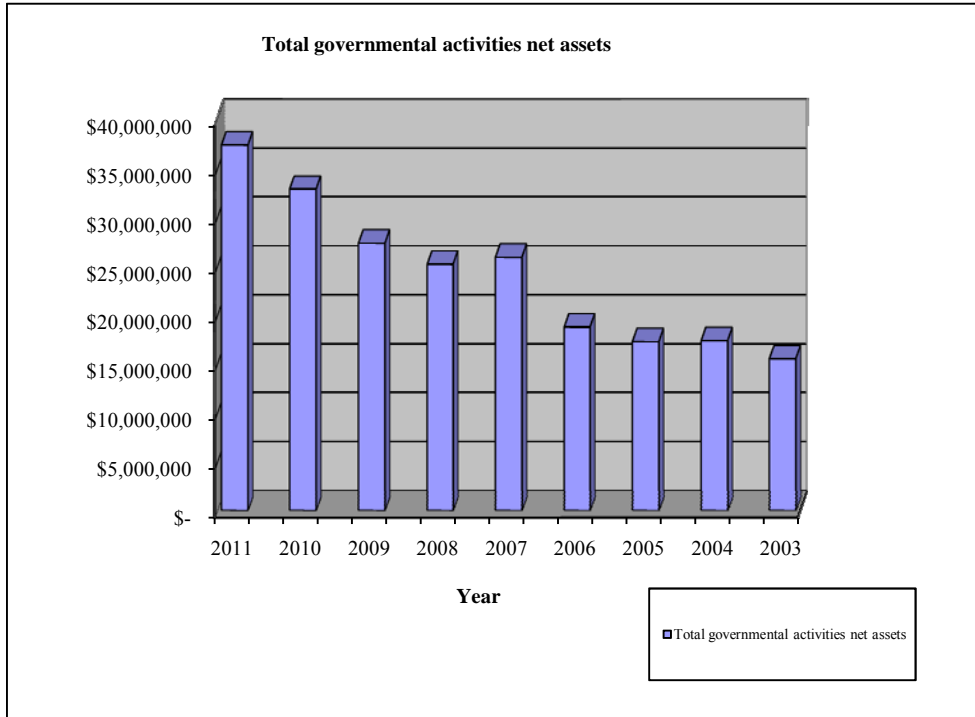
**Notes:** 2003 was the first year the City implemented GASB Statement No. 34, so comparative information before that date is not available. The 2010 restricted and unrestricted net assets categories for governmental activities for 2010 have been restated to conform to 2011 presentation.



	<b>2007</b>	<b>2006</b>	<b>2005</b>	<b>2004</b>	<b>2003</b>
\$	15,898,225	\$ 11,569,280	\$ 10,295,202	\$ 10,697,004	\$ 8,989,950
	5,669	6,163	6,064	59,433	-
	606,116	349,711	96,880	1,990,719	1,676,511
	2,154,123	1,901,304	1,206,031	813,741	-
	51,763	22,519	16,172	18,771	-
	45,815	77,582	79,110	55,966	-
	3,045,062	387,185	264,184	228,884	-
	1,619,150	1,433,165	1,496,213	1,626,304	-
	165,029	170,125	155,792	202,038	-
	1,303,307	1,334,423	1,397,229	1,453,509	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	758,041	811,675	626,979	459,717	2,175,397
	183,363	681,931	1,597,186	(252,988)	2,604,997
\$	<u>25,835,663</u>	<u>\$ 18,745,063</u>	<u>\$ 17,237,042</u>	<u>\$ 17,353,098</u>	<u>\$ 15,446,855</u>
\$	6,003,850	\$ 4,329,702	\$ 3,617,908	\$ 3,521,041	\$ 1,660,889
	-	-	-	-	-
	-	-	-	-	672,331
	3,862,938	(1,042,723)	(4,784,303)	(4,193,054)	(4,037,621)
\$	<u>9,866,788</u>	<u>\$ 3,286,979</u>	<u>\$ (1,166,395)</u>	<u>\$ (672,013)</u>	<u>\$ (1,704,401)</u>
\$	21,902,075	\$ 15,898,982	\$ 13,913,110	\$ 14,218,045	\$ 10,650,839
	5,669	6,163	6,064	59,433	672,331
	606,116	349,711	96,880	1,990,719	1,676,511
	2,154,123	1,901,304	1,206,031	813,741	-
	51,763	22,519	16,172	18,771	-
	45,815	77,582	79,110	55,966	-
	3,045,062	387,185	264,184	228,884	-
	1,619,150	1,433,165	1,496,213	1,626,304	-
	165,029	170,125	155,792	202,038	-
	1,303,307	1,334,423	1,397,229	1,453,509	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	758,041	811,675	626,979	459,717	2,175,397
	4,046,301	(360,792)	(3,187,117)	(4,446,042)	(1,432,624)
\$	<u>35,702,451</u>	<u>\$ 22,032,042</u>	<u>\$ 16,070,647</u>	<u>\$ 16,681,085</u>	<u>\$ 13,742,454</u>

**CITY OF STEUBENVILLE, OHIO**

**NET ASSETS CHART BY YEAR  
LAST NINE YEARS  
(ACCRUAL BASIS OF ACCOUNTING)**



**Source:** City financial records.

**Note:** 2003 was the first year the City implemented GASB Statement No. 34, so comparative information before that date is not available.

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**CITY OF STEUBENVILLE, OHIO**

CHANGES IN NET ASSETS  
LAST NINE YEARS  
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
<b>Program revenues:</b>				
Governmental activities:				
Charges for services:				
General government	\$ 657,322	\$ 646,991	\$ 801,003	\$ 672,740
Security of persons and property	2,064	1,466	-	-
Public health and welfare	225,540	232,830	225,164	222,305
Transportation	51,905	41,896	57,906	61,712
Community environment	104,721	129,981	72,974	91,980
Leisure time activity	191,819	191,177	153,526	173,053
Operating grants and contributions	5,814,008	2,651,845	1,695,188	2,085,508
Capital grants and contributions	4,950,871	5,745,507	1,225,697	1,121,706
Total governmental activities program revenues	<u>11,998,250</u>	<u>9,641,693</u>	<u>4,231,458</u>	<u>4,429,004</u>
Business-type activities:				
Charges for services:				
Water	4,674,343	4,795,414	4,835,011	6,173,116
Sewer	5,296,897	5,324,955	5,484,921	5,135,268
Refuse	2,265,419	2,323,022	2,291,258	2,071,423
Operating grants & contributions	-	-	5,000	-
Capital grants and contributions	-	-	-	-
Total business-type activities program revenues	<u>12,236,659</u>	<u>12,443,391</u>	<u>12,616,190</u>	<u>13,379,807</u>
Total primary government	<u>\$ 24,234,909</u>	<u>\$ 22,085,084</u>	<u>\$ 16,847,648</u>	<u>\$ 17,808,811</u>
<b>Expenses:</b>				
Governmental activities:				
General government	\$ 2,990,157	\$ 2,911,400	\$ 2,934,361	\$ 3,483,576
Security of persons and property	7,694,175	7,306,577	7,992,803	8,339,319
Public health and welfare	654,869	676,872	666,247	673,311
Transportation	6,606,547	3,109,896	3,033,970	3,128,182
Community environment	941,681	1,306,035	978,797	798,136
Leisure time activity	1,047,822	952,104	1,049,465	1,134,775
Interest and fiscal charges	278,428	262,986	200,235	166,141
Total governmental activities expenses	<u>20,213,679</u>	<u>16,525,870</u>	<u>16,855,878</u>	<u>17,723,440</u>
Business-type activities:				
Water	4,969,172	5,090,449	5,329,685	5,109,929
Sewer	3,798,340	4,075,627	3,293,273	3,544,872
Refuse	1,593,846	1,653,505	1,678,034	1,757,654
Total business-type activities expenses	<u>10,361,358</u>	<u>10,819,581</u>	<u>10,300,992</u>	<u>10,412,455</u>
Total primary government	<u>\$ 30,575,037</u>	<u>\$ 27,345,451</u>	<u>\$ 27,156,870</u>	<u>\$ 28,135,895</u>
<b>Net (expense) revenue:</b>				
Governmental activities	\$ (8,215,429)	\$ (6,884,177)	\$ (12,624,420)	\$ (13,294,436)
Business-type activities	1,875,301	1,623,810	2,315,198	2,967,352
Total primary government net expense	<u>\$ (6,340,128)</u>	<u>\$ (5,260,367)</u>	<u>\$ (10,309,222)</u>	<u>\$ (10,327,084)</u>

<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
\$ 722,722	\$ 859,967	\$ 1,162,228	\$ 570,338	\$ 44,056
-	-	-	-	7,098
96,972	116,237	116,747	112,663	-
80,782	42,126	12,174	15,344	-
122,548	117,697	92,777	113,147	-
147,641	141,343	150,299	138,125	129,212
2,075,776	2,845,380	3,299,749	2,341,005	505,542
336,145	693,500	156,930	-	2,160,102
<u>3,582,586</u>	<u>4,816,250</u>	<u>4,990,904</u>	<u>3,290,622</u>	<u>2,846,010</u>
7,097,240	5,208,970	2,953,427	5,272,318	4,391,282
5,607,176	4,261,270	3,303,677	2,659,158	2,946,954
2,054,759	1,879,283	1,558,520	1,224,700	1,585,341
-	-	-	1,884	-
-	-	-	82,933	236,654
<u>14,759,175</u>	<u>11,349,523</u>	<u>7,815,624</u>	<u>9,240,993</u>	<u>9,160,231</u>
<u>\$ 18,341,761</u>	<u>\$ 16,165,773</u>	<u>\$ 12,806,528</u>	<u>\$ 12,531,615</u>	<u>\$ 12,006,241</u>
\$ 3,709,120	\$ 3,068,472	\$ 3,643,118	\$ 2,922,021	\$ 4,291,920
7,899,412	7,396,326	7,039,478	7,219,148	6,637,134
584,846	554,806	552,773	551,723	483,774
3,108,143	2,524,113	2,662,626	2,578,988	2,177,323
766,962	996,697	1,152,806	1,204,524	1,714,799
1,150,102	1,094,251	1,330,663	1,136,809	1,252,440
110,959	155,708	157,898	139,162	59,187
<u>17,329,544</u>	<u>15,790,373</u>	<u>16,539,362</u>	<u>15,752,375</u>	<u>16,616,577</u>
4,196,897	3,005,936	3,883,618	3,774,894	2,904,483
3,261,806	2,668,393	2,926,004	2,706,380	2,430,305
1,643,833	1,480,158	1,566,337	1,560,753	1,435,658
<u>9,102,536</u>	<u>7,154,487</u>	<u>8,375,959</u>	<u>8,042,027</u>	<u>6,770,446</u>
<u>\$ 26,432,080</u>	<u>\$ 22,944,860</u>	<u>\$ 24,915,321</u>	<u>\$ 23,794,402</u>	<u>\$ 23,387,023</u>
\$ (13,746,958)	\$ (10,974,123)	\$ (11,548,458)	\$ (12,461,753)	\$ (13,770,567)
5,656,639	4,195,036	(560,335)	1,198,966	2,389,785
<u>\$ (8,090,319)</u>	<u>\$ (6,779,087)</u>	<u>\$ (12,108,793)</u>	<u>\$ (11,262,787)</u>	<u>\$ (11,380,782)</u>

-- Continued

**CITY OF STEUBENVILLE, OHIO**

CHANGES IN NET ASSETS  
LAST NINE YEARS (CONTINUED)  
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
<b>General revenues and other changes in net assets:</b>				
Governmental activities:				
Taxes:				
Property taxes levied for:				
General purposes	\$ 1,111,461	\$ 986,308	\$ 1,045,944	\$ 1,081,165
Debt service	229,331	211,596	218,263	224,870
Special revenue	-	-	-	-
Municipal income taxes levied for:				
General purposes	7,866,863	7,389,061	7,943,321	7,236,415
Street improvement	646,294	679,734	734,850	780,379
Equipment improvement	305,337	293,627	316,041	355,469
Recreation	101,779	97,875	105,347	118,490
Other taxes:				
Hotel occupancy taxes	220,348	181,220	215,029	252,246
General purposes	-	-	-	-
Special revenue	-	-	-	-
Grants and entitlements				
not restricted to specific programs	2,056,140	2,353,784	1,857,377	2,156,652
Investment earnings	9,160	40,629	87,574	148,934
Contributions and donations	-	-	15,941	15,864
Other	214,161	184,657	225,452	225,453
Special item	-	-	-	-
Transfers	-	(6,238)	1,993,424	-
Total governmental activities	<u>12,760,874</u>	<u>12,412,253</u>	<u>14,758,563</u>	<u>12,595,937</u>
Business-type activities:				
Investment earnings	-	195	3,606	150,867
Other	10,895	36,422	171,224	17,276
Special item	-	-	142,787	-
Transfers	-	6,238	(1,993,424)	-
Total business-type activities	<u>10,895</u>	<u>42,855</u>	<u>(1,675,807)</u>	<u>168,143</u>
Total primary government	<u>\$ 12,771,769</u>	<u>\$ 12,455,108</u>	<u>\$ 13,082,756</u>	<u>\$ 12,764,080</u>
<b>Change in net assets:</b>				
Governmental activities	\$ 4,545,445	\$ 5,528,076	\$ 2,134,143	\$ (698,499)
Business-type activities	1,886,196	1,666,665	639,391	3,135,495
Total primary government	<u>\$ 6,431,641</u>	<u>\$ 7,194,741</u>	<u>\$ 2,773,534</u>	<u>\$ 2,436,996</u>

**Source:** City financial records

**Note:** 2003 was the first year the City implemented GASB Statement No. 34, so comparative information before that date is not available.

<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
\$ 1,166,643	\$ 1,250,706	\$ 1,205,469	\$ 1,285,355	\$ 1,148,257
241,412	236,710	227,932	207,605	349,618
-	-	-	-	203,203
7,585,986	7,562,801	7,404,956	6,808,783	8,402,304
695,058	1,094,769	1,091,160	1,082,904	881,748
300,000	-	-	-	-
100,000	-	-	-	-
268,287	2,607	237,241	81,902	-
-	-	-	-	1,352,889
-	-	-	-	946,005
2,921,033	1,899,649	1,939,642	2,237,786	1,307,095
238,765	233,119	161,181	67,950	80,441
20,915	-	-	-	-
195,974	295,708	225,647	215,819	723,195
2,617,966	-	-	-	-
(30,000)	(93,925)	6,896	-	-
<u>16,322,039</u>	<u>12,482,144</u>	<u>12,500,124</u>	<u>11,988,104</u>	<u>15,394,755</u>
283,091	128,394	72,849	18,112	15,384
610,079	36,019	-	4,700	339,058
-	-	-	-	-
30,000	93,925	(6,896)	-	-
<u>923,170</u>	<u>258,338</u>	<u>65,953</u>	<u>22,812</u>	<u>354,442</u>
<u>\$ 17,245,209</u>	<u>\$ 12,740,482</u>	<u>\$ 12,566,077</u>	<u>\$ 12,010,916</u>	<u>\$ 15,749,197</u>
\$ 2,575,081	\$ 1,508,021	\$ 951,666	\$ (473,649)	\$ 1,624,188
6,579,809	4,453,374	(494,382)	1,221,778	2,744,227
<u>\$ 9,154,890</u>	<u>\$ 5,961,395</u>	<u>\$ 457,284</u>	<u>\$ 748,129</u>	<u>\$ 4,368,415</u>

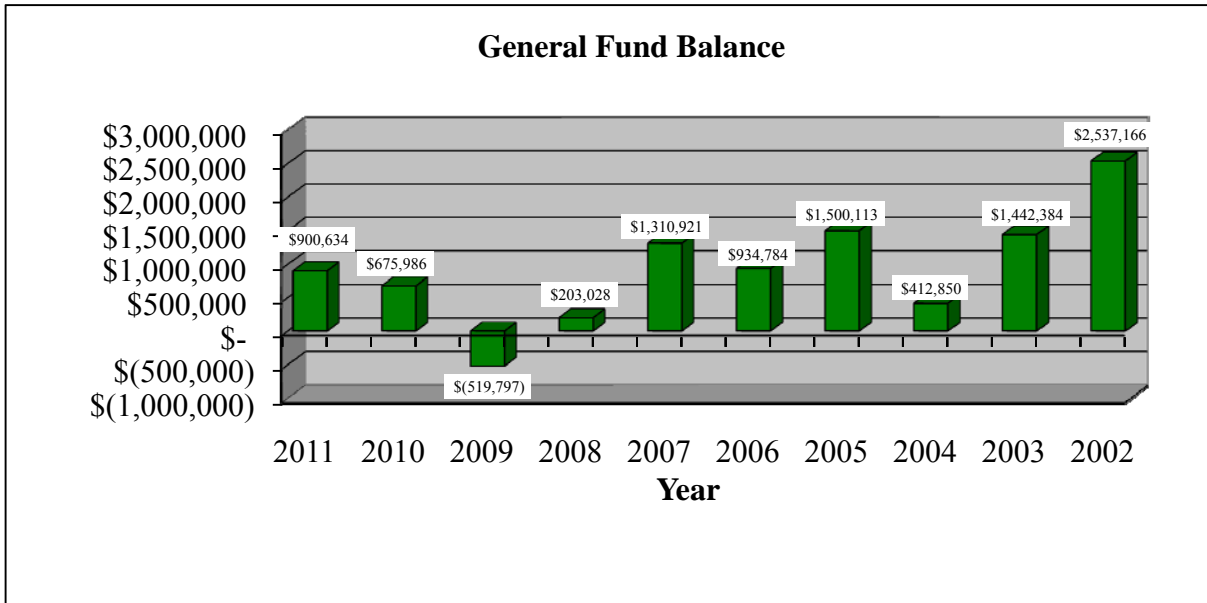
**CITY OF STEUBENVILLE, OHIO**

FUND BALANCES, GOVERNMENTAL FUNDS  
LAST TEN YEARS  
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
<b>General fund:</b>						
Nonspendable	\$ 341,304	\$ -	\$ -	\$ -	\$ -	\$ -
Assigned	93,057	-	-	-	-	-
Unassigned	466,273	-	-	-	-	-
Reserved	-	361,587	319,606	1,279,272	2,166,736	1,355,508
Unreserved (deficit)	-	314,399	(839,403)	(1,076,244)	(855,815)	(420,724)
<b>Total general fund</b>	<u>\$ 900,634</u>	<u>\$ 675,986</u>	<u>\$ (519,797)</u>	<u>\$ 203,028</u>	<u>\$ 1,310,921</u>	<u>\$ 934,784</u>
<b>All other governmental funds:</b>						
Nonspendable	\$ 131,273	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	2,138,752	-	-	-	-	-
Committed	2,440,719	-	-	-	-	-
Unassigned (deficit)	(668,428)	-	-	-	-	-
Reserved	-	312,317	1,472,789	1,339,217	214,565	546,490
Unreserved (deficit), reported in:						
Special revenue funds	-	1,994,119	3,094,366	6,033,891	7,731,775	4,175,135
Capital projects funds	-	288,314	483,583	(114,796)	5,669	6,163
Debt service fund	-	64,342	344,483	806,046	542,029	287,488
<b>Total all other governmental funds</b>	<u>\$ 4,042,316</u>	<u>\$ 2,659,092</u>	<u>\$ 5,395,221</u>	<u>\$ 8,064,358</u>	<u>\$ 8,494,038</u>	<u>\$ 5,015,276</u>

Source: City financial records

Note: the City implemented GASB Statement No. 54 in 2011 which changed the fund balance classifications in governmental funds.





<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
\$ -	\$ -	\$ -	\$ -
-	-	-	-
-	-	-	-
1,715,504	926,792	2,133,430	2,800,956
<u>(215,391)</u>	<u>(513,942)</u>	<u>(691,046)</u>	<u>(263,790)</u>
<u>\$ 1,500,113</u>	<u>\$ 412,850</u>	<u>\$ 1,442,384</u>	<u>\$ 2,537,166</u>
\$ -	\$ -	\$ -	\$ -
-	-	-	-
-	-	-	-
-	-	-	-
412,947	225,847	1,779,022	201,210
3,434,654	2,992,219	3,734,689	3,396,040
6,064	59,433	-	(222,261)
<u>-</u>	<u>1,931,570</u>	<u>-</u>	<u>1,439,479</u>
<u>\$ 3,853,665</u>	<u>\$ 5,209,069</u>	<u>\$ 5,513,711</u>	<u>\$ 4,814,468</u>

**CITY OF STEUBENVILLE, OHIO**

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS  
LAST TEN YEARS  
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

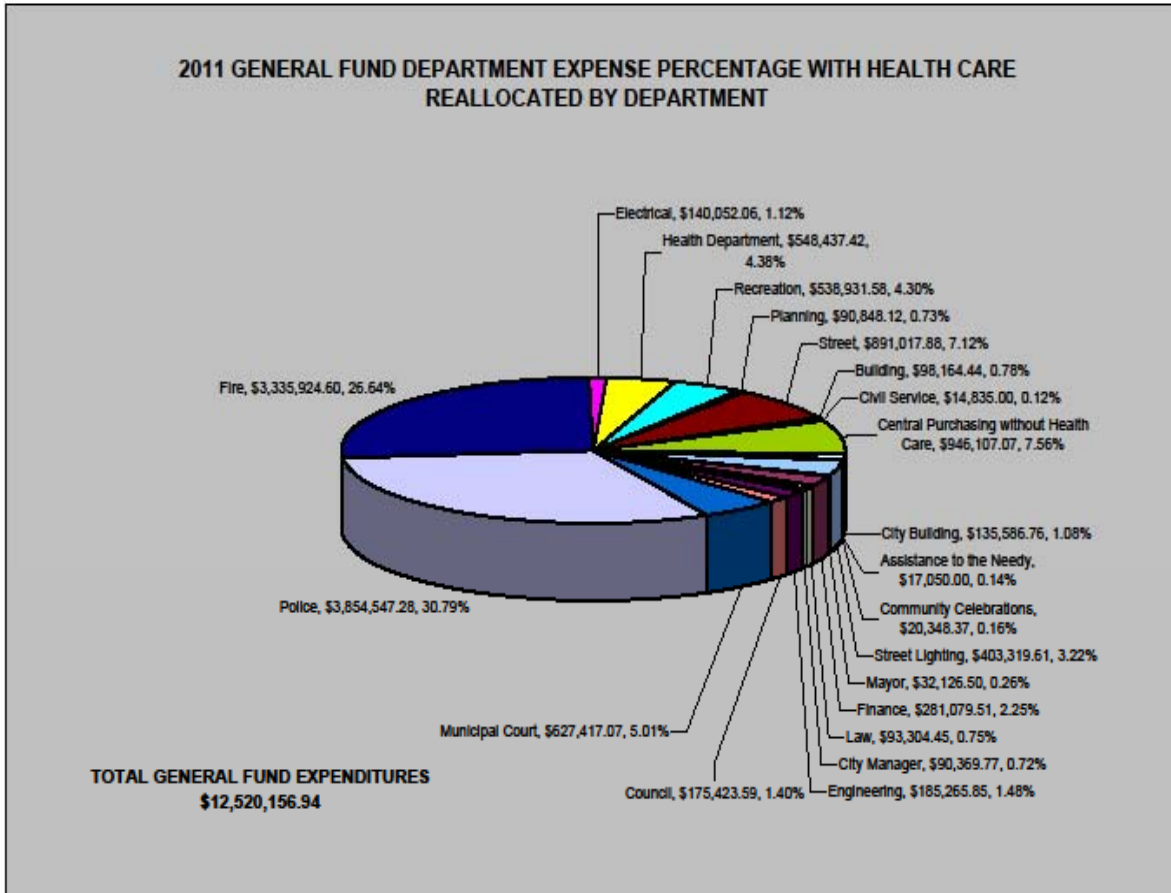
	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
<b>Revenues</b>					
Taxes	\$ 10,145,540	\$ 10,022,014	\$ 10,334,853	\$ 10,270,175	\$ 10,609,414
Charges for services	80,638	93,014	99,956	108,076	115,666
Licenses and permits	707,714	746,178	531,924	644,608	578,566
Fines and forfeitures	334,151	328,654	385,276	366,135	389,442
Intergovernmental	13,908,820	9,041,850	4,840,646	4,808,235	5,208,001
Special assessments	11,071	37,481	24,546	17,396	19,532
Investment income	9,206	41,021	94,164	177,626	400,646
Rental income	121,706	106,107	88,750	102,971	86,991
Contributions and donations	26,377	87,358	320,987	15,864	35,915
Other	162,443	220,932	225,452	210,552	182,084
Total revenues	<u>25,507,666</u>	<u>20,724,609</u>	<u>16,946,554</u>	<u>16,721,638</u>	<u>17,626,257</u>
<b>Expenditures</b>					
Current:					
General government	2,754,883	2,802,787	3,082,262	3,182,833	3,818,711
Security of persons and property	7,408,184	6,901,448	7,739,712	8,116,321	7,730,624
Public health and welfare	649,477	668,145	654,942	657,005	567,287
Transportation	5,129,288	4,216,869	3,931,171	3,475,403	2,883,481
Community environment	1,137,272	1,631,489	1,365,997	800,670	790,370
Leisure time activity	685,042	666,609	4,143,221	1,341,137	1,095,447
Capital outlay	5,678,947	4,871,515	1,968,845	120,465	24,900
Debt service:					
Principal retirement	231,646	3,706,834	804,310	412,361	226,195
Interest and fiscal charges	267,063	303,767	148,056	167,917	110,716
Bond issuance cost	-	125,262	-	-	-
Total expenditures	<u>23,941,802</u>	<u>25,894,725</u>	<u>23,838,516</u>	<u>18,274,112</u>	<u>17,247,731</u>
Excess of revenues over (under) expenditures	<u>1,565,864</u>	<u>(5,170,116)</u>	<u>(6,891,962)</u>	<u>(1,552,474)</u>	<u>378,526</u>
<b>Other financing sources (uses)</b>					
Notes issued	-	-	3,500,000	-	750,000
Loans issued	-	-	-	-	-
Bonds issued	-	3,497,612	-	-	-
Premium on bonds	-	131,071	-	-	-
Capital lease transaction	-	-	-	-	24,406
Sale of capital assets	42,008	1,087	-	14,901	13,890
Transfers in	-	344,482	150,000	-	695
Transfers (out)	-	(344,482)	(150,000)	-	(695)
Proceeds from sale of golf course	-	-	-	-	2,688,077
Total other financing sources (uses)	<u>42,008</u>	<u>3,629,770</u>	<u>3,500,000</u>	<u>14,901</u>	<u>3,476,373</u>
Net change in fund balances	<u>\$ 1,607,872</u>	<u>\$ (1,540,346)</u>	<u>\$ (3,391,962)</u>	<u>\$ (1,537,573)</u>	<u>\$ 3,854,899</u>
Capital expenditures	5,645,566	7,497,907	10,162,964	2,099,841	1,336,789
Debt service as a percentage of noncapital expenditures.	2.73%	21.80%	6.96%	3.59%	2.12%

**Source:** City financial records

<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
\$ 9,896,164	\$ 10,114,019	\$ 9,746,602	\$ 10,275,944	\$ 9,751,456
117,442	141,887	122,305	180,367	746,943
574,840	508,617	531,805	672,008	590,545
400,215	627,392	237,781	-	-
5,550,198	5,534,534	4,430,523	5,383,232	6,192,083
21,917	21,052	17,206	-	17,452
254,387	158,753	67,302	80,441	-
105,189	89,754	57,726	-	-
-	-	-	-	-
333,118	225,647	197,313	790,994	947,823
<u>17,253,470</u>	<u>17,421,655</u>	<u>15,408,563</u>	<u>17,382,986</u>	<u>18,246,302</u>
2,994,448	3,557,204	3,048,252	4,238,125	3,774,495
7,304,695	7,056,162	7,203,239	6,634,632	6,150,680
550,636	541,450	558,459	478,712	442,091
1,982,037	3,964,513	3,494,551	2,176,920	1,927,320
995,509	1,142,684	1,184,462	1,832,466	1,461,661
1,023,240	1,275,090	1,278,909	1,183,695	1,190,642
1,286,959	497,326	310,546	941,600	3,118,584
362,045	120,688	324,404	29,033	125,569
157,552	136,303	138,909	46,887	-
-	-	-	-	-
<u>16,657,121</u>	<u>18,291,420</u>	<u>17,541,731</u>	<u>17,562,070</u>	<u>18,191,042</u>
<u>596,349</u>	<u>(869,765)</u>	<u>(2,133,168)</u>	<u>(179,084)</u>	<u>55,260</u>
-	-	183,000	-	76,500
-	586,100	-	-	-
-	-	-	-	-
-	-	-	-	-
-	7,377	26,401	-	-
-	1,251	81,569	-	-
54,692	2,163,120	400,000	88,853	500,000
(54,759)	(2,156,224)	-	(88,853)	(500,000)
-	-	-	-	-
<u>(67)</u>	<u>601,624</u>	<u>690,970</u>	<u>-</u>	<u>76,500</u>
<u>\$ 596,282</u>	<u>\$ (268,141)</u>	<u>\$ (1,442,198)</u>	<u>\$ (179,084)</u>	<u>\$ 131,760</u>
1,339,728	2,356,926	2,203,905	1,026,613	3,118,584
3.39%	1.61%	3.02%	0.46%	0.83%

**CITY OF STEUBENVILLE, OHIO**

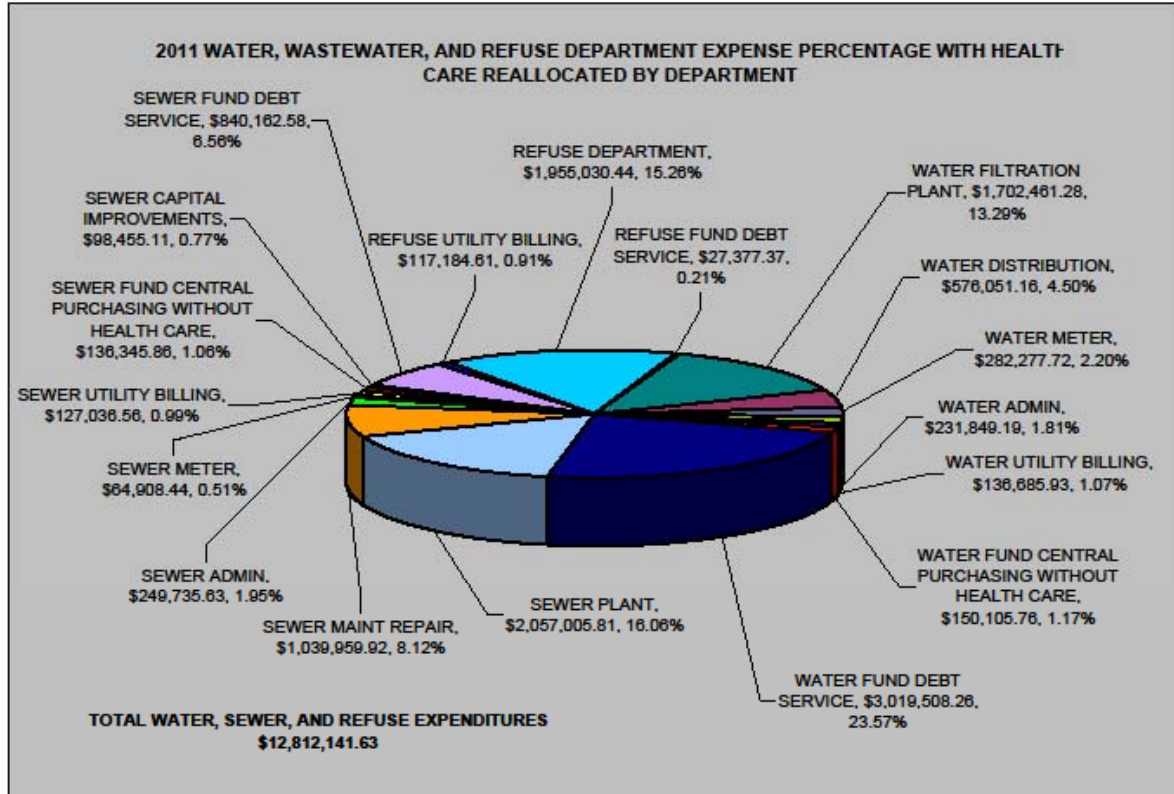
**GENERAL FUND EXPENDITURES CHART BY DEPARTMENT  
CURRENT YEAR  
(CASH BASIS)**



Source: City financial records.

**CITY OF STEUBENVILLE, OHIO**

**ENTERPRISE FUNDS EXPENSES BY DEPARTMENT  
CURRENT YEAR  
(CASH BASIS)**



Source: City financial records.

**CITY OF STEUBENVILLE, OHIO**

ASSESSED VALUATION AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY  
LAST TEN YEARS

Collection Year	Real Property		Public Utility Property		Tangible Personal Property	
	Assessed Value	Estimated Actual Value (a)	Assessed Value	Estimated Actual Value (b)	Assessed Value	Estimated Actual Value (c)
2011	\$ 230,747,900	\$ 659,279,714	\$ 11,691,860	\$ 13,286,205	\$ -	\$ -
2010	232,243,400	663,552,571	11,301,060	12,842,114	345,630	5,530,080
2009	237,605,420	678,872,629	10,779,200	12,249,091	674,930	10,798,880
2008	234,308,020	669,451,486	10,902,720	12,389,455	14,664,912	234,638,592
2007	230,981,890	659,948,257	12,857,380	14,610,659	19,189,085	153,512,680
2006	206,432,060	589,805,886	13,051,460	14,831,205	22,470,997	119,845,317
2005	203,563,940	581,611,257	13,235,020	15,039,795	31,607,557	126,430,228
2004	205,439,310	586,969,457	12,935,750	14,699,716	29,566,069	118,264,276
2003	194,790,780	556,545,086	12,849,760	14,602,000	27,607,706	110,430,824
2002	201,970,840	577,059,543	9,896,144	11,245,618	20,392,891	81,571,564

**Source:** Jefferson County, Ohio; Auditor's Office

- (a) Real property is assessed at 35% of actual value. Real property taxes collected in a calendar year are levied as of January 1 of that year based on assessed values as of January 1 of the preceding year.
- (b) Public utility is assessed at 88% of actual value. Public utility real and tangible property taxes collected in a calendar year are levied in the preceding calendar year based on assessed values determined as of December 31 of the second preceding year.
- (c) For 2005 and prior, tangible personal is assessed at 25% of true value for capital assets and 23% percent of true value for inventory. For 2006, tangible personal personal property tax is assessed at 18.75% of property value, including inventory. For 2007, tangible personal personal property tax is assessed at 12.50% of property value, including inventory. For 2008, tangible personal personal property tax is assessed at 6.25% of property value, including inventory. For 2009 and 2010, tangible personal personal property tax is assessed at 0.00% of property value, including inventory, except for telephone tangible personal property which is assessed at 10% of property value, including inventory. In 2009 and 2010, telephone tangible is the only taxable tangible personal property. The tangible personal property tax was phased out in 2011.

<b>Total</b>			
<b>Assessed Value</b>	<b>Estimated Actual Value</b>	<b>Ratio</b>	<b>Total Direct Tax Rate</b>
\$ 242,439,760	\$ 672,565,919	36.05%	8.20
243,890,090	681,924,765	35.76%	8.20
249,059,550	701,920,600	35.48%	8.20
259,875,652	916,479,533	28.36%	8.20
263,028,355	828,071,596	31.76%	8.20
241,954,517	724,482,409	33.40%	8.20
248,406,517	723,081,282	34.35%	8.20
247,941,129	719,933,450	34.44%	8.20
235,248,246	681,577,910	34.52%	8.20
232,259,875	669,876,725	34.67%	8.20

**CITY OF STEUBENVILLE, OHIO**

DIRECT AND OVERLAPPING PROPERTY TAX RATES  
(RATE PER \$1,000 OF ASSESSED VALUE)  
LAST TEN YEARS

Collection Year	City Direct Rates				Overlapping Rates				
	Operating	Debt Service	Police and Fire Pension	Total Direct Rate	Jefferson County	Steubenville City School District	Jefferson County Joint Vocational School	Steel Valley Regional Transit Authority	
2011	\$ 6.60	\$ 1.00	\$ 0.60	\$ 8.20	\$ 11.95	\$ 35.35	\$ 1.50	\$ 1.50	
2010	6.60	1.00	0.60	8.20	11.95	35.35	1.50	1.50	
2009	6.60	1.00	0.60	8.20	13.25	35.35	1.50	1.50	
2008	6.60	1.00	0.60	8.20	11.95	35.35	1.50	1.50	
2007	6.60	1.00	0.60	8.20	11.95	35.35	1.50	1.50	
2006	6.60	1.00	0.60	8.20	11.95	35.35	1.50	1.50	
2005	6.60	1.00	0.60	8.20	11.95	35.35	1.50	1.00	
2004	6.60	1.00	0.60	8.20	10.95	35.35	1.50	1.00	
2003	6.60	1.00	0.60	8.20	10.95	35.95	1.50	1.00	
2002	6.60	1.00	0.60	8.20	10.75	36.45	1.50	1.00	

**Source:** Jefferson County, Ohio; Auditor's Office

**Note:** Prior to 2010, Eastern Gateway Community College was known as Jefferson County Community College.



**Overlapping Rates (continued)**

<b>Eastern Gateway Community College</b>	<b>Indian Creek Local School District</b>	<b>Public Library of Steubenville and Jefferson County</b>	<b>Total Overlapping Rates</b>	<b>Total Direct and Overlapping Rates</b>
\$ 1.00	\$ 42.65	\$ 1.00	\$ 94.95	\$ 103.15
1.00	42.65	1.00	94.95	103.15
1.00	42.65	-	95.25	103.45
1.00	39.10	-	90.40	98.60
1.00	39.10	-	90.40	98.60
1.00	39.10	-	90.40	98.60
1.00	39.10	-	89.90	98.10
1.00	39.10	-	88.90	97.10
1.00	39.10	-	89.50	97.70
1.00	39.10	-	89.80	98.00

**CITY OF STEUBENVILLE, OHIO**

PRINCIPAL PROPERTY TAXPAYERS  
CURRENT YEAR AND THREE YEARS AGO

<u>December 31, 2011</u>			
<u>Taxpayer</u>	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Assessed Value</u>
Fort Steuben Improvements	\$ 12,748,499	1	5.26%
Ohio Power Company	10,314,636	2	4.25%
Hollywood Center, Inc.	3,844,295	3	1.59%
Cal-Steuben Limited	2,325,925	4	0.96%
Carriage Inn of Steubenville, Inc.	1,952,615	5	0.81%
Columbia Gas of Ohio, Inc.	1,943,959	6	0.80%
Laurels of Steubenville LLC	1,902,180	7	0.78%
Lowe's Home Center Inc.	1,589,805	8	0.66%
Wheeling Pittsburgh Steel	1,529,675	9	0.63%
L & L Realty Holding Company LLC	1,312,535	10	0.54%
Total, top ten principal property taxpayers	<u>\$ 39,464,124</u>		<u>16.28%</u>
Total City property tax assessed valuation	<u>\$ 242,439,760</u>		

<u>December 31, 2008</u>			
<u>Taxpayer</u>	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Assessed Value</u>
Fort Steuben Improvements	\$ 12,726,650	1	4.90%
Ohio Power Company	9,750,000	2	3.75%
Hollywood Center, Inc.	3,847,730	3	1.48%
Wheeling Pittsburgh Steel	2,784,680	4	1.07%
Cal-Steuben Limited	2,325,930	5	0.90%
Carriage Inn of Steubenville, Inc.	1,948,010	6	0.75%
Crown Hotels, Inc.	1,236,970	7	0.48%
L Steubenville LLC	1,155,000	8	0.44%
Albert Ltd.	1,086,560	9	0.42%
Columbia Gas of Ohio, Inc.	1,069,280	10	0.41%
Total, top ten principal property taxpayers	<u>\$ 37,930,810</u>		<u>14.60%</u>
Total City property tax assessed valuation	<u>\$ 259,875,652</u>		

**Source:** Jefferson County, Ohio; Auditor's Office

**Note:** Information prior to 2008 is not available

**CITY OF STEUBENVILLE, OHIO**

PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN YEARS

<u>Year</u>	<u>Total Levy</u>	<u>Current Collection</u>	<u>Percent of Current Collections to Tax Levy</u>	<u>Delinquent Collections</u>	<u>Total Collections</u>	<u>Percent of Total Collections to Tax Levy</u>	<u>Outstanding Delinquent Taxes</u>	<u>Percentage of Delinquent Taxes to Tax Levy</u>
2011	\$ 1,379,576	\$ 1,144,649	82.97%	\$ 77,282	\$ 1,221,931	88.57%	\$ 617,236	44.74%
2010	1,314,478	1,119,407	85.16%	58,587	1,177,994	89.62%	512,001	38.95%
2009	1,327,149	1,128,015	85.00%	72,954	1,200,969	90.49%	495,411	37.33%
2008	1,348,726	1,176,758	87.25%	63,689	1,240,447	91.97%	467,612	34.67%
2007	1,496,121	1,331,222	88.98%	60,922	1,392,144	93.05%	427,988	28.61%
2006	1,442,041	1,296,800	89.93%	49,154	1,345,954	93.34%	425,422	29.50%
2005	1,428,992	1,310,667	91.72%	58,691	1,369,358	95.83%	383,321	26.82%
2004	1,409,396	1,294,223	91.83%	68,589	1,362,812	96.69%	379,912	26.96%
2003	1,362,805	1,204,289	88.37%	49,740	1,254,029	92.02%	378,798	27.80%
2002	1,346,123	1,230,011	91.37%	57,772	1,287,783	95.67%	N/A	N/A

**Source:** Jefferson County, Ohio; Auditor's Office

**Note:** N/A indicates the information is not available.

**CITY OF STEUBENVILLE, OHIO**

**INCOME TAX RATE AND COLLECTIONS  
LAST TEN YEARS  
(CASH BASIS)**

<b>Year</b>	<b>Tax Rate</b>	<b>Total Tax Collected</b>
2011	1.925% (a)	\$ 8,560,807
2010	2.00%	8,641,927
2009	2.00%	8,772,925
2008	2.00%	8,809,796
2007	2.00%	8,915,531
2006	2.00%	8,476,037
2005	2.00%	8,445,071
2004	2.00%	8,106,255
2003	2.00%	8,917,898
2002	2.00%	8,190,322

**Source:** Regional Income Tax Agency (RITA)

(a) The income tax rate was reduced from 2% to 1.7% for the period of May 4, 2011 through August 2, 2011. The increase from 1.7% to 2% was approved by voters August 2, 2011. The City allowed for the use of a blended rate of 1.925% for tax year 2011.

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**CITY OF STEUBENVILLE, OHIO**

RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN YEARS

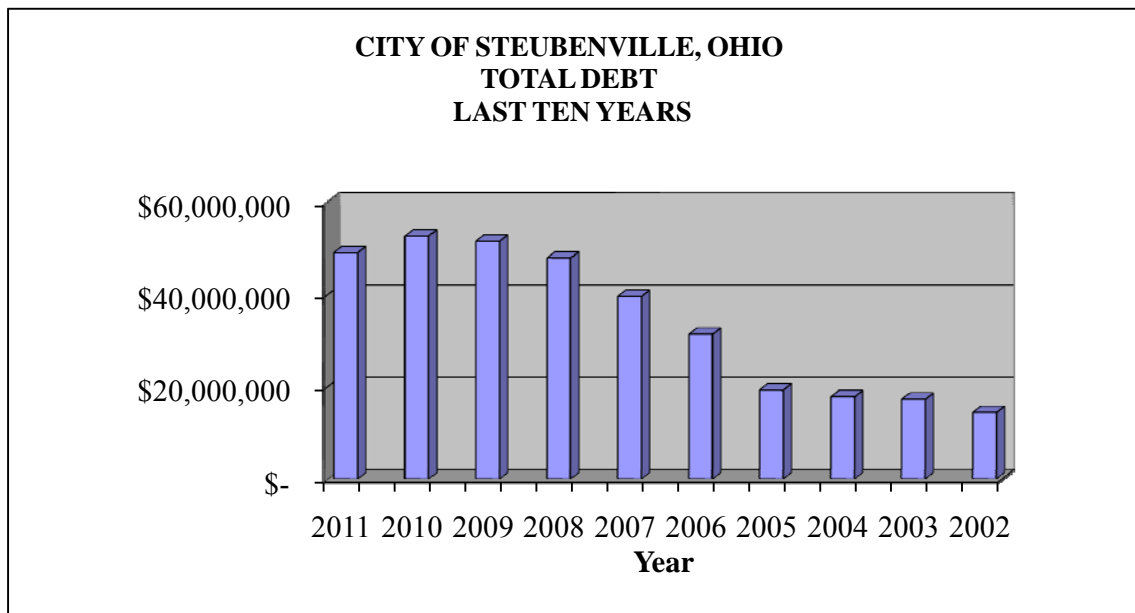
Year	Governmental Activities				Business-type Activities		
	General Obligation Bonds	Loans	Notes	Capital Leases	General Obligation Bonds	Revenue Bonds	Loans
2011	\$ 3,434,894	\$ 960,164	\$ -	\$ 1,794	\$ 1,945,000	\$ 495,000	\$ 42,138,146
2010	3,497,922	1,059,760	-	7,326	4,559,776	-	43,466,803
2009	-	1,216,006	3,500,000	13,311	2,698,876	-	44,001,171
2008	-	1,429,942	541,239	19,679	2,888,630	-	42,890,909
2007	-	1,650,340	681,864	30,013	3,069,261	-	33,332,047
2006	-	1,759,540	-	15,150	3,245,984	-	25,481,533
2005	-	2,076,248	-	22,790	3,414,000	-	13,658,121
2004	-	1,568,226	-	21,878	-	-	14,635,825
2003	-	1,670,451	-	-	-	-	13,988,341
2002	-	1,642,984	-	-	-	-	9,934,107

**Sources:**

- (a) See notes to the financial statements regarding the City's outstanding debt information.
- (b) See Schedule " Demographic and Economic Statistics - Last Ten Years" for personal income and population.

**Business-type Activities (Continued)**

Notes	Capital Leases	(a) Total Primary Government	(b) Total Personal Income	Percentage of Personal Income	(b) Population	Per Capita
\$ -	\$ -	\$ 48,974,998	561,244,061	8.73%	18,659	\$ 2,625
26,304	-	52,617,891	590,762,599	8.91%	18,659	2,820
51,292	-	51,480,656	591,493,780	8.70%	18,820	2,735
75,029	-	47,845,428	568,021,323	8.42%	19,329	2,475
749,579	10,296	39,523,400	528,103,595	7.48%	19,015	2,079
787,257	20,121	31,309,585	498,421,180	6.28%	19,015	1,647
42,334	29,495	19,242,988	494,351,970	3.89%	19,015	1,012
1,557,414	38,439	17,821,782	475,260,910	3.75%	19,015	937
1,576,881	46,973	17,282,646	466,856,280	3.70%	19,015	909
2,800,000	-	14,377,091	447,632,115	3.21%	19,015	756



**CITY OF STEUBENVILLE, OHIO**

RATIO OF GENERAL BONDED DEBT TO ASSESSED  
VALUE AND BONDED DEBT PER CAPITA  
LAST TEN YEARS

<u>Year</u>	<u>Population (1)</u>	<u>Estimated Actual Value of Taxable Property</u>	<u>Bonded Debt</u>	<u>Ratio of Bonded Debt to Estimated Actual Value of Property</u>	<u>Bonded Debt Per Capita</u>
2011	18,659	\$ 672,565,919	\$ 5,379,894	0.80%	\$ 288
2010	18,659	681,924,765	8,057,698	1.18%	432
2009	18,820	701,920,600	2,698,876	0.38%	143
2008	19,329	916,479,533	2,888,630	0.32%	149
2007	19,015	828,071,596	3,069,261	0.37%	161
2006	19,015	724,482,409	3,245,984	0.45%	171
2005	19,015	723,081,282	3,414,000	0.47%	180
2004	19,015	719,933,450	-	0.00%	-
2003	19,015	681,577,910	-	0.00%	-
2002	19,015	669,876,725	-	0.00%	-

**Source:** (1) U.S Census Bureau



**CITY OF STEUBENVILLE, OHIO**

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF DECEMBER 31, 2011

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
<b>Direct:</b>			
City of Steubenville	\$ 3,434,894	100.00%	\$ 3,434,894
Total of direct debt	<u>3,434,894</u>		<u>3,434,894</u>
<b>Overlapping debt:</b>			
Steubenville City School District	5,422,038	96.61%	5,238,231
Jefferson County	1,830,000	20.94%	383,202
Jefferson County Joint Vocational School	1,006,156	20.41%	205,356
Indian Creek Local School District	10,889,999	24.81%	2,701,809
Total of overlapping debt	<u>19,148,193</u>		<u>8,528,598</u>
Total direct and overlapping debt	<u>\$ 22,583,087</u>		<u>\$ 11,963,492</u>

**Source:** Ohio Municipal Advisory Council

**Note:** The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the City's taxable assessed value that is within the subdivision's boundaries and dividing it by the City's total taxable assessed value.

**CITY OF STEUBENVILLE, OHIO**

WATER OWDA LOAN PLEDGED REVENUE COVERAGE  
LAST NINE YEARS

Year	Operating Revenues	Direct Operating Expenses (1)	Net Available Revenues	Debt Service		Coverage
				Principal	Interest	
2011	\$ 4,678,829	\$ 2,833,944	\$ 1,844,885	\$ 1,621,849	\$ 1,175,766	0.66
2010	4,824,259	2,985,940	1,838,319	1,564,824	1,232,791	0.66
2009	4,769,977	3,235,982	1,533,995	1,448,648	1,182,229	0.58
2008	6,182,944	3,096,569	3,086,375	1,881,887	1,137,062	1.02
2007	7,663,037	2,665,927	4,997,110	1,471,497	817,390	2.18
2006	5,235,595	2,110,122	3,125,473	1,125,350	507,860	1.91
2005	2,953,427	2,960,570	(7,143)	1,087,056	531,682	(0.00)
2004	5,272,318	2,986,474	2,285,844	985,598	489,370	1.55
2003	4,721,626	2,743,890	1,977,736	425,790	350,598	2.55

(1) Operating expenses do not include depreciation.

**Source:** City financial records

**Note:** The City did not have debt service payments on OWDA loans prior to 2003.

**CITY OF STEUBENVILLE, OHIO**

SEWER OWDA LOAN PLEDGED REVENUE COVERAGE  
LAST NINE YEARS

Year	Operating Revenues	Direct Operating Expenses (1)	Net Available Revenues	Debt Service		Coverage
				Principal	Interest	
2011	\$ 5,298,290	\$ 2,926,266	\$ 2,372,024	\$ 233,786	\$ 462,389	3.41
2010	5,327,028	3,230,109	2,096,919	224,560	471,615	3.01
2009	5,433,208	3,386,044	2,047,164	215,698	480,477	2.94
2008	5,140,602	3,366,498	1,774,104	330,086	23,638	5.02
2007	5,647,788	3,019,514	2,628,274	319,723	33,998	7.43
2006	4,262,096	2,448,946	1,813,150	309,685	44,035	5.13
2005	3,303,677	2,619,793	683,884	299,963	53,685	1.93
2004	2,659,158	2,390,149	269,009	153,098	36,953	1.42
2003	2,954,058	1,898,114	1,055,944	6,551	6,639	80.06

(1) Operating expenses do not include depreciation.

**Source:** City financial records

**Note:** The City did not have debt service payments on OWDA loans prior to 2003.

**CITY OF STEUBENVILLE, OHIO**

COMPUTATION OF LEGAL DEBT MARGIN  
LAST TEN YEARS

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Assessed value (a)	\$ 242,439,760	\$ 243,544,460	\$ 248,906,480	\$ 244,714,840
Legal debt margin:				
Debt limitation - 10.5% of assessed value	25,456,175	25,572,168	26,135,180	25,695,058
Debt applicable to limitation:				
General obligation bonds	5,362,612	8,057,388	2,698,876	2,888,630
Gross indebtedness (Total voted and unvoted debt)	<u>5,362,612</u>	<u>8,057,388</u>	<u>2,698,876</u>	<u>2,888,630</u>
Less: debt outside limitations				
General obligation bonds	<u>(1,945,000)</u>	<u>(4,559,776)</u>	<u>(2,698,876)</u>	<u>(2,888,630)</u>
Total debt outside limitations	<u>(1,945,000)</u>	<u>(4,559,776)</u>	<u>(2,698,876)</u>	<u>(2,888,630)</u>
Total debt applicable to limitation - Within 10.5% limitations	3,417,612	3,497,612	-	-
Less: amount available in debt service fund to pay debt applicable to limitation	<u>(81,309)</u>	<u>(64,342)</u>	<u>(344,483)</u>	<u>(806,046)</u>
Net debt within 10.5% limitation	<u>3,336,303</u>	<u>3,433,270</u>	<u>(344,483)</u>	<u>(806,046)</u>
Overall debt margin within 10.5% limitation	<u>\$ 22,119,872</u>	<u>\$ 22,138,898</u>	<u>\$ 26,479,663</u>	<u>\$ 26,501,104</u>
Unvoted debt limitation - 5.5% of assessed valuation	\$ 13,334,187	\$ 13,394,945	\$ 13,689,856	\$ 13,459,316
Gross indebtedness authorized by council	5,362,612	8,057,388	2,698,876	2,888,630
Less: debt outside limitations: Total debt outside limitations	<u>(5,362,612)</u>	<u>(8,057,388)</u>	<u>(2,698,876)</u>	<u>(2,888,630)</u>
Unvoted debt margin within 5.5% limitation	<u>\$ 13,334,187</u>	<u>\$ 13,394,945</u>	<u>\$ 13,689,856</u>	<u>\$ 13,459,316</u>

**Source:** City of Steubenville financial records

(a) Beginning in 2007, the debt limit excludes the assessed valuation of tangible personal property tax, as well as railroad and telephone public utility personal property in accordance with Ohio House Bill 530.

<b>2007</b>	<b>2006</b>	<b>2005</b>	<b>2004</b>	<b>2003</b>	<b>2002</b>
\$ 241,293,590	\$ 241,954,517	\$ 248,406,517	\$ 247,941,129	\$ 235,248,246	\$ 232,259,875
25,335,827	25,405,224	26,082,684	26,033,819	24,701,066	24,387,287
<u>3,069,261</u>	<u>3,245,984</u>	<u>3,414,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>3,069,261</u>	<u>3,245,984</u>	<u>3,414,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(3,069,261)</u>	<u>(3,245,984)</u>	<u>(3,414,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(3,069,261)</u>	<u>(3,245,984)</u>	<u>(3,414,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
<u>(542,029)</u>	<u>(287,488)</u>	<u>(37,683)</u>	<u>(1,931,570)</u>	<u>(1,676,511)</u>	<u>(1,439,479)</u>
<u>(542,029)</u>	<u>(287,488)</u>	<u>(37,683)</u>	<u>(1,931,570)</u>	<u>(1,676,511)</u>	<u>(1,439,479)</u>
<u>\$ 25,877,856</u>	<u>\$ 25,692,712</u>	<u>\$ 26,120,367</u>	<u>\$ 27,965,389</u>	<u>\$ 26,377,577</u>	<u>\$ 25,826,766</u>
\$ 13,271,147	\$ 13,307,498	\$ 13,662,358	\$ 13,636,762	\$ 12,938,654	\$ 12,774,293
3,069,261	3,245,984	3,414,000	-	-	-
<u>(3,069,261)</u>	<u>(3,245,984)</u>	<u>(3,414,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 13,271,147</u>	<u>\$ 13,307,498</u>	<u>\$ 13,662,358</u>	<u>\$ 13,636,762</u>	<u>\$ 12,938,654</u>	<u>\$ 12,774,293</u>

**CITY OF STEUBENVILLE, OHIO**

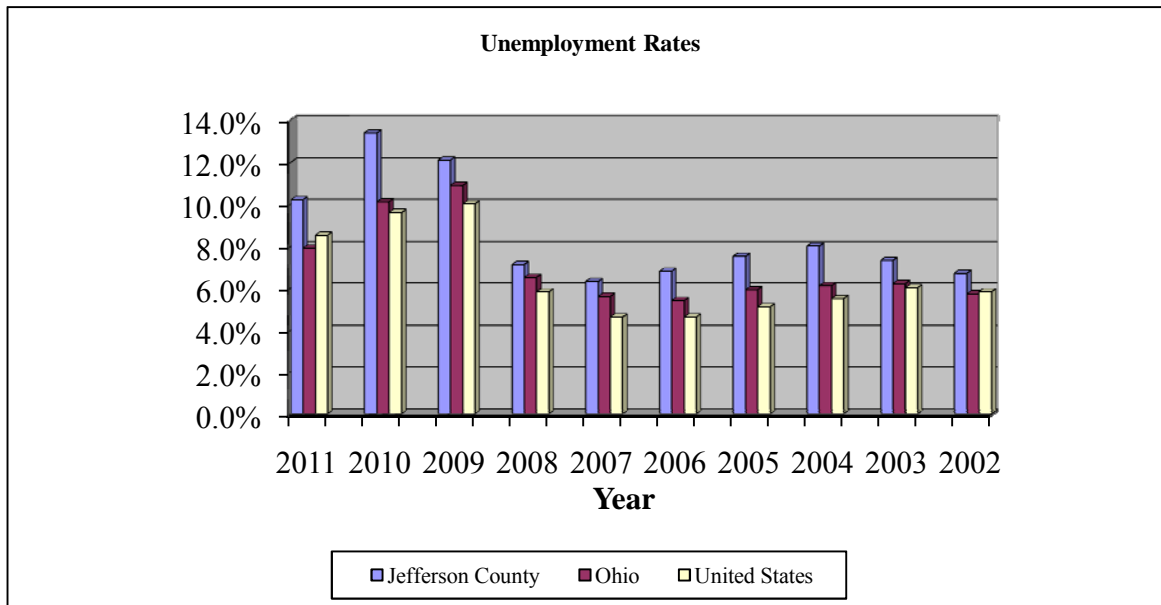
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN YEARS

Year	Population (1)	Personal Income	Per Capita Personal Income (3)	Annual Average Unemployment Rates (2)		
				Jefferson County	Ohio	United States
2011	18,659	\$ 561,244,061	\$ 30,079	10.2%	7.9%	8.5%
2010	18,659	590,762,599	31,661	13.4%	10.1%	9.6%
2009	18,820	591,493,780	31,429	12.1%	10.9%	10.0%
2008	19,329	568,021,323	29,387	7.1%	6.5%	5.8%
2007	19,015	528,103,595	27,773	6.3%	5.6%	4.6%
2006	19,015	498,421,180	26,212	6.8%	5.4%	4.6%
2005	19,015	494,351,970	25,998	7.5%	5.9%	5.1%
2004	19,015	475,260,910	24,994	8.0%	6.1%	5.5%
2003	19,015	466,856,280	24,552	7.3%	6.2%	6.0%
2002	19,015	447,632,115	23,541	6.7%	5.7%	5.8%

**Sources:**

- (1) U.S. Census Bureau
- (2) Ohio Department of Job & Family Services, Office of Workforce Development
- (3) U.S. Department of Commerce, Bureau of Economic Analysis

**Note:** Per capita personal income is presented for the Weirton-Steubenville Metropolitan Statistical Area (MSA).



**CITY OF STEUBENVILLE, OHIO**

PRINCIPAL EMPLOYERS  
CURRENT YEAR AND THREE YEARS AGO

<b>Employer</b>	<b>2011</b>		
	<b>Number of Employees</b>	<b>Rank</b>	<b>Percent of Total Employment</b>
Franciscan University	1,975	1	18.55%
Trinity Medical Center West	1,347	2	12.65%
Jefferson County	631	3	5.93%
Wal-Mart Associates, Inc.	630	4	5.92%
Eastern Gateway Community College	458	5	4.30%
Steubenville City School District	318	6	2.99%
Trinity Medical Center East	295	7	2.77%
The Kroger Co.	240	8	2.25%
Lowes Homes Center	228	9	2.14%
City of Steubenville	221	10	2.08%
Total of top ten	<u>6,343</u>		<u>59.58%</u>
Total City employment	<u>10,649</u>		

<b>Employer</b>	<b>2008</b>		
	<b>Number of Employees</b>	<b>Rank</b>	<b>Percent of Total Employment</b>
Franciscan University	1,859	1	18.02%
Trinity Medical Center West	1,508	2	14.62%
Jefferson County	660	3	6.40%
Wal-Mart Associates Inc.	637	4	6.18%
Eastern Gateway Community College	445	5	4.31%
Trinity Medical Center East	345	6	3.34%
Steubenville City School District	344	7	3.34%
City of Steubenville	245	8	2.38%
Lowe's Home Centers Inc.	245	9	2.38%
Wheeling-Pittsburgh Steel	240	10	2.33%
Total of top ten	<u>6,528</u>		<u>63.30%</u>
Total City employment	<u>10,314</u>		

**Source:** Regional Income Tax Agency (RITA)

**Note:** Information prior to 2008 was not available.

**CITY OF STEUBENVILLE, OHIO**

FULL-TIME-EQUIVALENT CITY EMPLOYEES BY FUNCTION/PROGRAM  
LAST TEN YEARS

<b>Function/Program</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
General government:						
Mayor	2.00	1.00	1.00	1.00	1.00	1.00
Finance	5.00	5.00	5.00	5.00	5.00	5.00
Law director	2.00	1.00	1.00	1.00	1.00	1.00
Civil service	1.00	1.00	1.00	1.00	1.00	1.00
City manager	1.00	1.00	1.00	1.00	1.00	1.00
Engineering	2.00	1.00	1.00	1.00	1.00	1.00
City council	8.00	8.00	8.00	8.00	8.00	8.00
Municipal court	10.00	7.00	7.00	7.00	7.00	7.00
Building	1.00	1.00	3.00	4.00	4.00	4.00
Information systems	1.00	1.00	1.00	1.00	1.00	1.00
Security of persons and property:						
Police	47.00	47.00	47.00	46.00	43.00	46.00
Fire	37.00	38.00	38.00	40.00	40.00	40.00
Electrical	2.00	2.00	2.00	3.00	3.00	4.00
Public health and welfare:						
Health services	3.00	3.00	3.00	3.00	3.00	3.00
Health clinic	3.00	3.00	3.00	3.00	3.00	3.00
Health administration	3.00	3.00	3.00	3.00	3.00	3.00
Food	1.00	1.00	1.00	1.00	1.00	1.00
Transportation:						
Street	14.00	18.00	19.00	22.00	20.00	23.00
Weed control	-	-	-	8.00	6.00	6.00
Community environment:						
Community development	4.00	5.00	5.00	4.00	4.00	4.00
Leisure time activity:						
Parks	3.00	-	-	5.00	5.00	5.00
Indoors	2.00	5.00	7.00	7.00	6.00	9.00
Administration	1.00	1.00	1.00	2.00	2.00	2.00
Swimming pool	10.00	20.00	16.00	17.00	20.00	19.00
Utility services:						
Water	26.00	26.00	26.00	26.00	26.00	25.00
Sewer	19.00	19.00	18.00	19.00	19.00	19.00
Refuse	12.00	12.00	12.00	13.00	15.00	15.00
<b>Total</b>	<b>220.00</b>	<b>230.00</b>	<b>230.00</b>	<b>252.00</b>	<b>249.00</b>	<b>257.00</b>

**Source:** City of Steubenville records



<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
1.00	1.00	1.00	1.00
7.00	8.00	8.00	8.00
1.00	1.00	1.00	1.00
1.00	1.00	1.00	1.00
1.00	1.00	1.00	1.00
1.00	1.00	1.00	1.00
8.00	8.00	8.00	8.00
7.00	7.00	7.00	7.00
4.00	4.00	4.00	4.00
-	-	-	-
45.00	45.00	47.00	47.00
40.00	40.00	40.00	40.00
4.00	4.00	4.00	4.00
3.00	3.00	3.00	3.00
3.00	3.00	3.00	3.00
3.00	3.00	3.00	3.00
1.00	1.00	1.00	1.00
23.00	23.00	23.00	23.00
10.00	11.00	14.00	1.00
4.00	4.00	4.00	4.00
6.00	8.00	8.00	7.00
5.00	5.00	4.00	5.00
3.00	3.00	3.00	3.00
18.00	20.00	20.00	21.00
30.00	31.00	31.00	31.00
19.00	19.00	19.00	21.00
15.00	17.00	17.00	18.00
<u>263.00</u>	<u>272.00</u>	<u>276.00</u>	<u>267.00</u>

**CITY OF STEUBENVILLE, OHIO**

OPERATING INDICATORS BY FUNCTION  
LAST TEN YEARS

<b>Function</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>	<b>2005</b>
General government:							
Positions filled	220	220	230	326	316	331	315
Ordinances & resolutions	112	90	107	101	116	110	121
Security of persons and property:							
Police:							
Physical arrests	1,505	1,510	1,518	1,603	1,531	1,488	1,507
Parking violations	427	644	288	392	429	828	1,540
Traffic violations	936	772	856	1,250	1,364	2,040	1,672
Leisure time activity:							
Recreation center attendance	24,019	16,245	21,408	2,154	2,159	761	N/A
Transportation:							
Tons of salt used	2,400	3,000	3,114	1,642	3,611	2,005	2,872
Water:							
New connections	7	7	4	3	7	7	3
Water main breaks	69	103	75	57	119	73	60

**Source:** City of Steubenville Departments.

**Note:** N/A indicates the information was not available.

<u>2004</u>	<u>2003</u>	<u>2002</u>
332	321	315
158	99	99
1,628	1,886	1,567
948	1,366	733
1,072	1,201	1,081
N/A	N/A	N/A
1,020	5,552	3,202
13	9	9
66	82	74

**CITY OF STEUBENVILLE, OHIO**

CAPITAL ASSETS STATISTICS BY FUNCTION  
LAST TEN YEARS

<b>Function</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>	<b>2005</b>
Security of persons and property:							
Police:							
Stations	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Fire:							
Stations	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Leisure time activities:							
Parks	13.00	13.00	13.00	13.00	13.00	13.00	13.00
Park acreage	261.32	261.32	261.32	261.32	261.32	369.19	369.19
Fitness center	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Swimming pools	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Wading pools	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Tennis courts	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Baseball diamonds	8.00	8.00	8.00	4.00	4.00	4.00	4.00
Softball fields	0.00	0.00	0.00	0.00	0.00	1.00	1.00
Transportation:							
Streets (paved miles)	120.00	120.00	120.00	120.00	120.00	120.00	120.00
Water:							
Water mains (miles)	84.00	84.00	84.00	84.00	84.00	84.00	84.00
Sewer:							
Sanitary sewers (miles)	81.00	81.00	81.00	81.00	81.00	81.00	81.00

**Source:** City of Steubenville Departments.

<u>2004</u>	<u>2003</u>	<u>2002</u>
1.00	1.00	1.00
3.00	3.00	3.00
13.00	13.00	13.00
369.19	369.19	369.19
1.00	1.00	1.00
1.00	1.00	2.00
1.00	1.00	2.00
6.00	6.00	6.00
4.00	4.00	4.00
1.00	1.00	1.00
120.00	120.00	120.00
84.00	84.00	84.00
81.00	81.00	81.00

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# Dave Yost • Auditor of State

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  
OCTOBER 23, 2012