

**CITY OF ALLIANCE
STARK COUNTY**

SINGLE AUDIT

FOR THE YEAR ENDED DECEMBER 31, 2000



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

**CITY OF ALLIANCE
STARK COUNTY**

TABLE OF CONTENTS

TITLE	PAGE
Report of Independent Accountants on Compliance and on Internal Control Required By <i>Government Auditing Standards</i>	1
Report of Independent Accountants on Compliance with Requirements Applicable to Each Major Federal Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133	3
Supplemental Data	
Schedule of Federal Awards Expenditures	5
Notes to Schedule of Federal Awards Expenditures	6
Schedule of Findings	7
Schedule of Prior Audit Findings	9

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**REPORT OF INDEPENDENT ACCOUNTANTS ON COMPLIANCE AND ON
INTERNAL CONTROL REQUIRED BY *GOVERNMENT AUDITING STANDARDS***

City of Alliance
Stark County
504 East Main Street
Alliance, Ohio 44601

To the Members of City Council:

We have audited the general purpose financial statements of the City of Alliance, Stark County, (the City) as of and for the year ended December 31, 2000, and have issued our report thereon dated June 19, 2001. 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.

Compliance

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

However, we noted certain immaterial instances of noncompliance that we have reported to management of the City in a separate letter dated June 19, 2001.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

However, we noted other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of the City in a separate letter dated June 19, 2001.

City of Alliance
Stark County
Report of Independent Accountants on Compliance and on
Internal Control Required by *Government Auditing Standards*
Page 2

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

Jim Petro
Auditor of State

June 19, 2001



STATE OF OHIO
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**REPORT OF INDEPENDENT ACCOUNTANTS ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

City of Alliance
Stark County
504 East Main Street
Alliance, Ohio 44601

To the Members of City Council:

Compliance

We have audited the compliance of the City of Alliance, Stark County, (the City) with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to its major federal program for the year ended December 31, 2000. The City's major federal program is identified in the summary of auditor's results section of the accompanying Schedule of Findings. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal program 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 occurred with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program. 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 requirements referred to above that are applicable to its major federal program for the year ended December 31, 2000.

Internal Control Over Compliance

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

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

Schedule of Federal Awards Expenditures

We have audited the general purpose financial statements of the City of Alliance, Stark County, (the City) as of and for the year ended December 31, 2000, and have issued our report thereon dated June 19, 2001. Our audit was performed for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The accompanying Schedule of Federal Awards Expenditures is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the general purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as a whole.

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

Jim Petro
Auditor of State

June 19, 2001

**CITY OF ALLIANCE
STARK COUNTY**

**SCHEDULE OF FEDERAL AWARDS EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2000**

Federal Grantor/ Pass Through Grantor/ Program Title	Pass Through Entity Number	Federal CFDA Number	Expenditures
<u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>			
<i>Direct</i>			
Community Development Block Grant	N/A	14.218	\$833,545
<u>U. S. DEPARTMENT OF JUSTICE</u>			
<i>Direct</i>			
Public Safety Partnership and Community Policing Grants	N/A	16.710	233,037
Local Law Enforcement Block Grants Program	N/A	16.592	<u>18,914</u>
<i>Total U.S. Department of Justice</i>			<u>251,951</u>
<u>U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>			
<i>Passed Through the Ohio Department on Aging</i>			
Special Program for Aging-Title III	Not Available	93.044	12,840
<u>U. S. DEPARTMENT OF AGRICULTURE</u>			
<i>Passed Through the Ohio Department of Health</i>			
Special Supplemental Nutrition Program for Women, Infants and Children	Not Available	10.557	<u>100,570</u>
Total Federal Financial Expenditures			<u><u>\$1,198,906</u></u>

The accompanying notes to this schedule are an integral part of this schedule.

**CITY OF ALLIANCE
STARK COUNTY**

**NOTES TO SCHEDULE OF FEDERAL AWARDS EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2000**

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule of Federal Awards Expenditures (the Schedule) summarizes activity of the City's federal award programs. The Schedule has been prepared on the cash basis of accounting.

NOTE B - SUBRECIPIENTS

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

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

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

The City has established a revolving loan program to provide low-interest loans to businesses to create employment opportunities for persons from low to moderate income households and to rehabilitate homes. The United States Department of Housing and Urban Development (HUD) grants money for these loans to the City. The initial loan of this money was previously recorded as an expenditure on the Schedule. Loans repaid, including interest, are used to make additional loans. Such subsequent loans are subject to certain compliance requirements imposed by HUD, but are not included as expenditures on the Schedule.

These loans are collateralized by mortgages on the property owned by recipients. At December 31, 2000, the gross amount of loans outstanding under this program was \$217,717.

NOTE D - URBAN DEVELOPMENT ACTION GRANTS (UDAG) REVOLVING LOAN PROGRAM

The City has established a revolving loan program to provide low-interest loans to businesses to create employment opportunities for persons from low to moderate income households and to rehabilitate homes. The United States Department of Housing and Urban Development (HUD) grants money for these loans to the City. The initial loan of this money was previously recorded as an expenditure on the Schedule. Loans repaid, including interest, are used to make additional loans. Such subsequent loans are subject to certain compliance requirements imposed by HUD, but are not included as expenditures on the Schedule.

These loans are collateralized by mortgages on the property owned by recipients. At December 31, 2000, the gross amount of loans outstanding under this program was \$1,617,098.

NOTE E - 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 ALLIANCE
STARK COUNTY**

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

DECEMBER 31, 2000

1. SUMMARY OF AUDITOR'S RESULTS
--

(d)(1)(i)	Type of Financial Statement Opinion	Unqualified
(d)(1)(ii)	Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material non-compliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material internal control weakness conditions reported for major federal programs?	No
(d)(1)(iv)	Were there any other reportable internal control weakness conditions reported for major federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unqualified
(d)(1)(vi)	Are there any reportable findings under § .510?	No
(d)(1)(vii)	Major Programs (list):	Community Development Block Grant (CDBG)- CFDA #14.218
(d)(1)(viii)	Dollar Threshold: Type A/B Programs	Type A: > \$ 300,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee?	No

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

None

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None

CITY OF ALLIANCE
STARK COUNTY

SCHEDULE OF PRIOR AUDIT FINDINGS
OMB CIRCULAR A -133 § .315 (b)

DECEMBER 31, 2000

<u>Finding Number</u>	<u>Finding Summary</u>	<u>Fully Corrected?</u>	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain:</i>
1999-21276-001	30% of expenditures tested were not certified by the City Auditor prior to commitment.	No	Partially Corrected. The City has reduced the rate of occurrences and continues to make efforts to eliminate this problem.

City of Alliance, Ohio

“The Carnation City”



Comprehensive Annual Financial Report

For the Year Ended December 31, 2000

CITY OF ALLIANCE, OHIO

COMPREHENSIVE

ANNUAL FINANCIAL REPORT

For the Year Ended December 31, 2000

Andrei A. Dordea, CPA
City Auditor

Prepared by the City Auditor's Office

INTRODUCTORY SECTION

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City of Alliance, Ohio
Comprehensive Annual Financial Report
For the Year Ended December 31, 2000
Table of Contents

	<u>Page</u>
I. Introductory Section	
Table of Contents	i
Letter of Transmittal	v
List of City Officials	xiv
Organizational Chart	xv
GFOA Certificate of Achievement	xvi
 II. Financial Section	
Report of Independent Accountants	1
 General Purpose Financial Statements (Combined Statements - Overview):	
Combined Balance Sheet - All Fund Types and Account Groups	4
Combined Statement of Revenues, Expenditures and Changes in Fund Balances - All Governmental Fund Types	8
Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget (Non-GAAP Basis) and Actual - All Governmental Fund Types	10
Combined Statement of Revenues, Expenses and Changes in Fund Equity - All Proprietary Fund Types	14
Combined Statement of Revenues, Expenses and Changes in Fund Equity - Budget (Non-GAAP Basis) and Actual - All Proprietary Fund Types	15
Combined Statement of Cash Flows - All Proprietary Fund Types	18
Notes to the General Purpose Financial Statements	20
 Combining, Individual Fund and Account Group Statements and Schedules	
Governmental Funds:	
General Fund:	
Description of Fund	46
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual	47

Special Revenue Funds:

Description of Funds	54
Combining Balance Sheet	56
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	60
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual	
Street Repair and Maintenance Fund	64
Federal COPS Fast Program Fund	65
State Highway Fund	66
Law Enforcement Block Grant Fund	67
Motor Vehicle License Fund	68
Municipal Court Computerization Fund	69
Health Fund	70
Litter Control Fund	71
State Misdemeanant Grant Fund	72
Federal Aging Grant Fund	73
Cemetery Fund	74
HUD Grant Fund	75
Community Development Block Grant Fund	76
Revolving Loan Fund	77
Taxi Fund	78
Fire Pension Fund	79
Police Pension Fund	80
Indigent Driver Alcohol Treatment Fund	81
Enforcement and Education Fund	82
Municipal Court Legal Research Fund	83
Court ADR Fund	84
Court Security Grant Fund	85
Court Immobilization Fund	86
Parking Lot Maintenance Fund	87
All Special Revenue Funds	88

Debt Service Fund:

Description of Fund	90
---------------------------	----

Capital Projects Funds:

Description of Funds	91
Combining Balance Sheet	92
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	94
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual	
Street Income Tax Construction Fund	96
Capital Improvements Fund	97
Swimming Pool Fund	98
Downtown Development Fund	99
Communication Equipment Fund	100
Jail Construction Fund	101
West State Street Fund	102
Hospital Sale Capital Fund	103
Airport Construction Fund	104
Crossroads Street Construction Fund	105
High School Property Fund	106
All Capital Projects Funds	107

Proprietary Funds:

Enterprise Funds:

Description of Funds	108
Combining Balance Sheet	109
Combining Statement of Revenues, Expenses and Changes in Fund Equity	110
Schedule of Revenues, Expenses and Changes in Fund Equity - Budget (Non-GAAP Basis) and Actual	
Water Fund	111
Sewer Fund	112
All Enterprise Funds	113
Combining Statement of Cash Flows	115

Internal Service Fund:

Description of Fund 117

Fiduciary Funds:

Agency Funds:

Description of Funds 118

Combining Statement of Changes in Assets and Liabilities 119

General Fixed Assets Account Group:

Description of Account Group 120

Schedule of Changes in General Fixed Assets -
By Function 121

Schedule of General Fixed Assets - By Function and Type 122

Schedule of General Fixed Assets - By Source 123

III. Statistical Section

General Fund Expenditures by Function - Last Ten Years S1
General Fund Revenues by Source - Last Ten Years S2
Real Property and Public Utility Tax Levies and Collections - Last Ten Years S3
Personal Property Tax Levies and Collections - Last Ten Years S4
Assessed and Estimated Actual Value of Taxable Property - Last Ten Years S5
Property Tax Rates - Direct and Overlapping Governments - Last Ten Years S6
Special Assessment Levies and Collections - Last Ten Years S7
Ratio of Net General Bonded Debt to Assessed Value and Net
Bonded Debt Per Capita - Last Ten Years S8
Computation of Legal Debt Margin S9
Computation of Direct and Overlapping General Obligation Bonded Debt S10
Revenue Bond Coverage S11
Ratio of Annual Debt Service Expenditures for General Bonded
Debt to Total General Fund Expenditures - Last Ten Years S12
Property Value, Construction and Bank Deposits - Last Ten Years S13
Principal Taxpayers - Real Property S14
Principal Taxpayers - Tangible Personal Property S15
Principal Taxpayers - Public Utility Property S16
Demographic Statistics S17
Miscellaneous Statistics S18



The City of

Alliance, OHIO, 44601

"The Carnation City"

504 East Main Street, Suite 110



CITY AUDITOR

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June 19, 2001

Honorable Citizens of Alliance
and Members of City Council
Alliance, Ohio 44601

We are pleased to present the Comprehensive Annual Financial Report of the City of Alliance for the year ended December 31, 2000. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The Comprehensive Annual Financial Report is presented in three sections as follows:

1. The introductory section includes a table of contents, this transmittal letter, a list of City officials, the City's organizational chart, and a copy of the GFOA Certificate of Achievement.
2. The financial section begins with the Report of Independent Accountants, and includes the general purpose financial statements and explanatory notes that provide an overview of the City's financial position and operating results, and the combining financial statements and schedules of the individual funds and account groups that provide detailed information relative to the general purpose financial statements.
3. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis.

Reporting Entity

The City has reviewed its reporting entity definition in order to ensure conformance with the Governmental Accounting Standards Board Statement No. 14, "The Financial Reporting Entity." In evaluating how to define the City for financial reporting purposes, management has considered all agencies departments and organizations making up the City of Alliance (the primary government) and its potential component units. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the City. For the City of Alliance, this includes police and fire protection, parks and recreation, planning, zoning, street maintenance and repair, municipal court and general administrative services. The City has no component units for 2000.

The City is associated with certain organizations which are defined as Jointly Governed Organizations. These organizations are presented in the notes to the general purpose financial statements (See Note 17). These organizations are the Stark County Council of Governments, the Stark County Regional Planning Commission and the Stark Area Regional Transit Authority.

The City is also associated with the Alliance Area Development Foundation (Foundation). The Foundation is a not-for-profit corporation. The board of trustees consists of contributing trustees and elected trustees. The contributing trustees select the elected trustees. In 2000, the Mayor was an elected trustee. The Foundation's goal is to retain companies, enhance company growth and capture new business for the Alliance area. The Foundation has been excluded from the reporting entity.

The City of Alliance

The City of Alliance is located in the northeastern portion of Stark County, with a small area in the southwestern portion of Mahoning County, in northeastern Ohio on the headwaters of the Mahoning River. The City is 18 miles northeast of Canton, the Stark County seat, 55 miles southeast of Cleveland and 79 miles northwest of Pittsburgh, Pennsylvania. It was incorporated as a village in 1854 and became a city in 1889.

The City is in the Canton Metropolitan Statistical Area (MSA), comprised of the Ohio counties of Carroll and Stark. It is the 73rd largest of 264 MSAs in the United States (based on the 1990 census). The City's 2000 population of 23,253 placed it as the third largest city in the County. The City's area is 7.917 square miles, of which 7.840 square miles are located in Stark County and .077 square miles are located in Mahoning County.

The City is served by diversified transportation facilities, including five State and U.S. highways, which provide easy access to interstate highways 76, 77, and 80 (the Ohio Turnpike). It is adjacent to areas served by Norfolk Southern Corporation and CSX Corp., and Amtrak provides rail passenger service through a station located in the City. Passenger air service is available at the Akron-Canton Regional Airport located 25 miles west of the City, the Youngstown Municipal Airport located 35 miles northeast of the City and Cleveland Hopkins International Airport located 55 miles northwest of the City.

The City is provided with banking and financial services by six commercial banks and banking associations operating a total of eight offices within the City (each with principal offices located elsewhere).

Two daily newspapers serve the City. The City is within the broadcast area of sixteen television stations and ten AM and FM radio stations. Multi-channel cable TV service is provided by Warner Cable, Inc.

Mount Union College, a private four-year college with a total enrollment of approximately 2,000 students is located in the City. In addition, within commuting distance are several public and private two-year and four-year colleges and universities, including The University of Akron, Kent State University, Northeastern Ohio Universities College of Medicine located in Rootstown Township, Portage County, Walsh University located in Plain Township, Stark County, Malone College located in the City of Canton and Stark State College located in Jackson Township, Stark County.

The City is served by Alliance Community Hospital (the "Hospital"), a 252-bed total care facility, which includes long-term care facilities. The Hospital has recently formed a joint venture with the Aultman Hospital Group. The Hospital is looking to begin construction in 2002, on a new state-of-the-art 17-20 acre campus and facility next to their current building.

Various recreational and cultural facilities are immediately available to City residents. The City operates a park system of 24 parks and parklands encompassing 185 acres with facilities that include tennis courts, baseball diamonds and basketball and volleyball courts. "Carnation Days", an annual festival, is celebrated throughout the City for nine days each August. Activities include a festival ball, a parade, concessions, games, musical events, and arts and crafts.

The City is also home to the “Carnation City Players” that produce and present theatrical productions in the Firehouse Theater several times each season.

Water service within the City is provided by the City water system and is purchased directly by the consumers. Sewage collection and disposal is handled by the City’s sewage system. Electricity is obtained from Ohio Edison Company and natural gas is supplied by Columbia Gas of Ohio, Inc.

City Government

The City operates under and is governed by the mayor-council form of government in accordance with general laws. Under the Ohio Constitution, the City may exercise all powers of local self-government and police powers to the extent not in conflict with applicable general laws.

Legislative authority is vested in a seven-member Council, of whom three are elected at-large and four are elected from wards, for two-year terms. The Council fixes compensation of City officials and employees and enacts ordinances and resolutions relating to City services, tax levies, appropriating and borrowing money, licensing and regulating businesses and trades, and other municipal purposes. The presiding officer is the President, who is elected by the voters for a two-year term.

The City’s chief executive and administrative officer is the Mayor, who is elected by the voters specifically to that office for a four-year term. The other elected officials are the Auditor, Treasurer, Judge, Clerk of Courts and Law Director, each elected to a four-year term.

The Mayor appoints the directors of City departments. The Mayor also appoints members to a number of boards and commissions, and appoints and removes, in accordance with civil service requirements, all appointed officers and employees, except Council officers and employees and the City Income Tax Administrator who is appointed by the City Auditor.

The Mayor may veto any legislation passed by the Council. A veto may be overridden by a two-thirds vote of all members of the Council.

Financial Matters

The City’s fiscal year corresponds with the calendar year. Property and income taxes and state distributions are the main sources of City revenues. The responsibilities for the financial functions of the City are divided among the Mayor, the City Auditor and the Council.

The City Auditor is the City’s fiscal and chief accounting officer. Among the Auditor’s duties are to keep the books and accurate statements of all moneys received and expended, including all taxes and assessments; at the end of each year, or more often if requested by the Council, to examine all accounts of City officers and departments; and not to allow the amount set aside for any appropriation to be overdrawn, or the amount appropriated for any one item of expenditure/expense to be drawn upon for any other purpose, or voucher to be paid unless sufficient funds are in the City treasury to the credit of the fund on which the voucher is drawn. The City Treasurer is responsible for receiving, maintaining custody of and disbursing all City funds.

Investments and deposits of City funds are governed by the Uniform Depository Law (Chapter 135 of the Revised Code) applicable to all subdivisions. An investment board, comprised of the Mayor, the City Auditor, the Law Director, the Treasurer and a member of the business community, is responsible for those investments and deposits. Under recent and current practices, investments are made primarily in repurchase agreements, certificates of deposit, money market mutual fund and STAROhio (State Treasury Asset Reserve of Ohio), an investment pool for all Ohio political subdivisions, under the custody and management of the Treasurer of the State of Ohio, and to a limited extent in United States Treasury obligations.

Other important financial functions include general financial recommendations and planning by the Mayor; budget preparation by the Mayor with assistance of the City Auditor; and express approval of appropriations by the Council. For property taxation purposes, assessment of real property is by the Stark and Mahoning County Auditors subject to supervision by the State Tax Commissioner, and assessment of public utility and tangible personal property is by the State Tax Commissioner. Property taxes and assessments are billed and collected by County officials in Stark and Mahoning Counties.

Financial Outlook

The City's economy has slowed during 2000. The City's year-end General Fund cash balance (which does not take into account outstanding encumbrances) has decreased \$376,405 from \$1,929,814 at the end of 1999 to \$1,553,409 at the end of 2000. Municipal income tax revenues included in the General Fund during 2000 decreased 7.29 percent or \$449,174 over the prior year.

Several plans are currently underway to strengthen economic development. The City entered into a Cooperative Economic Development Agreement with Washington Township in which a residential development began. Further residential development has taken place with the Potter's Creek development in the City. The Alliance Area Development Foundation, a non-profit organization, has been formed with the goal of retaining companies, enhancing company growth, and capturing new businesses for the Alliance area.

Major Initiatives

During 2000, the City completed or made substantial progress toward several major goals and projects.

The West State Street Widening Project was underway with approximately 45 percent of the project completed in 2000. This project involves the widening of approximately 2.2 linear kilometers of State Street. The City also continued its paving program, with approximately \$341,000 spent for resurfacing in 2000.

The City spent approximately \$391,000 to repair tow digesters at the wastewater treatment plant. Forty-nine percent of the funding for this project was provided by a grant from the Ohio Public Works Commission. The remaining funding for this project was provided by the City.

The Police and Fire communication systems were updated with a capital expenditure of approximately \$201,000 for 2000.

Architectural plans for the construction of a Police facility were developed. Construction for this facility is scheduled to begin in 2002. The funding for this project was provided by the sale of real estate, equipment, buildings and fixtures known as the Alliance Community Hospital in January of 1999.

The Alliance City School District has begun a \$61,000,000 project to build two new schools and refurbish/renovate four existing schools. The Ohio Facilities Commission will provide 84.4 percent of the funding, while the Alliance City School District will provide the remainder.

Financial Information

Accounting Policies and Budgetary Control The City of Alliance reports on a modified accrual/accrual basis of accounting, which conforms to generally accepted accounting principles (GAAP). Under this system, the governmental fund types and agency funds utilize a modified accrual basis of accounting. On this basis, revenues are recognized when measurable and available; expenditures are recognized when goods and services are received. The proprietary fund types are accounted for on the accrual basis of accounting. This basis recognizes revenues when earned and expenses when incurred.

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 appropriation ordinance; all are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriations ordinance are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. All funds, other than agency funds, are legally required to be budgeted and appropriated. The legal level of budgetary control is at the object level within each department. Any budgetary modifications at this level may only be made by resolution of the City Council.

The City's fully automated financial system also maintains budgetary control through its purchase order/encumbrance feature. The purchase order, required before making purchases, creates the encumbrance against the current budget. Purchase orders which result in an overrun of budget are not released until additional appropriations are made available through Council ordinance. This procedure is followed when money is available to allow an increase in appropriations. If no money is available, the purchase is canceled.

The City Auditor continually monitors the encumbrances and expenditures against the budget appropriations and against the County Auditor's certificate of estimated resources. Using the budget prepared by the City the preceding July and including the carry over balances less carry over encumbrances at year end, the County Auditor arrives at and issues the certificate of estimated resources for the City. Ohio Law prohibits total fund appropriations from exceeding the amounts by fund on the County Auditor's Certificate.

Internal Accounting and Reporting Control As part of its continuing commitment to excellence in financial reporting, the City utilizes a computerized financial accounting and reporting system. Enhancements to the present internal accounting controls and procedures are continually evaluated by the City Auditor. The City Auditor oversees the appropriateness of internal control, develops procedures to enhance internal control and consults with outside auditors to insure that the City remains at a sound financial level of operation.

The City has built internal accounting controls into its financial accounting, budgeting and reporting system to provide reasonable, but not absolute, assurance regarding (1) the safeguarding of assets against loss resulting from unauthorized use or disposition and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The internal accounting controls built into the City's system were developed using the concept of reasonable assurance. This concept recognizes that the cost of a control should not exceed the benefits likely to be derived from its implementation, and that the evaluation of costs and benefits should require estimates and judgments by management. We believe that the City's internal accounting controls adequately safeguard the City's assets and provide reasonable assurance of proper recording and reporting of financial transactions.

General Governmental Revenues and Expenditures

The following summary compares revenues for general governmental functions which include the general, special revenue, debt service and capital projects funds:

	1999 Amount	2000 Amount	Percent of Total	Change	Percent Change
Revenues:					
Property and Other Taxes	\$856,878	\$853,784	6.29%	(\$3,094)	(0.36)%
Municipal Income Taxes	7,442,488	6,891,942	50.79	(550,546)	(7.40)
Permissive Motor Vehicle License Tax	110,565	92,502	0.68	(18,063)	(16.34)
Charges for Services	189,297	309,885	2.28	120,588	63.70
Licenses, Permits and Fees	203,395	185,767	1.37	(17,628)	(8.67)
Fines and Forfeitures	502,007	512,114	3.77	10,107	2.01
Intergovernmental	3,745,415	3,344,849	24.66	(400,566)	(10.69)
Special Assessments	6,040	69,982	0.52	63,942	1,058.64
Interest	606,982	756,084	5.57	149,102	24.56
Rentals	1,960	0	0.00	(1,960)	(100.00)
Donations	3,500	0	0.00	(3,500)	(100.00)
Other	489,211	552,399	4.07	63,188	12.92
Total Revenues	<u>\$14,157,738</u>	<u>\$13,569,308</u>	<u>100.00%</u>	<u>(\$588,430)</u>	<u>(4.16)%</u>

Income tax revenues, the most significant source of revenues to the General Fund, has decreased by \$550,546 or 7.40 percent during 2000 due to decreased economic activity within the City.

Charges for services increased \$120,588 or 63.70 percent due to increases in building inspections and other services provided by the service department.

Licenses, Permits and Fees decreased \$17,628 or 8.67 percent due to less permits issued during 2000.

Intergovernmental decreased by \$400,566 or 10.69 percent due to non-recurring capital grants received during 1999.

Special assessments increased \$63,942 or 1058.64 percent due to a new special assessment project.

Interest increased by \$149,102 or 24.56 percent due to additional monies available to invest in 2000.

The following summary compares expenditures for general governmental functions which include the general, special revenue, debt service and capital projects funds:

	1999 Amount	2000 Amount	Percent of Total	Change	Percent Change
Expenditures					
Current:					
General Government	\$2,233,295	\$2,280,438	14.03 %	\$47,143	2.11%
Security of Persons and Property	6,162,525	6,491,224	39.95	328,699	5.33
Public Health Services	628,658	660,804	4.07	32,146	5.11
Transportation	1,086,631	937,866	5.77	(148,765)	(13.69)
Community Environment	1,317,988	931,804	5.73	(386,184)	(29.30)
Basic Utility Services	50,222	55,720	0.34	5,498	10.95
Leisure Time Activities	503,413	537,253	3.31	33,840	6.72
Capital Outlay	2,553,198	2,046,704	12.60	(506,494)	(19.84)
Debt Service:					
Principal Retirement	2,297,268	2,035,494	12.53	(261,774)	(11.40)
Interest and Fiscal Charges	206,558	271,992	1.67	65,434	31.68
Total Expenditures	<u>\$17,039,756</u>	<u>\$16,249,299</u>	<u>100.00 %</u>	<u>(\$790,457)</u>	(4.64)%

Security of persons and property increased by \$328,699 or 5.33 percent due to increased compensation costs. A new Police contract took effect at the beginning of 2000, and a new Fire Contract took effect in the middle of 1999.

Transportation expenditures decreased by \$148,765 or 13.69 percent due to less street repair projects.

Community environment expenditures decreased by \$386,184 or 29.30 percent due to less grant monies being available to spend.

Capital outlay expenditures decreased by \$506,494 or 19.84 percent due to purchasing less equipment and doing less repairs in 2000 than in 1999.

Debt service principal retirement decreased by \$261,774 or 11.40 percent due to less note payments. Interest and fiscal charges increased by \$65,434 or 31.68 percent because the City issued new notes during the year and the first interest payments were due during 2000.

General Fund Balance - The general fund balance decreased from \$3,046,188 in 1999 to \$2,677,382. This decrease of \$368,806 represents a 12.11 percent decrease over the prior year due primarily to a large amount of transfers out for debt service in 2000.

Financial Highlights - Enterprise Funds - The enterprise funds operated by the City consist of a water and a sewer fund. Operating revenues in the Water fund totaled \$3,968,292 with depreciation expense of \$721,746, a net loss of \$104,110 and retained earnings deficit of \$135,717 at December 31, 2000. The Sewer fund had operating revenues of \$3,403,412 with depreciation expense of \$359,165, a net income of \$674,646 and retained earnings of \$6,071,778 at December 31, 2000.

Financial Highlights - Internal Service Fund - The Internal Service Fund is for self-insurance. This fund accounts for the revenues and expenses related to the provision of employee health benefits. During 2000, the retained earnings in the self-funded insurance fund plan decreased from \$103,563 at December 31, 1999 to a deficit of \$30,662 at December 31, 2000.

Financial Highlights - Fiduciary Funds - The agency funds of the City consist of the Municipal Court and Carnation Cable funds. The agency funds had assets totaling \$78,110 at December 31, 2000.

Debt Administration

At the end of 2000, the gross indebtedness was \$29,170,000. The overall debt margin within the overall limitation was \$22,573,086. With continued prudent management on the part of Council and the Administration, the City should be able to meet its capital needs in the foreseeable future. The sources of revenue for the bond retirement funds include property taxes and special assessments.

The City continues to have an Aa2 Rating from Moody's Investor's Service. The most recent rating was received in 1998. The City has \$1,485,000 of outstanding general obligation bonds, \$675,000 of outstanding special assessment bonds and \$1,700,000 of outstanding long-term notes at December 31, 2000. The net general bonded debt per capita was \$60.21. All bonds of the City are backed by its full faith and credit.

The City has \$22,801,085 (net of discount and accounting loss) of outstanding refunding revenue bonds and \$475,000 of outstanding general obligation bonds in the enterprise funds at December 31, 2000.

Cash Management

The City adheres strictly to the regulations set forth in the Ohio Revised Code to ensure the safety of its investments. All deposits are made under contracts with local banking institutions and with the State Treasurer's Investment Pool (STAROhio).

A majority of the City's deposits are collateralized by pooled collateral. By law, financial institutions may establish a collateral pool to cover all public deposits. The face value of the pooled collateral must equal at least 105 percent of the public funds on deposit. The collateral is held by trustees including the Federal Reserve Bank and designated third party trustees of the financial institutions.

Risk Management

The City carries general insurance through Love Insurance Agency. In 2000, insurance premiums were \$123,213.

The City carries a \$3,000,000/\$5,000,000 comprehensive general liability. The City also carries a \$3,000,000/\$4,000,000 law enforcement liability insurance policy and wrongful acts policy, each with a \$5,000 deductible. Other coverage carried by the City includes automobile, bond, crime, property, inland marine, fire vehicle replacement cost and electronic data processing.

The City pays the Ohio Bureau of Workers' Compensation System (OBWC) a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

The City has elected to provide health care coverage to its employees through a self-insured program. The City maintains a self-insurance internal service fund to account for and finance its uninsured risks of loss in this program. The City purchases stop-loss coverage of \$50,000 per employee. A third party administrator, Anthem Benefits Administrators, reviews all claims which are then paid by the City. The advantages of the self-insurance arrangement include the City holding the reserves and earning interest on them. Control of the Plan rests with the City.

Fixed Assets

The general fixed assets of the City include all City-owned land and improvements, buildings, equipment and machinery, vehicles and construction in progress used in the performance of general government functions. The general fixed assets exclude fixed assets of the enterprise funds. At December 31, 2000, the general fixed assets of the City totaled \$10,836,341, valued at cost or estimated historical cost.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement of Excellence in Financial Reporting to the City of Alliance for its comprehensive annual financial report for the year ended December 31, 1999.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents satisfy all program standards. Such a report must conform to generally accepted accounting principles and satisfy all applicable legal requirements respective to the reporting entity.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement Program requirements, and we are submitting it to GFOA.

Independent Audit

The financial records, books of accounts and transactions of the City of Alliance, Ohio, for the year ended December 31, 2000, have been audited by the Auditor of State Jim Petro's Office. The Auditor's opinion has been included in this report.

Acknowledgments

The City would like to express its appreciation to the Local Government Services Division of Auditor of State Jim Petro's office for their assistance with the preparation of this Comprehensive Annual Financial Report.

Further appreciation and gratitude is expressed to my staff and other City and County departments who assisted in the completion of this report.

In addition, I would like to thank the Administration and Council for their continued support, which has enabled the City to upgrade its Accounting Information Systems to provide the citizens of Alliance with the fiscal accountability they deserve.

Respectfully submitted,



Andrei A. Dordea, CPA
City Auditor

City of Alliance, Ohio

City Officials

December 31, 2000

Mayor	Toni E. Middleton
President of Council	John Benincasa
Councilman-Ward I	Brant Luther
Councilman-Ward II	Phyllis Phillips
Councilman-Ward III	James Puckett
Councilman-Ward IV	Alexander Zumbar
Council-at-Large	Dean Ashbrook
Council-at-Large	Michael Ogline
Council-at-Large	Mark Roller
Clerk of Council	R. Mark Locke
Law Director	Andrew Zumbar
Judge	Robert G. Lavery
Clerk of Court	JoAnne Burr
Civil Service	Edward Mathie

Finance

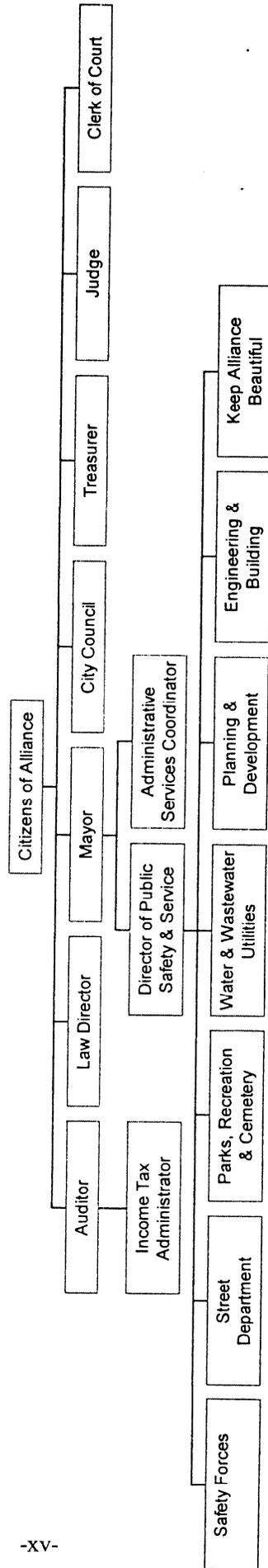
Auditor	Andrei Dordea
Treasurer	Alex Robertson
Income Tax Administrator	Ron Crosser

Public Safety and Service

Director of Public Safety & Service	John B. Blaser
Fire Chief	Jack Weaver
Police Chief	Lawrence Dordea
Director of Parks, Cemetery & Public Lands	Larry Brown
Director of Recreation	Kimberly Cox
Water Plant	Dan McGannon
Wastewater Plant	Joe Amabeli
Water & Wastewater Distribution	Michael Dreger
Utility Billing & Collection	Larry Wright
Health & Human Services	Randy Flint
Keep Alliance Beautiful	Mona Henderson
Planning & Development	Vince Marion
Senior Citizens Center	Dolly Rovder
Street Department	Jeff Porter
Engineering Department	Victoria McCauley

City of Alliance, Ohio

Organizational Chart



Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Alliance,
Ohio

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

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



Anne Spray Kinney
President

Jeffrey L. Esser
Executive Director

FINANCIAL SECTION

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STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

111 Second Street, NW
Fourth Floor
Canton, Ohio 44702
Telephone 330-438-0617
800-443-9272
Facsimile 330-471-0001
www.auditor.state.oh.us

REPORT OF INDEPENDENT ACCOUNTANTS

City of Alliance
Stark County
504 East Main Street
Alliance, Ohio 44601

To the Members of City Council:

We have audited the accompanying general purpose financial statements of the City of Alliance, Stark County, (the City) as of and for the year ended December 31, 2000, as listed in the Table of Contents. These general purpose financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with 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 opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the City as of December 31, 2000, and the results of its operations and the cash flows of its proprietary fund types 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 June 19, 2001 on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The combining and individual fund and account group financial statements and schedules listed in the Table of Contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as a whole.

We did not audit the data included in the introductory and statistical sections of this report and therefore express no opinion thereon.

A handwritten signature in black ink, appearing to read "Jim Petro", with a large, stylized flourish at the end.

Jim Petro
Auditor of State

June 19, 2001

*General Purpose
Financial Statements*

City of Alliance, Ohio
Combined Balance Sheet
All Fund Types and Account Groups
December 31, 2000

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
Assets and Other Debits				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$1,553,409	\$3,073,964	\$114,261	\$5,122,807
Cash and Cash Equivalents in Segregated Accounts	0	0	0	0
Receivables:				
Taxes	1,879,386	172,902	0	220,452
Accounts	34,795	0	0	0
Interfund	38,265	0	0	0
Special Assessments	354,513	0	1,003,289	153,775
Intergovernmental	442,674	90,737	0	0
Loans	0	1,834,815	0	0
Materials and Supplies Inventory	51,148	0	0	0
Deferred Charges	0	0	0	0
Restricted Assets:				
Equity in Pooled Cash and Cash Equivalents	0	0	0	0
Cash and Cash Equivalents with Fiscal Agents	0	0	0	0
Fixed Assets (Net, where applicable, of Accumulated Depreciation)	0	0	0	0
Other Debits				
Amount Available in Debt Service Fund for Retirement of General Obligation Bonds	0	0	0	0
Amount Available in Debt Service Fund for Retirement of Special Assessment Bonds	0	0	0	0
Amount to be Provided from General Government Resources	0	0	0	0
Amount to be Provided from Special Assessments	0	0	0	0
Total Assets and Other Debits	\$4,354,190	\$5,172,418	\$1,117,550	\$5,497,034

Proprietary Fund Types		Fiduciary Fund Type	Account Groups		Totals (Memorandum Only)
Enterprise	Internal Service	Agency	General Fixed Assets	General Long-Term Obligations	
\$3,085,330	\$172,413	\$0	\$0	\$0	\$13,122,184
0	0	78,110	0	0	78,110
0	0	0	0	0	2,272,740
1,164,549	6,657	0	0	0	1,206,001
0	0	0	0	0	38,265
0	0	0	0	0	1,511,577
0	0	0	0	0	533,411
0	0	0	0	0	1,834,815
374,986	0	0	0	0	426,134
306,447	0	0	0	0	306,447
1,970,261	0	0	0	0	1,970,261
2,587,375	0	0	0	0	2,587,375
27,164,724	0	0	10,836,341	0	38,001,065
0	0	0	0	85,020	85,020
0	0	0	0	29,241	29,241
0	0	0	0	5,311,710	5,311,710
0	0	0	0	645,759	645,759
<u>\$36,653,672</u>	<u>\$179,070</u>	<u>\$78,110</u>	<u>\$10,836,341</u>	<u>\$6,071,730</u>	<u>\$69,960,115</u>

(continued)

City of Alliance, Ohio
Combined Balance Sheet
All Fund Types and Account Groups (continued)
December 31, 2000

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
Liabilities, Fund Equity and Other Credits				
Liabilities				
Accounts Payable	\$57,010	\$27,665	\$0	\$7,350
Accrued Wages	117,614	17,984	0	0
Compensated Absences Payable	145,256	9,294	0	0
Interfund Payable	0	36,106	0	2,159
Intergovernmental Payable	147,484	26,597	0	0
Deferred Revenue	1,209,444	172,902	1,003,289	153,775
Undistributed Assets	0	0	0	0
Accrued Interest Payable	0	0	0	0
Notes Payable	0	0	0	450,000
Claims Payable	0	0	0	0
Police and Fireman's Liability	0	0	0	0
General Obligation Bonds Payable	0	0	0	0
Revenue Bonds Payable (net of unamortized discount and accounting loss)	0	0	0	0
Special Assessment Debt with Governmental Commitment	0	0	0	0
<i>Total Liabilities</i>	<u>1,676,808</u>	<u>290,548</u>	<u>1,003,289</u>	<u>613,284</u>
Fund Equity and Other Credits				
Investment in General Fixed Assets	0	0	0	0
Contributed Capital	0	0	0	0
Retained Earnings:				
Reserved:				
Replacement and Improvement	0	0	0	0
Operation and Maintenance	0	0	0	0
Unreserved (Deficit)	0	0	0	0
Fund Balances:				
Reserved for Encumbrances	66,683	244,345	0	118,812
Reserved for Inventory	51,148	0	0	0
Reserved for Loans Receivable	0	1,834,815	0	0
Unreserved, Undesignated	2,559,551	2,802,710	114,261	4,764,938
<i>Total Fund Equity and Other Credits</i>	<u>2,677,382</u>	<u>4,881,870</u>	<u>114,261</u>	<u>4,883,750</u>
<i>Total Liabilities, Fund Equity and Other Credits</i>	<u>\$4,354,190</u>	<u>\$5,172,418</u>	<u>\$1,117,550</u>	<u>\$5,497,034</u>

See accompanying notes to the general purpose financial statements

Proprietary Fund Types		Fiduciary Fund Type	Account Groups		Totals (Memorandum Only)
Enterprise	Internal Service	Agency	General Fixed Assets	General Long-Term Obligations	
\$88,959	\$0	\$0	\$0	\$0	\$180,984
52,620	0	0	0	0	188,218
604,972	0	0	0	1,510,714	2,270,236
0	0	0	0	0	38,265
108,379	0	0	0	266,285	548,745
0	0	0	0	0	2,539,410
0	0	78,110	0	0	78,110
177,706	0	0	0	0	177,706
0	0	0	0	1,700,000	2,150,000
0	209,732	0	0	0	209,732
0	0	0	0	434,731	434,731
475,000	0	0	0	1,485,000	1,960,000
22,801,085	0	0	0	0	22,801,085
0	0	0	0	675,000	675,000
<u>24,308,721</u>	<u>209,732</u>	<u>78,110</u>	<u>0</u>	<u>6,071,730</u>	<u>34,252,222</u>
0	0	0	10,836,341	0	10,836,341
6,408,890	0	0	0	0	6,408,890
733,213	0	0	0	0	733,213
1,237,048	0	0	0	0	1,237,048
3,965,800	(30,662)	0	0	0	3,935,138
0	0	0	0	0	429,840
0	0	0	0	0	51,148
0	0	0	0	0	1,834,815
0	0	0	0	0	10,241,460
<u>12,344,951</u>	<u>(30,662)</u>	<u>0</u>	<u>10,836,341</u>	<u>0</u>	<u>35,707,893</u>
<u>\$36,653,672</u>	<u>\$179,070</u>	<u>\$78,110</u>	<u>\$10,836,341</u>	<u>\$6,071,730</u>	<u>\$69,960,115</u>

City of Alliance, Ohio
*Combined Statement of Revenues, Expenditures
and Changes in Fund Balances
All Governmental Fund Types
For the Year Ended December 31, 2000*

	Governmental	
	General	Special Revenue
Revenues		
Property and Other Taxes	\$723,922	\$129,862
Municipal Income Tax	5,711,142	0
Permissive Motor Vehicle License Tax	0	92,502
Charges for Services	309,885	0
Licenses, Permits and Fees	119,047	66,720
Fines and Forfeitures	462,359	49,755
Intergovernmental	1,390,205	1,954,644
Special Assessments	0	0
Interest	246,661	257,057
Other	425,793	79,238
	<u>9,389,014</u>	<u>2,629,778</u>
<i>Total Revenues</i>		
Expenditures		
Current:		
General Government	2,204,701	74,418
Security of Persons and Property	5,350,452	1,140,772
Public Health Services	372,827	287,977
Transportation	317,313	620,553
Community Environment	81,846	849,958
Basic Utility Services	55,720	0
Leisure Time Activities	537,253	0
Capital Outlay	0	0
Debt Service:		
Principal Retirement	0	5,494
Interest and Fiscal Charges	0	18,653
	<u>8,920,112</u>	<u>2,997,825</u>
<i>Total Expenditures</i>		
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>468,902</u>	<u>(368,047)</u>
Other Financing Sources (Uses)		
Proceeds of Notes	0	0
Sale of Fixed Assets	0	0
Operating Transfers In	0	832,953
Operating Transfers Out	(834,268)	(285,580)
	<u>(834,268)</u>	<u>547,373</u>
<i>Total Other Financing Sources (Uses)</i>		
<i>Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</i>	<u>(365,366)</u>	<u>179,326</u>
<i>Fund Balances Beginning of Year - Restated (See Note 3)</i>	3,046,188	4,702,544
Decrease in Reserve for Inventory	(3,440)	0
<i>Fund Balances End of Year</i>	<u>\$2,677,382</u>	<u>\$4,881,870</u>

See accompanying notes to the general purpose financial statements

<u>Fund Types</u>		Totals
<u>Debt Service</u>	<u>Capital Projects</u>	<u>(Memorandum Only)</u>
\$0	\$0	\$853,784
0	1,180,800	6,891,942
0	0	92,502
0	0	309,885
0	0	185,767
0	0	512,114
0	0	3,344,849
69,590	392	69,982
0	252,366	756,084
0	47,368	552,399
<u>69,590</u>	<u>1,480,926</u>	<u>13,569,308</u>
1,319	0	2,280,438
0	0	6,491,224
0	0	660,804
0	0	937,866
0	0	931,804
0	0	55,720
0	0	537,253
0	2,046,704	2,046,704
2,030,000	0	2,035,494
253,339	0	271,992
<u>2,284,658</u>	<u>2,046,704</u>	<u>16,249,299</u>
<u>(2,215,068)</u>	<u>(565,778)</u>	<u>(2,679,991)</u>
1,700,000	0	1,700,000
0	1,083	1,083
505,251	300,000	1,638,204
0	(537,493)	(1,657,341)
<u>2,205,251</u>	<u>(236,410)</u>	<u>1,681,946</u>
(9,817)	(802,188)	(998,045)
124,078	5,685,938	13,558,748
0	0	(3,440)
<u>\$114,261</u>	<u>\$4,883,750</u>	<u>\$12,557,263</u>

City of Alliance, Ohio
*Combined Statement of Revenues, Expenditures and Changes
In Fund Balances - Budget (Non-GAAP Basis) and Actual
All Governmental Fund Types
For the Year Ended December 31, 2000*

	General Fund		Variance Favorable (Unfavorable)
	Revised Budget	Actual	
Revenues			
Property and Other Taxes	\$735,947	\$723,922	(\$12,025)
Municipal Income Tax	5,873,464	5,778,480	(94,984)
Permissive Motor Vehicle License Tax	0	0	0
Charges for Services	60,000	306,843	246,843
Licenses, Permits and Fees	108,390	119,047	10,657
Fines and Forfeitures	445,400	436,072	(9,328)
Intergovernmental	1,358,457	1,337,504	(20,953)
Special Assessments	0	0	0
Interest	180,000	246,661	66,661
Donations	0	0	0
Other	268,420	333,496	65,076
<i>Total Revenues</i>	<u>9,030,078</u>	<u>9,282,025</u>	<u>251,947</u>
Expenditures			
Current:			
General Government	2,408,105	2,245,931	162,174
Security of Persons and Property	5,409,253	5,259,402	149,851
Public Health Services	381,720	370,178	11,542
Transportation	344,036	320,269	23,767
Community Environment	140,312	125,279	15,033
Basic Utility Services	59,925	57,088	2,837
Leisure Time Activities	550,706	527,305	23,401
Capital Outlay	0	0	0
Debt Service:			
Principal Retirement	0	0	0
Interest and Fiscal Charges	0	0	0
<i>Total Expenditures</i>	<u>9,294,057</u>	<u>8,905,452</u>	<u>388,605</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(263,979)</u>	<u>376,573</u>	<u>640,552</u>
Other Financing Sources (Uses)			
Proceeds of Notes	0	0	0
Sale of Fixed Assets	0	0	0
Operating Transfers In	0	0	0
Operating Transfers Out	(309,556)	(834,268)	(524,712)
<i>Total Other Financing Sources (Uses)</i>	<u>(309,556)</u>	<u>(834,268)</u>	<u>(524,712)</u>
<i>Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</i>	(573,535)	(457,695)	115,840
<i>Fund Balances Beginning of Year</i>	1,807,117	1,807,117	0
Prior Year Encumbrances Appropriated	122,697	122,697	0
<i>Fund Balances End of Year</i>	<u>\$1,356,279</u>	<u>\$1,472,119</u>	<u>\$115,840</u>

Special Revenue Funds			Debt Service Fund		
Revised Budget	Actual	Variance Favorable (Unfavorable)	Revised Budget	Actual	Variance Favorable (Unfavorable)
\$132,983	\$129,862	(\$3,121)	\$0	\$0	\$0
0	0	0	0	0	0
100,000	100,409	409	0	0	0
0	0	0	0	0	0
57,946	57,425	(521)	0	0	0
52,000	57,776	5,776	0	0	0
3,390,072	1,968,278	(1,421,794)	0	0	0
0	0	0	69,590	69,590	0
232,508	275,694	43,186	0	0	0
0	0	0	0	0	0
319,347	311,280	(8,067)	0	0	0
<u>4,284,856</u>	<u>2,900,724</u>	<u>(1,384,132)</u>	<u>69,590</u>	<u>69,590</u>	<u>0</u>
97,698	76,722	20,976	1,317	1,317	0
1,204,475	1,164,715	39,760	0	0	0
308,288	280,311	27,977	0	0	0
663,981	619,537	44,444	0	0	0
2,537,824	1,231,531	1,306,293	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	3,089,000	3,065,000	24,000
0	0	0	1,548,457	1,288,671	259,786
<u>4,812,266</u>	<u>3,372,816</u>	<u>1,439,450</u>	<u>4,638,774</u>	<u>4,354,988</u>	<u>283,786</u>
<u>(527,410)</u>	<u>(472,092)</u>	<u>55,318</u>	<u>(4,569,184)</u>	<u>(4,285,398)</u>	<u>283,786</u>
0	0	0	1,700,000	1,700,000	0
0	0	0	0	0	0
849,479	832,953	(16,526)	2,869,857	2,575,581	(294,276)
<u>(504,585)</u>	<u>(285,580)</u>	<u>219,005</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>344,894</u>	<u>547,373</u>	<u>202,479</u>	<u>4,569,857</u>	<u>4,275,581</u>	<u>(294,276)</u>
(182,516)	75,281	257,797	673	(9,817)	(10,490)
2,506,004	2,506,004	0	124,078	124,078	0
229,575	229,575	0	0	0	0
<u>\$2,553,063</u>	<u>\$2,810,860</u>	<u>\$257,797</u>	<u>\$124,751</u>	<u>\$114,261</u>	<u>(\$10,490)</u>

(continued)

City of Alliance, Ohio
Combined Statement of Revenues, Expenditures and Changes
In Fund Balances - Budget (Non-GAAP Basis) and Actual
All Governmental Fund Types (continued)
For the Year Ended December 31, 2000

	Capital Projects Funds		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Property and Other Taxes	\$0	\$0	\$0
Municipal Income Tax	1,232,050	1,195,291	(36,759)
Permissive Motor Vehicle License Tax	0	0	0
Charges for Services	0	0	0
Licenses, Permits and Fees	0	0	0
Fines and Forfeitures	0	0	0
Intergovernmental	0	0	0
Special Assessments	0	392	392
Interest	462,160	252,366	(209,794)
Donations	80,000	0	(80,000)
Other	47,368	47,368	0
<i>Total Revenues</i>	<u>1,821,578</u>	<u>1,495,417</u>	<u>(326,161)</u>
Expenditures			
Current:			
General Government	0	0	0
Security of Persons and Property	0	0	0
Public Health Services	0	0	0
Transportation	0	0	0
Community Environment	0	0	0
Basic Utility Services	0	0	0
Leisure Time Activities	0	0	0
Capital Outlay	2,669,998	2,295,099	374,899
Debt Service:			
Principal Retirement	0	0	0
Interest and Fiscal Charges	0	0	0
<i>Total Expenditures</i>	<u>2,669,998</u>	<u>2,295,099</u>	<u>374,899</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(848,420)</u>	<u>(799,682)</u>	<u>48,738</u>
Other Financing Sources (Uses)			
Proceeds of Notes	431,801	450,000	18,199
Sale of Fixed Assets	1,039	1,083	44
Operating Transfers In	300,000	300,000	0
Operating Transfers Out	(537,493)	(537,493)	0
<i>Total Other Financing Sources (Uses)</i>	<u>195,347</u>	<u>213,590</u>	<u>18,243</u>
<i>Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</i>	<u>(653,073)</u>	<u>(586,092)</u>	<u>66,981</u>
<i>Fund Balances Beginning of Year</i>	5,124,005	5,124,005	0
Prior Year Encumbrances Appropriated	<u>432,528</u>	<u>432,528</u>	<u>0</u>
<i>Fund Balances End of Year</i>	<u>\$4,903,460</u>	<u>\$4,970,441</u>	<u>\$66,981</u>

See accompanying notes to the general purpose financial statements

Totals (Memorandum Only)		
Revised Budget	Actual	Variance Favorable (Unfavorable)
\$868,930	\$853,784	(\$15,146)
7,105,514	6,973,771	(131,743)
100,000	100,409	409
60,000	306,843	246,843
166,336	176,472	10,136
497,400	493,848	(3,552)
4,748,529	3,305,782	(1,442,747)
69,590	69,982	392
874,668	774,721	(99,947)
80,000	0	(80,000)
635,135	692,144	57,009
<u>15,206,102</u>	<u>13,747,756</u>	<u>(1,458,346)</u>
2,507,120	2,323,970	183,150
6,613,728	6,424,117	189,611
690,008	650,489	39,519
1,008,017	939,806	68,211
2,678,136	1,356,810	1,321,326
59,925	57,088	2,837
550,706	527,305	23,401
2,669,998	2,295,099	374,899
3,089,000	3,065,000	24,000
1,548,457	1,288,671	259,786
<u>21,415,095</u>	<u>18,928,355</u>	<u>2,486,740</u>
<u>(6,208,993)</u>	<u>(5,180,599)</u>	<u>1,028,394</u>
2,131,801	2,150,000	18,199
1,039	1,083	44
4,019,336	3,708,534	(310,802)
<u>(1,351,634)</u>	<u>(1,657,341)</u>	<u>(305,707)</u>
<u>4,800,542</u>	<u>4,202,276</u>	<u>(598,266)</u>
(1,408,451)	(978,323)	430,128
9,561,204	9,561,204	0
784,800	784,800	0
<u>\$8,937,553</u>	<u>\$9,367,681</u>	<u>\$430,128</u>

City of Alliance, Ohio
*Combined Statement of Revenues, Expenses
and Changes in Fund Equity
All Proprietary Fund Types
For the Year Ended December 31, 2000*

	Enterprise	Internal Service	Totals (Memorandum Only)
Operating Revenues			
Charges for Services	\$7,309,151	\$1,239,679	\$8,548,830
Other	62,553	5,401	67,954
<i>Total Operating Revenues</i>	<u>7,371,704</u>	<u>1,245,080</u>	<u>8,616,784</u>
Operating Expenses			
Salaries and Wages	2,279,666	0	2,279,666
Fringe Benefits	860,618	0	860,618
Purchased Services	703,737	139	703,876
Claims	0	1,382,346	1,382,346
Materials and Supplies	946,740	0	946,740
Depreciation	1,080,911	0	1,080,911
<i>Total Operating Expenses</i>	<u>5,871,672</u>	<u>1,382,485</u>	<u>7,254,157</u>
<i>Operating Income (Loss)</i>	<u>1,500,032</u>	<u>(137,405)</u>	<u>1,362,627</u>
Non-Operating Revenues (Expenses)			
Interest	582,428	3,180	585,608
Loss on Sale of Fixed Assets	(1,330)	0	(1,330)
Interest and Fiscal Charges	(1,529,731)	0	(1,529,731)
<i>Total Non-Operating Revenues (Expenses)</i>	<u>(948,633)</u>	<u>3,180</u>	<u>(945,453)</u>
<i>Income (Loss) Before Operating Transfers</i>	551,399	(134,225)	417,174
Operating Transfers In	60,000	0	60,000
Operating Transfers Out	(40,863)	0	(40,863)
<i>Net Income (Loss)</i>	570,536	(134,225)	436,311
<i>Retained Earnings Beginning of Year (Restated See Note 3)</i>	<u>5,365,525</u>	<u>103,563</u>	<u>5,469,088</u>
<i>Retained Earnings (Deficit) End of Year</i>	<u>5,936,061</u>	<u>(30,662)</u>	<u>5,905,399</u>
Contributed Capital Beginning of Year	5,923,082	0	5,923,082
Contributions During the Year:			
Municipal Income Tax	281,245	0	281,245
Capital Grants	204,563	0	204,563
Contributed Capital End of Year	<u>6,408,890</u>	<u>0</u>	<u>6,408,890</u>
<i>Total Fund Equity (Deficit) End of Year</i>	<u>\$12,344,951</u>	<u>(\$30,662)</u>	<u>\$12,314,289</u>

See accompanying notes to the general purpose financial statements

City of Alliance, Ohio
*Combined Statement of Revenues, Expenses and Changes
in Fund Equity - Budget (Non-GAAP Basis) and Actual
All Proprietary Fund Types
For the Year Ended December 31, 2000*

	Enterprise Funds		Variance Favorable (Unfavorable)
	Revised Budget	Actual	
Revenues			
Municipal Income Tax	\$301,000	\$281,245	(\$19,755)
Charges for Services	6,989,500	7,159,575	170,075
Licenses, Permits and Fees	6,000	19,025	13,025
Capital Grants	301,702	204,563	(97,139)
Interest	226,800	261,326	34,526
Other	55,230	43,528	(11,702)
<i>Total Revenues</i>	<u>7,880,232</u>	<u>7,969,262</u>	<u>89,030</u>
Expenses			
Salaries and Wages	2,313,528	2,271,326	42,202
Fringe Benefits	778,687	718,891	59,796
Contractual Services	1,023,564	885,784	137,780
Claims	0	0	0
Materials and Supplies	1,094,264	1,021,899	72,365
Capital Outlay	1,890,934	421,589	1,469,345
Other	221	0	221
<i>Total Expenses</i>	<u>7,101,198</u>	<u>5,319,489</u>	<u>1,781,709</u>
<i>Excess of Revenues Over (Under) Expenses</i>	779,034	2,649,773	1,870,739
Operating Transfers In	60,000	60,000	0
Operating Transfers Out	(2,317,191)	(2,111,193)	205,998
<i>Excess of Revenues Over (Under) Expenses and Operating Transfers</i>	(1,478,157)	598,580	2,076,737
<i>Fund Equity Beginning of Year</i>	4,002,120	4,002,120	0
Prior Year Encumbrances Appropriated	201,266	201,266	0
<i>Fund Equity End of Year</i>	<u><u>\$2,725,229</u></u>	<u><u>\$4,801,966</u></u>	<u><u>\$2,076,737</u></u>

(continued)

City of Alliance, Ohio
*Combined Statement of Revenues, Expenses and Changes
in Fund Equity - Budget (Non-GAAP Basis) and Actual
All Proprietary Fund Types (continued)
For the Year Ended December 31, 2000*

	Internal Service Fund		Variance Favorable (Unfavorable)
	Revised Budget	Actual	
Revenues			
Municipal Income Tax	\$0	\$0	\$0
Charges for Services	1,294,000	1,352,811	58,811
Licenses, Permits and Fees	0	0	0
Grants	0	0	0
Interest	2,500	3,180	680
Other	1,000	5,401	4,401
<i>Total Revenues</i>	<u>1,297,500</u>	<u>1,361,392</u>	<u>63,892</u>
Expenses			
Salaries and Wages	0	0	0
Fringe Benefits	0	0	0
Contractual Services	25,000	814	24,186
Claims	1,457,000	1,456,839	161
Materials and Supplies	0	0	0
Capital Outlay	0	0	0
Other	0	0	0
<i>Total Expenses</i>	<u>1,482,000</u>	<u>1,457,653</u>	<u>24,347</u>
<i>Excess of Revenues Over (Under) Expenses</i>	(184,500)	(96,261)	88,239
Operating Transfers In	0	0	0
Operating Transfers Out	0	0	0
<i>Excess of Revenues Over (Under) Expenses and Operating Transfers</i>	(184,500)	(96,261)	88,239
<i>Fund Equity Beginning of Year</i>	268,674	268,674	0
Prior Year Encumbrances Appropriated	0	0	0
<i>Fund Equity End of Year</i>	<u><u>\$84,174</u></u>	<u><u>\$172,413</u></u>	<u><u>\$88,239</u></u>

See accompanying notes to the general purpose financial statements

Totals (Memorandum Only)		
Revised Budget	Actual	Variance Favorable (Unfavorable)
\$301,000	\$281,245	(\$19,755)
8,283,500	8,512,386	228,886
6,000	19,025	13,025
301,702	204,563	(97,139)
229,300	264,506	35,206
56,230	48,929	(7,301)
<u>9,177,732</u>	<u>9,330,654</u>	<u>152,922</u>
2,313,528	2,271,326	42,202
778,687	718,891	59,796
1,048,564	886,598	161,966
1,457,000	1,456,839	161
1,094,264	1,021,899	72,365
1,890,934	421,589	1,469,345
221	0	221
<u>8,583,198</u>	<u>6,777,142</u>	<u>1,806,056</u>
594,534	2,553,512	1,958,978
60,000	60,000	0
<u>(2,317,191)</u>	<u>(2,111,193)</u>	<u>205,998</u>
(1,662,657)	502,319	2,164,976
4,270,794	4,270,794	0
<u>201,266</u>	<u>201,266</u>	<u>0</u>
<u><u>\$2,809,403</u></u>	<u><u>\$4,974,379</u></u>	<u><u>\$2,164,976</u></u>

City of Alliance, Ohio
Combined Statement of Cash Flows
All Proprietary Fund Types
For the Year Ended December 31, 2000

	Enterprise	Internal Service	Totals (Memorandum Only)
<i>Increase (Decrease) In Cash and Cash Equivalents</i>			
Cash Flows from Operating Activities			
Cash Received from Customers	\$7,159,575	\$0	\$7,159,575
Cash Payments from Quasi-External Transactions with Other Funds	0	1,352,811	1,352,811
Cash Payments to Suppliers for Good and Services	(984,366)	0	(984,366)
Cash Payments for Claims	0	(1,456,839)	(1,456,839)
Cash Payments for Employee Services and Benefits	(2,983,285)	0	(2,983,285)
Cash Payments for Contractual Services	(823,705)	(814)	(824,519)
Other Revenue	62,553	5,401	67,954
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>2,430,772</u>	<u>(99,441)</u>	<u>2,331,331</u>
Cash Flows from Noncapital Financing Activities			
Transfer In	60,000	0	60,000
Cash Flows from Capital and Related Financing Activities			
Acquisition of Capital Assets	(274,508)	0	(274,508)
Municipal Income Tax	281,245	0	281,245
Capital Grants	204,563	0	204,563
Principal Paid on Sewer General Obligation Bonds	(100,000)	0	(100,000)
Interest Paid on Sewer General Obligation Bonds	(40,863)	0	(40,863)
Principal Paid on Water Revenue Bonds	(615,000)	0	(615,000)
Interest Paid on Water Revenue Bonds	(979,205)	0	(979,205)
Principal Paid on Sewer Revenue Bonds	(320,000)	0	(320,000)
Interest Paid on Sewer Revenue Bonds	(261,623)	0	(261,623)
<i>Net Cash Used for Capital and Related Financing Activities</i>	<u>(2,105,391)</u>	<u>0</u>	<u>(2,105,391)</u>
Cash Flows from Investing Activities			
Interest	405,522	3,180	408,702
<i>Net Increase (Decrease) In Cash and Cash Equivalents</i>	790,903	(96,261)	694,642
<i>Cash and Cash Equivalents Beginning of Year</i>	<u>6,852,063</u>	<u>268,674</u>	<u>7,120,737</u>
<i>Cash and Cash Equivalents End of Year</i>	<u><u>\$7,642,966</u></u>	<u><u>\$172,413</u></u>	<u><u>\$7,815,379</u></u>

(continued)

City of Alliance, Ohio
Combined Statement of Cash Flows
All Proprietary Fund Types (continued)
For the Year Ended December 31, 2000

	Enterprise	Internal Service		Totals (Memorandum Only)
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities				
Operating Income (Loss)	\$1,500,032	(\$137,405)		\$1,362,627
Adjustments:				
Depreciation	1,080,911	0		1,080,911
(Increase)/Decrease in Assets:				
Accounts Receivable	(144,176)	113,132		(31,044)
Materials and Supplies Inventory	(39,114)	0		(39,114)
Increase/(Decrease) in Liabilities:				
Accounts Payable	23,600	(675)		22,925
Accrued Wages	8,340	0		8,340
Compensated Absences Payable	41,616	0		41,616
Intergovernmental Payable	(35,037)	0		(35,037)
Due to Other Funds	(5,400)	0		(5,400)
Claims Payable	0	(74,493)		(74,493)
	\$2,430,772	(\$99,441)		\$2,331,331
<i>Net Cash Provided by (Used for) Operating Activities</i>	\$2,430,772	(\$99,441)		\$2,331,331

See accompanying notes to the general purpose financial statements

City of Alliance, Ohio
Notes to the General Purpose Financial Statements
For the Year Ended December 31, 2000

Note 1 - Description of the City and Reporting Entity

The City of Alliance (the "City") is a statutory municipal corporation, incorporated under the laws of the State of Ohio. The City operates under a part-time Council and full-time Mayor form of government. The Mayor, Council, Auditor, Treasurer, Judge, Clerk of Court, and Law Director are elected.

The reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements of the City are not misleading. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the City. For the City of Alliance, this includes police and fire protection, parks and recreation, planning, zoning, street maintenance and repair, municipal court and general administrative services.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board and 1) the City is able to significantly influence the programs or services performed or provided by the organization; or 2) the City is legally entitled to or can otherwise access the organization's resources; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the City is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the City in that the City approves the budget, the issuance of debt, or the levying of taxes. The City has no component units.

The City is associated with the Stark County Council of Governments, the Stark County Regional Planning Commission, and the Stark Area Regional Transit Authority, which are defined as jointly governed organizations. The City does not have any financial interest in or responsibility for these organizations (See Note 17).

The City is also associated with the Alliance Area Development Foundation (Foundation). The Foundation is a not-for-profit corporation. The board of trustees consists of contributing trustees and elected trustees. The contributing trustees select the elected trustees. In 2000, the Mayor was an elected trustee. The Foundation's goal is to retain companies, enhance company growth and capture new business for the Alliance area. The Foundation has been excluded from the reporting entity.

Note 2 - Summary of Significant Accounting Policies

The financial statements of the City have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The City also applies Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or before November 30, 1989, to its proprietary activities provided they do not conflict with or contradict GASB pronouncements. The more significant of the City's accounting policies are described below.

City of Alliance, Ohio
Notes to the General Purpose Financial Statements
For the Year Ended December 31, 2000

A. Basis Of Presentation - Fund Accounting

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

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

For financial statement presentation purposes, the various funds of the City are grouped into the following generic fund types under the broad fund categories governmental, proprietary and fiduciary.

Governmental Fund Types Governmental funds are those through which most governmental functions of the City are financed. The acquisition, use and balances of the City's expendable financial resources and the related current liabilities (except those accounted for in proprietary funds) are accounted for through governmental funds. The following are the City's governmental fund types:

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

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

Debt Service Fund This fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

Capital Projects Funds These funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

Proprietary Fund Types Proprietary funds are used to account for the City's ongoing activities which are similar to those found in the private sector. The following are the City's proprietary fund types:

Enterprise Funds These funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent is that costs (expenses, including depreciation) of providing services to the general public on a continuing basis be financed or recovered primarily through user charges or where it has been decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

City of Alliance, Ohio
Notes to the General Purpose Financial Statements
For the Year Ended December 31, 2000

Internal Service Fund This fund is used 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.

Fiduciary Fund Types Fiduciary funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds. The City only utilizes the agency fund type.

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

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

General Fixed Assets Account Group This account group accounts for all general fixed assets of the City other than those accounted for in proprietary funds.

General Long-Term Obligations Account Group This account group accounts for all unmatured long-term indebtedness of the City that is not a specific liability of proprietary funds.

B. Measurement Focus and Basis of Accounting

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

All proprietary fund types are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Fund equity (i.e., net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund type operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net total assets.

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

All governmental fund types and agency funds are accounted for using the modified accrual basis of accounting. Under this basis, revenues are recognized in the accounting period when they become both measurable and available. Measurable means the amount of the transaction can be determined and available means collectible within the current year or soon enough thereafter to be used to pay liabilities of the current year. The available period for the City is sixty days after year end.

City of Alliance, Ohio
Notes to the General Purpose Financial Statements
For the Year Ended December 31, 2000

In applying the susceptible to accrual concept under the modified accrual basis, the following revenue sources are deemed both measurable and available: interest, State-levied locally shared taxes (including gasoline taxes, motor vehicle licence fees, and local government assistance), fines and forfeitures and income tax withheld by employers. Other revenues, including licenses, permits, certain charges for services, and miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until received.

The City reports deferred revenues on its combined balance sheet. Deferred revenues arise when a potential revenue does not meet both the measurable and available criteria for recognition in the current period. In the subsequent period, when both revenue recognition criteria are met, the liability for deferred revenue is removed from the combined balance sheet and revenue is recognized. Current and delinquent property taxes measurable as of December 31, 2000, whose availability is indeterminate and which are not intended to finance current period obligations, have been recorded as a receivable and deferred revenue. Levied special assessments are measurable, and have been recorded as a receivable. Since all assessments are due outside of the available period, the entire amount has been deferred.

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 fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

The accrual basis of accounting is utilized for reporting purposes by the proprietary fund types. Revenues are recognized when they are earned and become measurable and expenses are recognized when they are incurred, if measurable. Unbilled service charges receivable are recognized as revenue at year end.

C. 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 appropriation ordinance, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriations ordinance are subject to amendment throughout the year with the legal restriction that the appropriations cannot exceed estimated resources, as certified. All funds, other than agency funds, are required to be budgeted and appropriated. The legal level of budgetary control is at the object level within each department and fund. Budgetary modifications at this level may only be made by resolution of the City Council.

Tax Budget At the first Council meeting in July, the Mayor presents the annual operating budget for the following 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. Prior to December 31, the City must revise its budget so that the total contemplated expenditures from any fund during the ensuing year will not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis

City of Alliance, Ohio
Notes to the General Purpose Financial Statements
For the Year Ended December 31, 2000

for the annual appropriation ordinance. On or about January 1, the certificate of estimated resources is amended to include unencumbered fund balances at December 31 of the preceding year. The certificate may be further amended during the year if the City Auditor determines, and the Budget Commission agrees, that an estimate needs to be either increased or decreased. The amounts reported on the budgetary statements reflect the amounts in the final amended official certificate of estimated resources issued during 2000.

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 fund, department and object level. The appropriation ordinance may be amended during the year as new information becomes available, provided that total fund appropriations may not exceed current estimated resources, as certified. The allocation of appropriations among departments and objects within a fund may be modified during the year by an ordinance of Council. During the year, several supplemental appropriation measures were passed. None of these supplemental appropriations had any significant affect on the original appropriations. The budget figures which appear in the statements of budgetary comparisons represent the final appropriation amounts, including all amendments and modifications.

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

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

D. Cash and Cash Equivalents

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

During 2000 investments were limited to repurchase agreements, certificates of deposit, U.S. Treasury Bonds and STAROhio. The City also invests in Firststar Bank Cash Management Fund, which is a money market mutual fund.

Except for non-participating investment contracts, investments are reported at fair value which is based on quoted market prices. The mutual fund is reported at fair value which is determined by the fund's December 31, 2000 share price. Nonparticipating investment contracts such as repurchase agreements and nonnegotiable certificates of deposit are reported at cost.

STAROhio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAROhio is not registered with the SEC as an

City of Alliance, Ohio
Notes to the General Purpose Financial Statements
For the Year Ended December 31, 2000

investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAROhio are valued at STAROhio's share price which is the price the investment could be sold for on December 31, 2000.

Investment procedures are restricted by provisions of the Ohio Revised Code. Interest revenue credited to the general fund during 2000 amounted to \$246,661 which includes \$180,521 assigned from other City funds. The City has segregated bank accounts for monies held separate from the City central bank account. These depository accounts are presented in the combined balance sheet as "cash and cash equivalents in segregated accounts" since they are not required to be deposited into the City Treasury.

The City utilizes a fiscal agent to hold monies set aside for current and future debt service payments under provisions of the bond indenture. The balances in these accounts are presented on the combined balance sheet as "restricted assets: cash and cash equivalents with fiscal agents" and represent investments in the Firststar Bank Cash Management Fund.

For purposes of the combined statement of cash flows and for presentation on the combined balance sheet, investments of the cash management pool and investments with an original maturity of three months or less at the time they are purchased by the City are considered to be cash equivalents. Investments with an initial maturity of more than three months not purchased from the pool are reported as investments.

E. Interfund Assets and Liabilities

Receivables and payables resulting from transactions between funds for services provided or goods received are classified as "due from other funds" or "due to other funds" on the balance sheet. Short-term interfund loans are classified as "interfund receivables" and "interfund payables."

F. Inventory

Inventories of governmental funds are stated at cost while the inventory of the proprietary fund is stated at the lower of cost or market. For all funds, cost is determined on a first-in, first-out basis. Inventory in governmental funds consists of expendable supplies held for consumption. The costs of inventory items are recorded as expenditures in the governmental fund types when purchased and as expenses in the proprietary fund types when used. Reported materials and supplies inventory is equally offset by a fund balance reserve in the governmental fund which indicates that it does not constitute available spendable resources even though it is a component of net current assets.

G. Intergovernmental Revenues

In governmental funds, grants awarded on a non-reimbursement basis, shared revenues and entitlements are recorded as intergovernmental receivables and revenues when measurable and available. Reimbursable grants are recorded as receivables and revenues when the related expenditures are made.

H. Restricted Assets

Restricted assets in the enterprise funds include cash and cash equivalents set aside to satisfy bond indenture requirements for construction, current and future debt payments and the replacement of fixed assets originally acquired with bond proceeds.

City of Alliance, Ohio
Notes to the General Purpose Financial Statements
For the Year Ended December 31, 2000

I. Bond Issuance Costs, Bond Discount and Accounting Loss

Bond issuance costs for proprietary fund types are reported as deferred charges and amortized over the term of the bonds. The bond discount and the accounting loss resulting from the advance refunding (the difference between the reacquisition price and the net carrying amount of the debt) is also amortized over the life of the refunding bonds. Bonds are reported net of the unamortized loss. All items are amortized using the straight-line method since the results are not significantly different from the effective interest method.

J. Fixed Assets and Depreciation

General fixed assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisition and construction costs are reflected as expenditures in governmental funds, and the related assets are reported in the general fixed assets account group. Fixed assets utilized in the proprietary funds, including the infrastructure fixed assets such as sewer and water lines and drains, are capitalized in the respective funds.

All purchased fixed assets are valued at cost where historical records are available and at an estimated historical cost when no historical records exist. Donated fixed assets are valued at their estimated fair market value on the date received. The City maintains a capitalization threshold of \$500.

Improvements are capitalized. The costs of normal maintenance and repairs that do not add to the value of an asset or materially extend an asset's life are not capitalized. Interest incurred during the construction of general fixed assets is also not capitalized. Improvements to fund fixed assets are capitalized and depreciated over the remaining useful lives of the related fixed assets.

Public domain ("infrastructure") general fixed assets consisting of roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems are not capitalized, as these assets are immovable and of value only to the government.

Assets in the general fixed assets account group are not depreciated. Depreciation of proprietary fund fixed assets is computed using the straight-line method over the following estimated useful lives:

Description	Estimated Lives
Buildings	20 - 40 years
Equipment	10 - 40 years
Vehicles	5 years
Water and Sewer Lines	20 - 60 years

Interest is capitalized on enterprise funds assets acquired with tax exempt debt. The amount of interest to be capitalized is calculated by offsetting interest expense incurred from the date of the borrowing until completion of the project with interest earned on invested proceeds over the same period. Capitalized interest is amortized on the straight-line basis over the estimated useful life of the asset. For 2000, interest costs capitalized on construction projects in the enterprise funds were not material.

City of Alliance, Ohio
Notes to the General Purpose Financial Statements
For the Year Ended December 31, 2000

K. Compensated Absences

Vacation benefits and compensatory time are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributed 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. The City records a liability for accumulated unused vacation time when earned for all employees with more than one year of service.

Sick leave benefits are accrued as a liability using the termination method. An accrual for sick leave is made to the extent that it is probable that the benefits will result in termination payments. The liability is an estimate based on the City's past experience of making termination payments.

For governmental funds, the current portion of unpaid compensated absences is the amount expected to be paid using expendable available resources. These amounts are recorded in the account "compensated absences payable" in the fund from which the employees who have accumulated unpaid leave are paid. The remainder is reported in the general long-term obligations account group. In proprietary funds, the entire amount of compensated absences is reported as a fund liability.

L. Fund Equity

Reserves for retained earnings represent those portions of fund equity not available for appropriation or legally segregated for a specific future use. Retained earnings in the enterprise funds have been reserved for replacement and operations which represent monies set aside to satisfy bond indenture requirements. Contributed capital is recorded in proprietary funds that have received capital grants or contributions from developers, customers or other funds. Contributed capital also includes income taxes for capital improvements in the enterprise funds. Fund balance reserves represent those portions of fund equity not appropriable for expenditure or legally segregated for a specific future use. Fund balances are reserved for encumbrances, inventory and loans receivable.

Because the City had not prepared financial statements in accordance with generally accepted accounting principles prior to 1996, the amount of contributed capital prior to December 31, 1995, cannot be determined. Consequently, only those amounts that have been specifically identified have been classified as contributed capital in the accompanying combined financial statements. All other fund equity amounts pertaining to the proprietary funds have been classified as retained earnings.

M. Interfund Transactions

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

Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

City of Alliance, Ohio
Notes to the General Purpose Financial Statements
For the Year Ended December 31, 2000

N. Accrued and Long-Term Obligations

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

Bond anticipation notes that are rolled over prior to the issuance of the financial statements and have a maturity date more than twelve months subsequent to the end of the fiscal year are reported in the general long-term obligations account group.

Long-term debt and other obligations financed by proprietary funds are reported as liabilities in the appropriate proprietary funds.

Under Ohio law, a debt retirement fund may be created and used for the payment of bond anticipation notes. Generally accepted accounting principles require the presentation of short-term note liability in the fund that received the note proceeds, with long-term obligations presented in the general long-term obligations account group. Principal and interest payments on matured general long-term obligations are reported in the debt service fund. To comply with GAAP reporting requirements, the City's debt retirement has been split among the appropriate funds and account group. Debt service fund resources used to pay both principal and interest have also been allocated accordingly.

O. Estimates

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

P. Total Columns on General Purpose Financial Statements

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

Note 3 - Restatement of Prior Year's Fund Balance

At December 31, 2000, the City of Alliance had the following overstatements and understatement to fund balance and retained earnings in the General Fund, the Community Development Block Grant, Litter Control, Health and Taxi Special Revenue funds and the Water and Sewer Enterprise Funds, as they were previously reported as of December 31, 1999.

City of Alliance, Ohio
Notes to the General Purpose Financial Statements
For the Year Ended December 31, 2000

Governmental Fund Type:

	General	Special Revenue
Fund Balance as Previously Reported	\$3,080,869	\$4,625,391
Understatement of CDBG Loans	0	42,472
Overstatement of Interfund Receivable	(34,681)	0
Overstatement of Interfund Payable	0	34,681
Restated Fund Balance January 1, 2000	\$3,046,188	\$4,702,544

Proprietary Fund Type:

	Enterprise
Retained Earnings as Previously Reported	\$4,654,016
Overstatement of Deferred Charges	(3,605)
Understatement of Restricted Cash and Cash Equivalents with Fiscal Agents	715,114
Restated Retained Earnings January 1, 2000	\$5,365,525

Note 4 - Fund Deficits

At December 31, 2000, the Water Enterprise Fund and Internal Service Fund had deficit retained earnings of \$135,717 and \$30,662, respectively. The deficit is caused by the application of generally accepted accounting principles. The general fund provides transfers to cover deficit balances; however, this is done when cash is needed rather than when accruals occur.

Note 5 - Budgetary Basis of Accounting

While reporting financial position, results of operations, and changes in fund balance/retained earnings on the basis of generally accepted accounting principles (GAAP basis), the budgetary basis as provided by law is based upon accounting for transactions on a basis of cash receipts, disbursements and encumbrances.

The Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget (Non-GAAP Basis) and Actual - All Governmental Fund Types and the Combined Statement of Revenues, Expenses and Changes in Fund Equity - Budget (Non-GAAP Basis) and Actual - All Proprietary Fund Types are presented on the budgetary basis to provide a relevant comparison of actual results with the budget and to demonstrate compliance with State statute. The major differences between the budget basis and the GAAP basis are:

1. Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).
2. Expenditures/expenses are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).

City of Alliance, Ohio
Notes to the General Purpose Financial Statements
For the Year Ended December 31, 2000

3. Outstanding year end encumbrances are treated as expenditures/expenses (budget) rather than as a reservation of fund balance for governmental fund types and as note disclosure in the proprietary fund types (GAAP).
4. For the proprietary funds, the acquisition and construction of capital assets are reported on the operating statement (budget) rather than as balance sheet transactions (GAAP).
5. The City repays short-term note debt from the debt service fund (budget) as opposed to the fund that received the proceeds (GAAP). Debt service fund resources used to pay both principal and interest have been allocated accordingly.
6. The trustee account set up in accordance with the indenture agreements (GAAP) is not part of the entity for which the appropriated budget is adopted (budget).

The following tables summarize the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements on a fund type basis.

Excess of Revenues and Other Financing Sources
Over (Under) Expenditures and Other Financing Uses
All Governmental Fund Types

	General	Special Revenue	Debt Service	Capital Projects
GAAP Basis	(\$365,366)	\$179,326	(\$9,817)	(\$802,188)
Revenue Accruals	(106,989)	270,946	0	14,491
Expenditure Accruals	95,950	(111,887)	0	(96,029)
Proceeds of Notes	0	0	0	450,000
Reclassification for Debt				
Transfers In	0	0	2,070,330	0
Principal Retirement	0	0	(951,058)	0
Interest and Fiscal Charges	0	0	(1,119,272)	0
Encumbrances	(81,290)	(263,104)	0	(152,366)
Budget Basis	<u>(\$457,695)</u>	<u>\$75,281</u>	<u>(\$9,817)</u>	<u>(\$586,092)</u>

City of Alliance, Ohio
Notes to the General Purpose Financial Statements
For the Year Ended December 31, 2000

Net Income (Loss)/Excess of Revenues
Over (Under) Expenses and Operating Transfers
All Proprietary Fund Types

	Enterprise	Internal Service
GAAP Basis	\$570,536	(\$134,225)
Revenue Accruals	(470,678)	113,132
Capital Grants	204,563	0
Income Tax	281,245	0
Expense Accruals	349,892	(75,168)
Reclassification for Debt		
Interest and Fiscal Charges	1,119,272	0
Transfers Out for Debt	(2,070,330)	0
Non-Budgeted Activity	61,302	0
Capital Outlay	(274,508)	0
Depreciation Expense	1,080,911	0
Encumbrances	(253,625)	0
Budget Basis	\$598,580	(\$96,261)

Note 6 - 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 City Treasury. Such monies must be maintained either as cash in the City Treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

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

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

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 treasurer 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.

City of Alliance, Ohio
Notes to the General Purpose Financial Statements
For the Year Ended December 31, 2000

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;
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 division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions; and,
6. The State Treasurer's investment pool (STAROhio).

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 treasurer or qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

Cash on Hand At year end, the City had \$5,060 in undeposited cash on hand which is included on the balance sheet of the City as part of "equity in pooled cash and cash equivalents."

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

City of Alliance, Ohio
Notes to the General Purpose Financial Statements
For the Year Ended December 31, 2000

Deposits At year end, the carrying amount of the City's deposits was \$592,589 and the bank balance was \$1,496,250. Of the bank balance:

1. \$383,265 was covered by federal depository insurance; and
2. \$1,112,985 was uninsured and uncollateralized. Although all statutory requirements for the deposit of money had been followed, non compliance with federal requirements could potentially subject the City to a successful claim by the FDIC.

Investments The City's investments are required to be categorized to give an indication of the level of risk assumed by the City at year end. Category 1 includes investments that are insured or registered or are held by the City or its agent in the City's name. Category 2 includes uninsured and unregistered investments which are held by the counterparty's trust department or agent in the City's name. Category 3 includes uninsured and unregistered investments which are held by the counterparty, or by its trust department or agent but not in the City's name. STAROhio and money market mutual fund investments are unclassified investments since they are not evidenced by securities that exist in physical or book entry form.

	Category 1	Fair Value
U. S. Treasury Bonds	\$2,983	\$2,983
STAROhio		14,569,923
Money Market Mutual Fund		2,587,375
Total Investments	\$2,983	\$17,160,281

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

A reconciliation between the classifications of cash and investments on the combined financial statements and the classification of deposits and investments presented above per GASB Statement No. 3, is as follows:

	Cash and Cash Equivalents	Investments
GASB Statement No. 9	\$17,757,930	\$0
Cash on Hand	(5,060)	
Investments of Cash		
Management Pool:		
U. S. Treasury Bonds	(2,983)	2,983
Money Market Mutual Fund	(2,587,375)	2,587,375
STAROhio	(14,569,923)	14,569,923
GASB Statement No. 3	\$592,589	\$17,160,281

City of Alliance, Ohio
Notes to the General Purpose Financial Statements
For the Year Ended December 31, 2000

Note 7 - Receivables

Receivables at December 31, 2000, consisted of taxes, accounts (billings for user charged services), loans (community development block grant and urban development action monies loaned to local businesses and low to moderate income homeowners), intergovernmental receivables arising from grants, entitlements and shared revenues and special assessments. All receivables are deemed collectible in full.

A. Property Taxes

Property taxes include amounts levied against all real, public utility, and tangible personal property located in the City. Property tax revenue received during 2000 for real and public utility property taxes represents collections of 1999 taxes. Property tax payments received during 2000 for tangible personal property (other than public utility property) is for 2000 taxes.

2000 real property taxes are levied after October 1, 2000 on the assessed value as of January 1, 2000, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2000 real property taxes are collected in and intended to finance 2001.

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2000 public utility property taxes become a lien December 31, 1999, are levied after October 1, 2000, and are collected in 2001 with real property taxes.

2000 tangible personal property taxes are levied after October 1, 1999, on the value as of December 31, 1999. Collections are made in 2000. Tangible personal property assessments are 25 percent of true value.

The full tax rate for all City operations for the year ended December 31, 2000, was \$6.00 per 1,000 of assessed value. The assessed values of real and tangible personal property upon which 2000 property tax receipts were based are as follows:

Real Property	\$189,244,740
Tangible Personal Property	47,248,917
Public Utility Property	12,297,450
Total	<u>\$248,791,107</u>

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.

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

The County Treasurer collects property tax on behalf of all taxing districts within the county, including the City of Alliance. The County Auditor periodically remits to the City its portion of the taxes. Property taxes receivable represent real and tangible personal property taxes, public utility taxes and outstanding delinquencies which are measurable as of December 31, 2000. Although total property tax collections for the next fiscal year

City of Alliance, Ohio
Notes to the General Purpose Financial Statements
For the Year Ended December 31, 2000

are measurable, amounts to be received during the available period are not subject to reasonable estimate at December 31, nor are they intended to finance 2000 operations. The receivable is offset by deferred revenue.

B. Loans Receivable

The special revenue funds reflect community development loans receivable in the amount of \$1,834,815. The loans receivable represent the principal owed to the City for Community Development Block Grants and Urban Development Action Grants. The loans bear interest at annual rates between five and six percent. The loans are to be repaid over periods ranging from two months to thirteen years.

C. Intergovernmental

A summary of the principal items of intergovernmental receivables follows:

	<u>Amount</u>
General Fund	
Local Government Revenue Assistance	\$29,544
Estate Tax	90,920
Fines	26,287
Workers Compensation Reimbursement	92,297
Local Government	175,251
Other	28,375
<i>Total General Fund</i>	<u>442,674</u>
Special Revenue Funds	
Street Maintenance and Repair Fund	66,031
State Highway Fund	5,354
Motor Vehicle License Fund	6,773
Litter Control Fund	5,501
Federal Aging Grant	1,092
Housing and Urban Development Grant Fund	5,286
Court Immobilization	700
<i>Total Special Revenue Funds</i>	<u>90,737</u>
<i>Total All Funds</i>	<u>\$533,411</u>

D. Income Tax

The City levies a municipal income tax of 1.75 percent on gross salaries, wages and other personal service compensation earned by residents of the City and on the earnings of nonresidents working within the City. This tax also applies to the net income of businesses operating within the City. Residents of the City are granted a credit of 100 percent for taxes paid to other municipalities.

Employers within the City are required to withhold income tax on employee compensation and remit the tax to the City either monthly or quarterly, as required. Corporations are required to pay their estimated tax quarterly and file a declaration annually. By City ordinance, income tax proceeds, after income tax department

City of Alliance, Ohio
Notes to the General Purpose Financial Statements
For the Year Ended December 31, 2000

expenditures, are credited to the following funds: 79 percent to the general fund, 10 percent to the capital improvements capital projects fund, seven percent to the street income tax construction capital projects fund, and four percent to the water enterprise fund.

E. Special Assessments

Special assessments include annually assessed demolition assessments and assessments for debt obligations. Demolition special assessments are levied against all property owners which benefit from the demolitions while special assessments for debt obligations are levied against specific property owners who primarily benefitted from the project.

The City's demolition assessments are billed by the County Auditor and collected by the County Treasurer. The County Auditor periodically remits these collections to the City. Special assessments collected in one calendar year are levied and certified in the preceding calendar year.

Note 8 - Fixed Assets

A summary of the enterprise fund fixed assets at December 31, 2000 follows:

Land	\$2,197,472
Buildings	9,858,916
Equipment	3,174,399
Vehicles	879,261
Water and Sewer Lines	<u>24,188,851</u>
Total	40,298,899
Less: Accumulated Depreciation	<u>13,134,175</u>
Net Fixed Assets	<u><u>\$27,164,724</u></u>

A summary of changes in general fixed assets follows:

	Balance January 1, 2000	Additions	Deductions	Balance December 31, 2000
Land and Improvements	\$2,938,925	\$57,627	\$0	\$2,996,552
Buildings	2,190,975	89,333	147,082	2,133,226
Equipment and Machinery	3,165,161	448,111	311,266	3,302,006
Vehicles	2,052,001	250,827	33,356	2,269,472
	<u>10,347,062</u>	<u>845,898</u>	<u>491,704</u>	<u>10,701,256</u>
Construction in Progress	67,096	67,989	0	135,085
	<u><u>\$10,414,158</u></u>	<u><u>\$913,887</u></u>	<u><u>\$491,704</u></u>	<u><u>\$10,836,341</u></u>

City of Alliance, Ohio
Notes to the General Purpose Financial Statements
For the Year Ended December 31, 2000

Note 9 - Risk Management

A. Liability Insurance

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. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years and there was no significant change in insurance coverage for the prior year. During 2000, the City contracted with Love Insurance Company for various types of insurance as follows:

Type of Coverage	Deductible	Limit - Occurrence	Limit - Aggregate
General Liability	None	\$3,000,000	\$5,000,000
Wrongful Acts	\$5,000	3,000,000	4,000,000
Law Enforcement	5,000	3,000,000	4,000,000
Automobile Liability	Various	None	3,000,000
Bond	None	None	50,000
Crime	None	None	10,000
Property	1,000	None	38,255,570
Inland Marine	250	None	1,869,156
Fire Vehicle Replacement Cost	250	None	1,019,000
Electronic Data Processing	None	None	422,072

The City participates in the Ohio Municipal League Group Rating Plan (OML) for workers' compensation. The intent of the OML is to achieve the benefit of a reduced premium for the participants, foster safer working environments and foster cost-effective claims management skills by virtue of its grouping and representation with other participants in the OML. The workers' compensation experience of the participating cities is calculated as one experience and a common premium rate is applied to all cities in the OML. Each participant pays its workers' compensation premium to the State based on the rate for the OML rather than its individual rate. Total savings are then calculated and each participant's individual performance is compared to the overall savings of the OML. A participant will then either receive money from or be required to contribute to the "Equity Pooling Fund." This "equity pooling" arrangement insures that each participant shares equally in the overall performance of the OML. Participation in the OML is limited to cities that can meet the OML's selection criteria. The firm of Gates McDonald & Company provides administrative, cost control and actuarial services to the OML.

B. Health Insurance

The City has elected to provide health care coverage to its employees through a self-insured program. The City maintains a self-insurance internal service fund to account for and finance its uninsured risks of loss in this program. The City purchases stop-loss coverage of \$50,000 per employee. A third party administrator, Anthem Benefits Administrators, reviews all claims which are then paid by the City.

The claims liability of \$209,732 reported in the self-insurance fund at December 31, 2000, is estimated by the third-party administrator and is based on the requirements of Governmental Accounting Standards Board Statement No. 10, "Accounting and Financial Reporting for Risk Financing and Related Insurance

City of Alliance, Ohio
Notes to the General Purpose Financial Statements
For the Year Ended December 31, 2000

Issues,” which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses.

Changes in the fund's claims liability amount for the last three years follow:

	Balance Beginning of Year	Current Year Claims	Claim Payments	Balance End of Year
1998	\$196,166	\$936,615	\$887,197	\$245,584
1999	245,584	1,189,995	1,151,354	284,225
2000	284,225	1,382,346	1,456,839	209,732

Note 10 - Interfund Transactions

Interfund balances at December 31, 2000, consist of the following individual fund receivables and payables:

	Interfund Receivable	Interfund Payable
General Fund	\$38,265	\$0
Special Revenue Funds		
Motor Vehicle License	0	36,106
Capital Projects Fund		
High School Property	0	2,159
<i>Total All Funds</i>	<u>\$38,265</u>	<u>\$38,265</u>

Note 11 - Long-Term Obligations

Changes in the long-term obligations of the City during 2000 were as follows:

	Outstanding 1/1/00	Additions	(Reductions)	Outstanding 12/31/00
Enterprise Funds' Obligations:				
Revenue Bonds:				
1994 Sewer Refunding 4%-6%	\$4,630,000	\$0	\$320,000	\$4,310,000
1998 Water Refunding 3.8%-5.0%	20,690,000	0	615,000	20,075,000
<i>Total Revenue Bonds</i>	<u>\$25,320,000</u>	<u>\$0</u>	<u>\$935,000</u>	<u>\$24,385,000</u>

City of Alliance, Ohio
Notes to the General Purpose Financial Statements
For the Year Ended December 31, 2000

	Outstanding 1/1/00	Additions	(Reductions)	Outstanding 12/31/00
General Obligation Bonds:				
1990 General Obligation Bond Sewer 6.45%-7.15%	\$575,000	\$0	\$100,000	\$475,000
<i>Total Enterprise Funds</i>	<u>25,895,000</u>	<u>0</u>	<u>1,035,000</u>	<u>24,860,000</u>
General Long-Term Obligations Account Group:				
General Obligation Bonds:				
Various Purpose 6.45%-7.15%	535,000	0	120,000	415,000
Various Purpose 1998 3.80%-5.00%	<u>1,125,000</u>	<u>0</u>	<u>55,000</u>	<u>1,070,000</u>
Total General Obligation Bonds	1,660,000	0	175,000	1,485,000
Special Assessment Bonds:				
Various Purpose 1999 4.10%-6.125%	<u>700,000</u>	<u>0</u>	<u>25,000</u>	<u>675,000</u>
<i>Total Bonds</i>	<u>2,360,000</u>	<u>0</u>	<u>200,000</u>	<u>2,160,000</u>
Long-Term Notes:				
Various Purpose Note 3.74%	1,830,000	0	1,830,000	0
Various Purpose Note 4.90%	<u>0</u>	<u>1,700,000</u>	<u>0</u>	<u>1,700,000</u>
<i>Total Long-Term Notes</i>	<u>1,830,000</u>	<u>1,700,000</u>	<u>1,830,000</u>	<u>1,700,000</u>
Other Long-Term Obligations:				
Police and Fire Pension Liability	440,225	0	5,494	434,731
Compensated Absences	1,471,216	63,491	23,993	1,510,714
Intergovernmental Payable	<u>329,474</u>	<u>266,285</u>	<u>329,474</u>	<u>266,285</u>
<i>Total General Long-Term Obligations Account Group</i>	<u>6,430,915</u>	<u>2,029,776</u>	<u>2,388,961</u>	<u>6,071,730</u>
<i>Total</i>	<u>\$32,325,915</u>	<u>\$2,029,776</u>	<u>\$3,423,961</u>	<u>\$30,931,730</u>

Enterprise fund obligations will be paid from user fees in the respective enterprise funds.

General obligation bonds will be paid from taxes and special assessment bonds will be repaid from special assessments received in the debt service fund. In the event that the property owners fail to make their special assessment payments, the City is responsible for providing the resources to meet the annual principal and interest payments. The police and fire pension liability will be paid from taxes revenue in the Police and Fire special revenue funds. Compensated absences reported in the "compensated absences payable" account will be paid from the fund from which the employees' salaries are paid. The intergovernmental payable represents pension obligations paid outside the available period and will be paid from the fund from which the person is paid.

City of Alliance, Ohio
Notes to the General Purpose Financial Statements
For the Year Ended December 31, 2000

Bond anticipation notes that are rolled over prior to the issuance of the financial statements and have a maturity date more than 12 months subsequent to the end of the fiscal year are reported in the general long-term obligations account group and will be paid from the downtown development capital projects fund. This note is backed by the full faith of the City of Alliance. See Note 19.

In 1998, the City defeased their waterworks revenue bonds and water general obligations bonds by placing the proceeds of the new bonds in an irrevocable trust to provide for all future debt service payments on the bonds.

Accordingly, the trust account assets and the liability for the defeased bonds were not included in the City's financial statements. On December 31, 2000, \$20,690,000 of outstanding refunded waterworks bonds are considered defeased by assets of \$18,561,266 held in the irrevocable trust.

Revenue bonds payable in the enterprise funds is made up of the following components:

	Water	Sewer	Total
Outstanding Balance of Revenue Bonds	\$20,075,000	\$4,310,000	\$24,385,000
Unamortized Discount	(327,410)	0	(327,410)
Unamortized Accounting Loss	(1,256,505)	0	(1,256,505)
Net Bonds Payable	<u>\$18,491,085</u>	<u>\$4,310,000</u>	<u>\$22,801,085</u>

The City's overall legal debt margin was \$22,573,086 at December 31, 2000. Principal and interest requirements to retire long-term obligations outstanding at December 31, 2000, are as follows:

	<u>General Obligation Bonds</u>						Totals
	General	Enterprise Funds	Special Assessment Bonds	Sewer Refunding Bonds	Waterworks Improvement Revenue Bonds	Police and Fire Pension Liability	
	Long-Term Obligations Account Group						
2001	\$264,340	\$128,963	\$71,354	\$581,262	\$1,594,605	\$24,146	\$2,664,670
2002	262,845	122,170	69,848	579,680	1,594,005	24,146	2,652,694
2003	265,762	115,378	68,309	582,005	1,597,072	24,146	2,652,672
2004	107,547	108,585	71,733	582,765	1,593,230	24,146	2,488,006
2005	104,818	101,792	69,894	581,900	1,592,990	24,146	2,475,540
2006-2010	432,027	0	357,204	435,000	7,975,866	120,728	9,320,825
2011-2015	427,000	0	289,594	2,914,300	7,978,500	120,729	11,730,123
2016-2020	172,000	0	0	0	7,968,750	120,729	8,261,479
2021-2025	0	0	0	0	0	120,730	120,730
2026-2030	0	0	0	0	0	120,729	120,729
2031-2035	0	0	0	0	0	107,577	107,577
	<u>2,036,339</u>	<u>576,888</u>	<u>997,936</u>	<u>6,256,912</u>	<u>31,895,018</u>	<u>831,952</u>	<u>42,595,045</u>
Less Interest	(551,339)	(101,888)	(322,936)	(1,946,912)	(11,820,018)	(397,221)	(15,140,314)
Totals	<u>\$1,485,000</u>	<u>\$475,000</u>	<u>\$675,000</u>	<u>\$4,310,000</u>	<u>\$20,075,000</u>	<u>\$434,731</u>	<u>\$27,454,731</u>

City of Alliance, Ohio
Notes to the General Purpose Financial Statements
For the Year Ended December 31, 2000

Note 12 - Defined Benefit Pension Plans

A. Public Employees Retirement System

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

Plan members are required to contribute 8.5 percent of their annual covered salary to fund pension obligations. For calendar year 2000, PERS instituted a temporary employer rate rollback for state and local governments. The 2000 employer pension contribution rate for the City was 6.54 percent of covered payroll, reduced from 9.35 percent in 1999. Contributions are authorized by State statute. The contribution rates are determined actuarially. The City's required contributions to PERS for the years ended December 31, 2000, 1999, and 1998 were \$365,038, \$495,659, and \$447,919, respectively. The full amount has been contributed for 1999 and 1998. 76.03 percent has been contributed for 2000 with the remainder being reported as a liability in the general long-term obligations account group.

B. Ohio Police and Fire Pension Fund

The City contributes to the Ohio Police and Fire Pension Fund (OP&F) a cost-sharing multiple employer public employee retirement system administered by the OP&F's Board of Trustees. The 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 by Chapter 742 of the Ohio Revised Code. The OP&F issues a publicly available financial report that includes financial information and required supplementary information. That report may be obtained by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

Police and firefighters are required to contribute 10 percent of their annual covered salary to fund pension obligations and the City is required to contribute 12.25 percent for police and 16.75 percent for firefighters. For 1999 the City's Contributions were 12.5 percent for police and 17 percent for firefighters. Contributions are authorized by State statute. The City's contributions to the OP&F for police and firefighters were \$250,903 and \$249,315 for the year ended December 31, 2000, \$260,465 and \$247,995 for the year ended December 31, 1999, and \$240,851 and \$241,114 for the year ended December 31, 1998. The full amount has been contributed for 1999 and 1998. 62.52 percent and 66.01 percent, respectively, have been contributed for 2000 with the remainder being reported as a liability in the general long-term obligations account group.

In addition to current contributions, the City pays installments on the accrued liability incurred when the State of Ohio established the statewide pension system for police and fire fighters in 1967. As of December 31, 2000, the unfunded liability of the City was \$434,731, payable in semi-annual payment through the year 2035. This is an accounting liability of the City which will not vary. The liability is reported in the general long-term obligations account group.

City of Alliance, Ohio
Notes to the General Purpose Financial Statements
For the Year Ended December 31, 2000

Note 13 - Postemployment Benefits

A. Public Employees Retirement System

The Public Employees Retirement System of Ohio (PERS) provides postretirement health care coverage to age and service employees with ten or more years of qualifying Ohio service credit. Health care coverage for disability recipients and primary survivor recipients is available. The health care coverage provided by the retirement system is considered an Other Postemployment Benefit as described in GASB Statement No. 12. A portion of each employer's contribution to PERS is set aside for the funding of postretirement health care based on authority granted by State statute. The 2000 employer contribution rate was 10.84 percent of covered payroll, 4.30 percent was the portion that was used to fund health care for 2000. For 1999, the contribution rate was 13.55 percent of covered payroll; 4.20 percent was the portion that was used to fund health care.

Benefits are advance-funded using the entry age normal cost method. Significant actuarial assumptions, based on PERS's latest actuarial review performed as of December 31, 1999, include a rate of return on investments of 7.75 percent, an annual increase in active employee total payroll of 4.75 percent compounded annually (assuming no change in the number of active employees) and an additional increase in total payroll of between .54 percent and 5.1 percent based on additional annual pay increases. Health care premiums were assumed to increase 4.75 percent annually.

All investments are carried at market. For actuarial valuation purposes, a smoothed market approach is used. Assets are adjusted to reflect 25 percent of unrealized market appreciation or depreciation on investment assets.

The number of active contributing participants was 401,339. The City's actual contributions for 2000 which were used to fund postemployment benefits were \$240,009. The actual contribution and the actuarially required contribution amounts are the same. PERS's net assets available for payment of benefits at December 31, 1999, (the latest information available) were \$10,805.5 million. The actuarially accrued liability and the unfunded actuarial accrued liability were \$12,473.6 million and \$1,668.1 million, respectively.

For 2000, PERS elected to return to an actuarially pre-funded type of disclosure because it is a better presentation of PERS's actual funding methodology. Since 1997, disclosures had been based on a pay-as-you-go funding basis.

B. Ohio Police and Fire Pension Fund

The Ohio Police and Fire Pension Fund (OP&F) provides postretirement health care coverage to any person who receives or is eligible to receive a monthly benefit check or is a spouse or eligible dependent child of such person. An eligible dependent child is any child under the age of 18 whether or not the child is attending school or under the age of 22 if attending school full-time or on a 2/3 basis.

The health care coverage provided by the retirement system is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 12. The Ohio Revised Code provides the authority allowing the Ohio Police and Fire Pension Fund's board of trustees to provide health care coverage and states that health care costs paid from the Ohio Police and Fire Pension Fund shall be included in the employer's contribution rate. Health care funding and accounting is on a pay-as-you-go basis. The total police employer contribution is 19.5 percent of covered payroll and the total firefighter employer contribution rate is 24 percent of covered payroll, of which 7.25 percent of covered payroll was applied to the postemployment health care program during 2000.

City of Alliance, Ohio
Notes to the General Purpose Financial Statements
For the Year Ended December 31, 2000

For 1999 the percent used to fund healthcare was 7 percent. In addition, since July 1, 1992, most retirees have been required to contribute a portion of the cost of their health care coverage through a deduction from their monthly benefit payment.

The City's actual contributions for 2000 that were used to fund postemployment benefits were \$148,493 for police and \$107,913 for fire. OP&F's total health care expenses for the year ended December 31, 1999, (the latest information available) were \$95,004,633, which was net of member contributions of \$5,518,098. The number of OP&F participants eligible to receive health care benefits as of December 31, 1999, was 12,467 for police and 9,807 for firefighters.

Note 14 - Other Employee Benefits

A. Compensated Absences

The criteria for determining vacation and sick leave components are derived from negotiated agreements and State laws. Employees earn two to six weeks of vacation per year, depending upon length of service. Vacation accumulation is limited to one year. All accumulated unused vacation time is paid upon termination of employment.

Employees earn sick leave at the rate of 2.3 hours for every forty hours worked. Upon retirement or death, employees receive payment for all sick leave hours up to a maximum of 960 hours, or employees hired after April 1, 1985, are entitled to a maximum of 960 hours or one-fourth of all sick leave hours, whichever is less.

If any employee leaves the City for any reason, the City will pay the employee a maximum of 480 hours for the compensatory time accumulated during the prior year of employment. As of December 31, 2000, the total liability for unpaid compensated absences was \$2,270,236.

B. Life Insurance

The City provides life insurance and accidental death and dismemberment insurance to its employees through Anthem Life Insurance Company of Indiana.

Note 15 - Segment Information For Enterprise Funds

The City's enterprise funds account for the provision of water and sewer services. The table below reflects in a summarized format, the more significant financial data relating to the enterprise funds of the City as of and for the year ended December 31, 2000:

City of Alliance, Ohio
Notes to the General Purpose Financial Statements
For the Year Ended December 31, 2000

	Water	Sewer	Totals
Operating Revenues	\$3,968,292	\$3,403,412	\$7,371,704
Depreciation Expense	721,746	359,165	1,080,911
Operating Income	741,595	758,437	1,500,032
Operating Transfers In	0	60,000	60,000
Operating Transfers Out	0	(40,863)	(40,863)
Net Income (Loss)	(104,110)	674,646	570,536
Capital Contributions	281,245	204,563	485,808
Property, Plant and Equipment:			
Additions	34,394	240,114	274,508
Net Working Capital	1,933,612	1,453,021	3,386,633
Total Assets	23,942,098	12,711,574	36,653,672
Long-Term Obligations	18,116,897	4,647,145	22,764,042
Total Fund Equity	4,932,281	7,412,670	12,344,951
Encumbrances at December 31, 2000	104,468	149,157	253,625

Note 16 - Contingencies

A. Grants

The City received financial assistance from 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 is 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 adverse effect on the overall financial position of the City at December 31, 2000.

B. Litigation

The City is a party to legal proceedings seeking damages. The amount of the liability, if any, cannot be reasonably estimated at this time. However, in the opinion of the City's management, any such claims and lawsuits will not have a material adverse effect on the overall financial position of the City at December 31, 2000.

Note 17 - Jointly Governed Organizations

Stark County Council of Governments (SCOG) The City participates in the Stark County Council of Governments (SCOG), which is a regional council of governments formed under chapter 167 of the Ohio Revised Code. Currently, SCOG's functions include the funding and operation of the Stark County Metropolitan Narcotics Unit and the Canton Crime Lab. SCOG is governed by the membership, including Stark County, and other cities, villages and townships. The membership elects a nine member executive committee.

City of Alliance, Ohio
Notes to the General Purpose Financial Statements
For the Year Ended December 31, 2000

Based on recommendations of the executive committee, the membership approves its own budget, appoints personnel and oversees accounting and finance related activities. Each participant's control is limited to its membership shares. During 2000, the City of Alliance did not contribute to SCOG. Complete financial statements may be obtained from the Stark County Council of Governments, P.O. Box 21451, Canton, Ohio 44701-1451.

Stark County Regional Planning Commission The City participates in the Stark County Regional Planning Commission (Commission) which is a statutorily created political subdivision of the State. The Commission is jointly governed among Stark County, and other cities, villages, and townships. Of the 48 member board, the City appoints two members. The degree of control exercised by any participating government is limited to its representation on the board. The principal aim of the Commission is to provide comprehensive planning, both long and short range, dealing with the economic and physical environment of Stark County. The Board exercises total authority for the day-to-day operations of the Commission. These include budgeting, appropriating, contracting, and designating management. The City has no financial responsibility for any of the Commission's liabilities. In 2000, the City contributed \$19,604 to the Commission, which represents 1.4 percent of total contributions. Complete financial statements may be obtained from the Stark County Regional Planning Commission, Stark County, Ohio.

Stark Area Regional Transit Authority The City participates in the Stark Area Regional Transit Authority (Authority), which is a jointly governed organization between Stark County and the cities of Canton, Massillon, and Alliance. A nine member board of trustees oversees the operation of the Authority. Of the nine members, the City appoints one member. Each member's control over the operation of the Authority is limited to its representation on the Board. The Board exercises total authority for the day-to-day operations of the Authority. These include budgeting, appropriating, contracting, and designating management. The City has no financial responsibility for any of the Authority's liabilities. Complete financial statements may be obtained from the Stark Area Regional Transit Authority, 1600 Gateway Boulevard, SE, Canton, Ohio.

Note 18 - Notes Payable

The Hospital Sale Capital Projects Fund issued a \$450,000 note in November 2000 at an interest rate of 4.79 percent. The note is backed by the full faith and credit of the City of Alliance and matures within one year. The note liability is reflected in the fund which received the proceeds.

Note 19 - Subsequent Event

On April 19, 2001, the City had \$1,700,000 in various purpose notes mature and come due. \$1,585,000 was refinanced with a 3.62 percent interest rate with a maturity date of April 19, 2002.

*Combining, Individual Fund
and Account Group
Statements and Schedules*

General Fund

The general fund is used to account for financial resources traditionally associated with general governmental operations which are not required to be accounted for by another fund.

City of Alliance, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Property and Other Taxes	\$735,947	\$723,922	(\$12,025)
Municipal Income Tax	5,873,464	5,778,480	(94,984)
Charges for Services	60,000	306,843	246,843
Licenses, Permits and Fees	108,390	119,047	10,657
Fines and Forfeitures	445,400	436,072	(9,328)
Intergovernmental	1,358,457	1,337,504	(20,953)
Interest	180,000	246,661	66,661
Other	268,420	333,496	65,076
<i>Total Revenues</i>	<u>9,030,078</u>	<u>9,282,025</u>	<u>251,947</u>
Expenditures			
Current:			
General Government:			
Mayor:			
Salaries and Wages	86,100	85,557	543
Fringe Benefits	35,201	33,095	2,106
Contractual Services	3,568	2,386	1,182
Materials and Supplies	7,334	7,075	259
Total Mayor	<u>132,203</u>	<u>128,113</u>	<u>4,090</u>
Senior Center:			
Salaries and Wages	42,926	41,604	1,322
Fringe Benefits	13,442	11,528	1,914
Materials and Supplies	1,418	1,058	360
Total Senior Center	<u>57,786</u>	<u>54,190</u>	<u>3,596</u>
Auditor:			
Salaries and Wages	173,500	154,195	19,305
Fringe Benefits	51,270	45,487	5,783
Contractual Services	6,215	5,908	307
Materials and Supplies	14,670	12,341	2,329
Total Auditor	<u>\$245,655</u>	<u>\$217,931</u>	<u>\$27,724</u>

(continued)

City of Alliance, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Treasurer:			
Salaries and Wages	\$3,754	\$3,754	\$0
Fringe Benefits	677	597	80
Materials and Supplies	370	361	9
Total Treasurer	<u>4,801</u>	<u>4,712</u>	<u>89</u>
Law Director:			
Salaries and Wages	122,750	121,257	1,493
Fringe Benefits	33,773	29,364	4,409
Contractual Services	2,311	1,672	639
Materials and Supplies	4,327	3,464	863
Total Law Director	<u>163,161</u>	<u>155,757</u>	<u>7,404</u>
City Council:			
Salaries and Wages	36,970	36,591	379
Fringe Benefits	7,286	5,683	1,603
Materials and Supplies	16,000	13,075	2,925
Total City Council	<u>60,256</u>	<u>55,349</u>	<u>4,907</u>
Judge and Probation:			
Salaries and Wages	133,797	131,010	2,787
Fringe Benefits	48,889	45,093	3,796
Contractual Services	6,221	5,168	1,053
Materials and Supplies	14,248	13,192	1,056
Total Judge and Probation	<u>203,155</u>	<u>194,463</u>	<u>8,692</u>
Clerk of Courts:			
Salaries and Wages	194,743	194,401	342
Fringe Benefits	64,559	61,581	2,978
Contractual Services	30,946	29,593	1,353
Materials and Supplies	28,086	27,429	657
Total Clerk of Courts	<u>\$318,334</u>	<u>\$313,004</u>	<u>\$5,330</u>

(continued)

City of Alliance, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Civil Service:			
Salaries and Wages	\$12,075	\$12,067	\$8
Fringe Benefits	2,176	1,712	464
Materials and Supplies	3,200	2,176	1,024
Total Civil Service	17,451	15,955	1,496
Engineering:			
Salaries and Wages	71,890	71,889	1
Fringe Benefits	27,303	24,211	3,092
Contractual Services	18,574	12,729	5,845
Materials and Supplies	9,699	8,064	1,635
Total Engineering	127,466	116,893	10,573
County Auditor and Treasurer:			
Contractual Services	14,900	14,885	15
State Examiner:			
Contractual Services	38,500	34,113	4,387
Income Tax:			
Salaries and Wages	102,543	100,740	1,803
Fringe Benefits	34,137	30,918	3,219
Contractual Services	10,311	10,249	62
Materials and Supplies	15,900	14,811	1,089
Capital Outlay	3,000	520	2,480
Total Income Tax	165,891	157,238	8,653
Land and Buildings:			
Salaries and Wages	47,000	46,602	398
Fringe Benefits	18,797	17,511	1,286
Contractual Services	136,066	128,729	7,337
Materials and Supplies	26,541	19,772	6,769
Total Land and Buildings	\$228,404	\$212,614	\$15,790

(continued)

City of Alliance, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
General Administration:			
Salaries and Wages	\$29,210	\$29,209	\$1
Fringe Benefits	13,872	8,966	4,906
Contractual Services	474,966	429,233	45,733
Materials and Supplies	53,910	50,218	3,692
Capital Outlay	10,000	9,947	53
Other	48,184	43,141	5,043
	<u>630,142</u>	<u>570,714</u>	<u>59,428</u>
Total General Administration			
	<u>2,408,105</u>	<u>2,245,931</u>	<u>162,174</u>
Total General Government			
Security of Persons and Property:			
Police:			
Salaries and Wages	2,133,582	2,115,205	18,377
Fringe Benefits	361,896	356,736	5,160
Contractual Services	79,725	66,099	13,626
Materials and Supplies	247,659	229,878	17,781
	<u>2,822,862</u>	<u>2,767,918</u>	<u>54,944</u>
Total Police			
	<u>2,822,862</u>	<u>2,767,918</u>	<u>54,944</u>
Fire:			
Salaries and Wages	1,551,473	1,515,799	35,674
Fringe Benefits	278,960	267,182	11,778
Contractual Services	103,641	94,955	8,686
Materials and Supplies	22,911	19,273	3,638
	<u>1,956,985</u>	<u>1,897,209</u>	<u>59,776</u>
Total Fire			
	<u>1,956,985</u>	<u>1,897,209</u>	<u>59,776</u>
Fire Communication:			
Materials and Supplies	\$7,500	\$7,499	\$1

(continued)

City of Alliance, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Safety Administration:			
Salaries and Wages	\$301,173	\$284,377	\$16,796
Fringe Benefits	108,775	100,026	8,749
Contractual Services	138,399	131,042	7,357
Materials and Supplies	7,059	5,586	1,473
	<u>555,406</u>	<u>521,031</u>	<u>34,375</u>
Total Safety Administration			
Prisoner Support:			
Contractual Services	66,500	65,745	755
	<u>66,500</u>	<u>65,745</u>	<u>755</u>
Total Security of Persons and Property	<u>5,409,253</u>	<u>5,259,402</u>	<u>149,851</u>
Public Health Services:			
Health Control and Prevention:			
Salaries and Wages	52,613	52,612	1
Fringe Benefits	20,858	18,202	2,656
Contractual Services	9,830	8,310	1,520
Materials and Supplies	11,830	11,073	757
Other	650	625	25
	<u>95,781</u>	<u>90,822</u>	<u>4,959</u>
Total Health Control and Prevention			
Health Administration:			
Salaries and Wages	187,700	187,700	0
Fringe Benefits	61,889	57,852	4,037
Contractual Services	10,050	8,347	1,703
Materials and Supplies	26,300	25,457	843
	<u>285,939</u>	<u>279,356</u>	<u>6,583</u>
Total Health Administration			
Total Public Health Services	<u>\$381,720</u>	<u>\$370,178</u>	<u>\$11,542</u>

(continued)

City of Alliance, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Transportation:			
Street Transportation:			
Personal Services	\$237,779	\$226,027	\$11,752
Fringe Benefits	86,799	77,393	9,406
Material and Supplies	11,038	9,596	1,442
Capital Outlay	8,420	7,253	1,167
Total Transportation	<u>344,036</u>	<u>320,269</u>	<u>23,767</u>
Community Environment:			
Planning Commission:			
Contractual Services	2,000	2,000	0
Materials and Supplies	230	100	130
Total Planning Commission	<u>2,230</u>	<u>2,100</u>	<u>130</u>
Zoning and Building:			
Salaries and Wages	44,675	44,158	517
Fringe Benefits	11,254	10,647	607
Contractual Services	48,511	38,198	10,313
Materials and Supplies	5,642	4,316	1,326
Total Zoning and Building	<u>110,082</u>	<u>97,319</u>	<u>12,763</u>
Shade Tree:			
Contractual Services	27,000	25,860	1,140
Historic Prevention:			
Contractual Services	1,000	0	1,000
Total Community Environment	<u>140,312</u>	<u>125,279</u>	<u>15,033</u>
Basic Utility Services:			
Storm Sewer:			
Personal Services	37,360	36,886	474
Fringe Benefits	12,563	11,239	1,324
Contractual Services	8,500	8,064	436
Material and Supplies	1,502	899	603
Total Basic Utility Services	<u>\$59,925</u>	<u>\$57,088</u>	<u>\$2,837</u>

(continued)

City of Alliance, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Leisure Time Activities:			
Parks:			
Salaries and Wages	\$256,126	\$252,441	\$3,685
Fringe Benefits	81,216	78,350	2,866
Contractual Services	41,529	39,349	2,180
Materials and Supplies	35,950	30,869	5,081
Capital Outlay	476	468	8
Other	200	117	83
Total Parks	<u>415,497</u>	<u>401,594</u>	<u>13,903</u>
Recreation:			
Salaries and Wages	77,918	76,471	1,447
Fringe Benefits	33,697	29,437	4,260
Contractual Services	5,050	3,781	1,269
Materials and Supplies	18,544	16,022	2,522
Total Recreation	<u>135,209</u>	<u>125,711</u>	<u>9,498</u>
Total Leisure Time Activities	<u>550,706</u>	<u>527,305</u>	<u>23,401</u>
<i>Total Expenditures</i>	<u>9,294,057</u>	<u>8,905,452</u>	<u>388,605</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(263,979)	376,573	640,552
Other Financing Uses			
Operating Transfers Out	<u>(309,556)</u>	<u>(834,268)</u>	<u>(524,712)</u>
<i>Excess of Revenues Under Expenditures and Other Financing Uses</i>	(573,535)	(457,695)	115,840
<i>Fund Balance Beginning of Year</i>	1,807,117	1,807,117	0
Prior Year Encumbrances Appropriated	<u>122,697</u>	<u>122,697</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$1,356,279</u>	<u>\$1,472,119</u>	<u>\$115,840</u>

Special Revenue Funds

Special revenue funds are established to account for the proceeds of specific revenue sources (other than major capital projects) that are restricted by law or administrative action to expenditures for specified purposes.

Street Repair and Maintenance Fund - This fund accounts for 92.5 percent of the State gasoline tax and motor vehicle registration fees designated for maintenance and repair of streets within the City.

Federal COPS Fast Program Fund - This fund accounts for monies received from the Federal Government under the Federal COPS Programs to be used to establish or expand community policing programs.

State Highway Fund - This fund accounts for 7.5 percent of the State gasoline tax and motor vehicle registration fees designated for maintenance and repair of State highways within the City.

Law Enforcement Block Grant Fund - This fund accounts for monies received from fines from convictions related to drug cases used for the education of the community.

Motor Vehicle License Fund - This fund accounts for the City's share of the motor vehicle license tax levied by the City.

Municipal Court Computerization Fund - This fund accounts for court fees and fines used for the purchase and maintenance of computers for the municipal court.

Health Fund - This fund accounts for monies received from State and Federal grant funds used for various health education, prevention and treatment programs in the City.

Litter Control Fund - This fund accounts for monies received from the State to be used for litter prevention in the City.

State Misdemeanant Grant Fund - This fund accounts for monies received for payment of the Misdemeanant Community Sanctions Coordinator Project Program. Sanctions Coordinator work one on one with individuals to fulfill their obligation to the Court.

Federal Aging Grant Fund - This fund accounts for monies received from Title III-B. The monies are then used for assisting in meeting the human service and social needs of persons aged 60 or older in order to promote independent living and thereby reducing unnecessary institutionalization.

Cemetery Fund - This fund accounts for monies received from the sale of cemetery lots, burial permits, and general fund for burial services and upkeep of the City Cemetery.

HUD Grant Fund - This fund accounts for revenues received from Federal Government and expenditures prescribed under the Community Development Block Grant Program.

Community Development Block Grant Fund - This fund accounts for revenues received from the Federal Government and expenditures as prescribed under the Community Development Block Grant Program.

(continued)

Special Revenue Funds (continued)

Revolving Loan Fund - This fund accounts for loans made by the City to local businesses and the subsequent repayment of these loans.

Taxi Fund - This fund accounts for monies received and disbursed for a local door to door transit service. The fund is partially subsidized through grant monies.

Fire Pension Fund - This fund accounts for property taxes collected to pay for a portion of the employer's share of fire pension benefits.

Police Pension Fund - This fund accounts for property taxes collected to pay for a portion of the employer's share of police pension benefits.

Other - Smaller Special Revenue Funds maintained by the City. These funds are as follows:

*Indigent Driver Alcohol Treatment Fund
Enforcement and Education Fund
Municipal Court Legal Research Fund
Court ADR Fund
Court Security Grant Fund
Court Immobilization Fund
Parking Lot Maintenance Fund*

City of Alliance, Ohio
Combining Balance Sheet
All Special Revenue Funds
December 31, 2000

	<u>Street Repair and Maintenance</u>	<u>Federal COPS Fast Program</u>	<u>State Highway</u>	<u>Law Enforcement Block Grant</u>
Assets				
Equity in Pooled Cash and Cash Equivalents	\$148,730	\$71,427	\$108,217	\$19,598
Receivables:				
Taxes	0	0	0	0
Intergovernmental	66,031	0	5,354	0
Loans	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total Assets</i>	<u><u>\$214,761</u></u>	<u><u>\$71,427</u></u>	<u><u>\$113,571</u></u>	<u><u>\$19,598</u></u>
Liabilities				
Accounts Payable	\$9,905	\$0	\$0	\$0
Accrued Wages	10,649	0	0	0
Compensated Absences Payable	6,441	0	0	0
Interfund Payable	0	0	0	0
Intergovernmental Payable	13,392	0	0	0
Deferred Revenue	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total Liabilities</i>	<u>40,387</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Equity				
Fund Balances (Deficit):				
Reserved for Encumbrances	2,654	0	4,334	208
Reserved for Loans Receivable	0	0	0	0
Unreserved, Undesignated	<u>171,720</u>	<u>71,427</u>	<u>109,237</u>	<u>19,390</u>
<i>Total Fund Equity</i>	<u>174,374</u>	<u>71,427</u>	<u>113,571</u>	<u>19,598</u>
<i>Total Liabilities and Fund Equity</i>	<u><u>\$214,761</u></u>	<u><u>\$71,427</u></u>	<u><u>\$113,571</u></u>	<u><u>\$19,598</u></u>

<u>Motor Vehicle License</u>	<u>Municipal Court Computerization</u>	<u>Health</u>	<u>Litter Control</u>	<u>State Misdemeanant Grant</u>	<u>Federal Aging Grant</u>
\$92,320	\$14,090	\$31,809	\$23,976	\$62	\$11,002
0	0	0	0	0	0
6,773	0	0	5,501	0	1,092
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>\$99,093</u>	<u>\$14,090</u>	<u>\$31,809</u>	<u>\$29,477</u>	<u>\$62</u>	<u>\$12,094</u>
\$0	\$478	\$10	\$7,061	\$0	\$0
0	0	2,044	496	0	212
0	0	777	0	0	0
36,106	0	0	0	0	0
0	0	3,595	668	0	260
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>36,106</u>	<u>478</u>	<u>6,426</u>	<u>8,225</u>	<u>0</u>	<u>472</u>
0	2,322	11	1,336	0	270
0	0	0	0	0	0
<u>62,987</u>	<u>11,290</u>	<u>25,372</u>	<u>19,916</u>	<u>62</u>	<u>11,352</u>
<u>62,987</u>	<u>13,612</u>	<u>25,383</u>	<u>21,252</u>	<u>62</u>	<u>11,622</u>
<u>\$99,093</u>	<u>\$14,090</u>	<u>\$31,809</u>	<u>\$29,477</u>	<u>\$62</u>	<u>\$12,094</u>

(continued)

City of Alliance, Ohio
Combining Balance Sheet
All Special Revenue Funds (continued)
December 31, 2000

	Cemetery	HUD Grant	Community Development Block Grant	Revolving Loan
Assets				
Equity in Pooled Cash and Cash Equivalents	\$495,465	\$21,772	\$252,090	\$1,724,045
Receivables:				
Taxes	0	0	0	0
Intergovernmental	0	5,286	0	0
Loans	0	0	217,717	1,617,098
<i>Total Assets</i>	<u>\$495,465</u>	<u>\$27,058</u>	<u>\$469,807</u>	<u>\$3,341,143</u>
Liabilities				
Accounts Payable	\$993	\$5,018	\$0	\$0
Accrued Wages	1,388	3,195	0	0
Compensated Absences Payable	767	1,309	0	0
Interfund Payable	0	0	0	0
Intergovernmental Payable	2,677	6,005	0	0
Deferred Revenue	0	0	0	0
<i>Total Liabilities</i>	<u>5,825</u>	<u>15,527</u>	<u>0</u>	<u>0</u>
Fund Equity				
Fund Balances (Deficit):				
Reserved for Encumbrances	141	228,519	0	0
Reserved for Loans Receivable	0	0	217,717	1,617,098
Unreserved, Undesignated	489,499	(216,988)	252,090	1,724,045
<i>Total Fund Equity</i>	<u>489,640</u>	<u>11,531</u>	<u>469,807</u>	<u>3,341,143</u>
<i>Total Liabilities and Fund Equity</i>	<u>\$495,465</u>	<u>\$27,058</u>	<u>\$469,807</u>	<u>\$3,341,143</u>

<u>Taxi</u>	<u>Fire Pension</u>	<u>Police Pension</u>	<u>Other</u>	<u>Totals</u>
\$4,659	\$94	\$95	\$54,513	\$3,073,964
0	86,451	86,451	0	172,902
0	0	0	700	90,737
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,834,815</u>
<u>\$4,659</u>	<u>\$86,545</u>	<u>\$86,546</u>	<u>\$55,213</u>	<u>\$5,172,418</u>
\$4,200	\$0	\$0	\$0	\$27,665
0	0	0	0	17,984
0	0	0	0	9,294
0	0	0	0	36,106
0	0	0	0	26,597
<u>0</u>	<u>86,451</u>	<u>86,451</u>	<u>0</u>	<u>172,902</u>
<u>4,200</u>	<u>86,451</u>	<u>86,451</u>	<u>0</u>	<u>290,548</u>
4,550	0	0	0	244,345
0	0	0	0	1,834,815
<u>(4,091)</u>	<u>94</u>	<u>95</u>	<u>55,213</u>	<u>2,802,710</u>
<u>459</u>	<u>94</u>	<u>95</u>	<u>55,213</u>	<u>4,881,870</u>
<u>\$4,659</u>	<u>\$86,545</u>	<u>\$86,546</u>	<u>\$55,213</u>	<u>\$5,172,418</u>

City of Alliance, Ohio
*Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
All Special Revenue Funds
For the Year Ended December 31, 2000*

	Street Repair and Maintenance	Federal COPS Fast Program	State Highway	Law Enforcement Block Grant
Revenues				
Property and Other Taxes	\$0	\$0	\$0	\$0
Permissive Motor Vehicle License Tax	0	0	0	0
Licenses, Permits and Fees	0	0	0	0
Fines and Forfeitures	0	0	0	0
Intergovernmental	561,943	233,037	45,564	66,217
Interest	5,559	0	5,722	0
Other	4,757	8,113	0	6,829
<i>Total Revenues</i>	<u>572,259</u>	<u>241,150</u>	<u>51,286</u>	<u>73,046</u>
Expenditures				
Current:				
General Government	0	0	0	0
Security of Persons and Property	47,826	313,744	0	58,715
Public Health Services	0	0	0	0
Transportation	549,644	0	1,616	0
Community Environment	0	0	0	0
Debt Service:				
Principal Retirement	0	0	0	0
Interest and Fiscal Charges	0	0	0	0
<i>Total Expenditures</i>	<u>597,470</u>	<u>313,744</u>	<u>1,616</u>	<u>58,715</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(25,211)</u>	<u>(72,594)</u>	<u>49,670</u>	<u>14,331</u>
Other Financing Sources (Uses)				
Operating Transfers In	0	80,707	0	0
Operating Transfers Out	0	0	(53,497)	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>80,707</u>	<u>(53,497)</u>	<u>0</u>
<i>Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</i>	<u>(25,211)</u>	<u>8,113</u>	<u>(3,827)</u>	<u>14,331</u>
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>199,585</u>	<u>63,314</u>	<u>117,398</u>	<u>5,267</u>
<i>Fund Balances End of Year</i>	<u><u>\$174,374</u></u>	<u><u>\$71,427</u></u>	<u><u>\$113,571</u></u>	<u><u>\$19,598</u></u>

<u>Motor Vehicle License</u>	<u>Municipal Court Computerization</u>	<u>Health</u>	<u>Litter Control</u>	<u>State Misdemeanant Grant</u>	<u>Federal Aging Grant</u>
\$0	\$0	\$0	\$0	\$0	\$0
92,502	0	0	0	0	0
0	0	21,659	0	0	0
0	31,764	0	0	0	0
0	0	140,123	80,608	14,786	15,289
0	0	0	0	0	574
0	0	3	0	0	0
<u>92,502</u>	<u>31,764</u>	<u>161,785</u>	<u>80,608</u>	<u>14,786</u>	<u>15,863</u>
0	37,009	0	0	14,790	13,128
0	0	0	0	0	0
0	0	166,085	0	0	0
0	0	0	0	0	0
0	0	0	89,356	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>0</u>	<u>37,009</u>	<u>166,085</u>	<u>89,356</u>	<u>14,790</u>	<u>13,128</u>
<u>92,502</u>	<u>(5,245)</u>	<u>(4,300)</u>	<u>(8,748)</u>	<u>(4)</u>	<u>2,735</u>
0	0	0	27,292	0	0
<u>(87,328)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>(87,328)</u>	<u>0</u>	<u>0</u>	<u>27,292</u>	<u>0</u>	<u>0</u>
5,174	(5,245)	(4,300)	18,544	(4)	2,735
<u>57,813</u>	<u>18,857</u>	<u>29,683</u>	<u>2,708</u>	<u>66</u>	<u>8,887</u>
<u>\$62,987</u>	<u>\$13,612</u>	<u>\$25,383</u>	<u>\$21,252</u>	<u>\$62</u>	<u>\$11,622</u>

(continued)

City of Alliance, Ohio
*Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
All Special Revenue Funds (continued)
For the Year Ended December 31, 2000*

	Cemetery	HUD Grant	Community Development Block Grant	Revolving Loan
Revenues				
Property and Other Taxes	\$0	\$0	\$0	\$0
Permissive Motor Vehicle License Tax	0	0	0	0
Licenses, Permits and Fees	33,290	0	0	0
Fines and Forfeitures	0	0	0	0
Intergovernmental	0	778,353	0	0
Interest	29,190	0	23,514	192,498
Other	32,277	13,501	810	0
<i>Total Revenues</i>	<u>94,757</u>	<u>791,854</u>	<u>24,324</u>	<u>192,498</u>
Expenditures				
Current:				
General Government	0	0	0	0
Security of Persons and Property	0	0	0	0
Public Health Services	121,892	0	0	0
Transportation	0	0	0	0
Community Environment	0	613,061	15,489	132,052
Debt Service:				
Principal Retirement	0	0	0	0
Interest and Fiscal Charges	0	0	0	0
<i>Total Expenditures</i>	<u>121,892</u>	<u>613,061</u>	<u>15,489</u>	<u>132,052</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(27,135)</u>	<u>178,793</u>	<u>8,835</u>	<u>60,446</u>
Other Financing Sources (Uses)				
Operating Transfers In	67,191	0	0	0
Operating Transfers Out	0	(144,755)	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>67,191</u>	<u>(144,755)</u>	<u>0</u>	<u>0</u>
<i>Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</i>	40,056	34,038	8,835	60,446
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>449,584</u>	<u>(22,507)</u>	<u>460,972</u>	<u>3,280,697</u>
<i>Fund Balances End of Year</i>	<u><u>\$489,640</u></u>	<u><u>\$11,531</u></u>	<u><u>\$469,807</u></u>	<u><u>\$3,341,143</u></u>

<u>Taxi</u>	<u>Fire Pension</u>	<u>Police Pension</u>	<u>Other</u>	<u>Totals</u>
\$0	\$64,929	\$64,933	\$0	\$129,862
0	0	0	0	92,502
0	0	0	11,771	66,720
0	0	0	17,991	49,755
0	8,017	8,017	2,690	1,954,644
0	0	0	0	257,057
0	0	12,948	0	79,238
<u>0</u>	<u>72,946</u>	<u>85,898</u>	<u>32,452</u>	<u>2,629,778</u>
0	0	0	9,491	74,418
0	329,652	390,835	0	1,140,772
0	0	0	0	287,977
69,293	0	0	0	620,553
0	0	0	0	849,958
0	3,118	2,376	0	5,494
0	10,587	8,066	0	18,653
<u>69,293</u>	<u>343,357</u>	<u>401,277</u>	<u>9,491</u>	<u>2,997,825</u>
<u>(69,293)</u>	<u>(270,411)</u>	<u>(315,379)</u>	<u>22,961</u>	<u>(368,047)</u>
71,784	270,505	315,474	0	832,953
0	0	0	0	(285,580)
<u>71,784</u>	<u>270,505</u>	<u>315,474</u>	<u>0</u>	<u>547,373</u>
2,491	94	95	22,961	179,326
<u>(2,032)</u>	<u>0</u>	<u>0</u>	<u>32,252</u>	<u>4,702,544</u>
<u>\$459</u>	<u>\$94</u>	<u>\$95</u>	<u>\$55,213</u>	<u>\$4,881,870</u>

City of Alliance, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Street Repair and Maintenance Fund
For the Year Ended December 31, 2000

	<u>Revised Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues			
Intergovernmental	\$550,000	\$584,533	\$34,533
Interest	5,000	5,559	559
Other	<u>2,000</u>	<u>4,757</u>	<u>2,757</u>
<i>Total Revenues</i>	<u>557,000</u>	<u>594,849</u>	<u>37,849</u>
Expenditures			
Current:			
Security of Persons and Property:			
Street Security:			
Salaries and Wages	27,070	25,941	1,129
Fringe Benefits	10,842	9,572	1,270
Contractual Services	5,016	4,299	717
Materials and Supplies	<u>8,409</u>	<u>7,602</u>	<u>807</u>
Total Security of Persons and Property	<u>51,337</u>	<u>47,414</u>	<u>3,923</u>
Transportation:			
Street Transportation:			
Salaries and Wages	233,438	233,437	1
Fringe Benefits	71,526	71,042	484
Contractual Services	222,024	182,948	39,076
Materials and Supplies	56,205	52,843	3,362
Capital Outlay	<u>1,328</u>	<u>0</u>	<u>1,328</u>
Total Transportation	<u>584,521</u>	<u>540,270</u>	<u>44,251</u>
<i>Total Expenditures</i>	<u>635,858</u>	<u>587,684</u>	<u>48,174</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(78,858)	7,165	86,023
<i>Fund Balance Beginning of Year</i>	107,651	107,651	0
Prior Year Encumbrances Appropriated	<u>25,624</u>	<u>25,624</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$54,417</u></u>	<u><u>\$140,440</u></u>	<u><u>\$86,023</u></u>

City of Alliance, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Federal COPS Fast Program Fund
For the Year Ended December 31, 2000

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues			
Intergovernmental	\$233,037	\$233,037	\$0
Interest	<u>0</u>	<u>8,113</u>	<u>8,113</u>
<i>Total Revenues</i>	<u>233,037</u>	<u>241,150</u>	<u>8,113</u>
Expenditures			
Current:			
Security of Persons and Property:			
Police:			
Salaries and Wages	248,694	248,694	0
Fringe Benefits	<u>65,050</u>	<u>65,050</u>	<u>0</u>
<i>Total Expenditures</i>	<u>313,744</u>	<u>313,744</u>	<u>0</u>
<i>Excess of Revenues Under Expenditures</i>	(80,707)	(72,594)	8,113
Other Financing Sources			
Operating Transfers In	<u>80,707</u>	<u>80,707</u>	<u>0</u>
<i>Excess of Revenues and Other Financing Sources Over Expenditures</i>	0	8,113	8,113
<i>Fund Balance Beginning of Year</i>	<u>63,314</u>	<u>63,314</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$63,314</u></u>	<u><u>\$71,427</u></u>	<u><u>\$8,113</u></u>

City of Alliance, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
State Highway Fund
For the Year Ended December 31, 2000

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues			
Intergovernmental	\$42,000	\$47,395	\$5,395
Interest	<u>5,000</u>	<u>5,722</u>	<u>722</u>
<i>Total Revenues</i>	47,000	53,117	6,117
Expenditures			
Current:			
Transportation:			
Street Repair and Maintenance:			
Capital Outlay	<u>6,035</u>	<u>5,951</u>	<u>84</u>
<i>Excess of Revenues Over Expenditures</i>	40,965	47,166	6,201
Other Financing Uses			
Operating Transfers Out	<u>(54,000)</u>	<u>(53,497)</u>	<u>503</u>
<i>Excess of Revenues Under Expenditures and Other Financing Uses</i>	(13,035)	(6,331)	6,704
<i>Fund Balance Beginning of Year</i>	109,178	109,178	0
<i>Prior Year Encumbrances Appropriated</i>	<u>1,035</u>	<u>1,035</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$97,178</u></u>	<u><u>\$103,882</u></u>	<u><u>\$6,704</u></u>

City of Alliance, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Law Enforcement Block Grant Fund
For the Year Ended December 31, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Intergovernmental	\$94,063	\$66,217	(\$27,846)
Other	0	6,829	6,829
<i>Total Revenues</i>	94,063	73,046	(21,017)
Expenditures			
Current:			
Security of Persons and Property:			
Police:			
Materials and Supplies	74,495	40,009	34,486
Capital Outlay	19,063	18,914	149
<i>Total Expenditures</i>	93,558	58,923	34,635
<i>Excess of Revenues Over Expenditures</i>	505	14,123	13,618
<i>Fund Balance (Deficit) Beginning of Year</i>	(228)	(228)	0
Prior Year Encumbrances Appropriated	5,495	5,495	0
<i>Fund Balance End of Year</i>	\$5,772	\$19,390	\$13,618

City of Alliance, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Motor Vehicle License Fund
For the Year Ended December 31, 2000

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues			
Permissive Motor Vehicle License Tax	\$100,000	\$100,409	\$409
<i>Total Expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Excess of Revenues Over Expenditures</i>	100,000	100,409	409
Other Financing Uses			
Operating Transfers Out	<u>(88,000)</u>	<u>(87,328)</u>	<u>672</u>
<i>Excess of Revenues Over Expenditures and Other Financing Uses</i>	12,000	13,081	1,081
<i>Fund Balance Beginning of Year</i>	<u>79,239</u>	<u>79,239</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$91,239</u></u>	<u><u>\$92,320</u></u>	<u><u>\$1,081</u></u>

City of Alliance, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Municipal Court Computerization Fund
For the Year Ended December 31, 2000

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues			
Fines and Forfeitures	<u>\$30,000</u>	<u>\$31,190</u>	<u>\$1,190</u>
Expenditures			
Current:			
General Government:			
Clerk of Courts:			
Contractual Services	4,500	3,820	680
Materials and Supplies	18,345	15,511	2,834
Capital Outlay	<u>20,000</u>	<u>20,000</u>	<u>0</u>
<i>Total Expenditures</i>	<u>42,845</u>	<u>39,331</u>	<u>3,514</u>
<i>Excess of Revenues</i>			
<i>Under Expenditures</i>	(12,845)	(8,141)	4,704
<i>Fund Balance Beginning of Year</i>	17,986	17,986	0
Prior Year Encumbrances Appropriated	<u>1,445</u>	<u>1,445</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$6,586</u></u>	<u><u>\$11,290</u></u>	<u><u>\$4,704</u></u>

City of Alliance, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Health Fund
For the Year Ended December 31, 2000

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues			
Licenses, Permits and Fees	\$21,500	\$21,659	\$159
Intergovernmental	150,012	140,123	(9,889)
Other	<u>0</u>	<u>3</u>	<u>3</u>
<i>Total Revenues</i>	<u>171,512</u>	<u>161,785</u>	<u>(9,727)</u>
Expenditures			
Current:			
Public Health Services:			
Consolidated Health Funds:			
Personal Services	115,684	110,058	5,626
Fringe Benefits	38,381	34,201	4,180
Contractual Services	4,680	4,019	661
Materials and Supplies	15,226	11,575	3,651
Capital Outlay	<u>2,529</u>	<u>2,270</u>	<u>259</u>
<i>Total Expenditures</i>	<u>176,500</u>	<u>162,123</u>	<u>14,377</u>
<i>Excess of Revenues</i>			
<i>Under Expenditures</i>	<u>(4,988)</u>	<u>(338)</u>	<u>4,650</u>
Other Financing Sources (Uses)			
Operating Transfers In	3,500	0	(3,500)
Operating Transfers Out	<u>(600)</u>	<u>0</u>	<u>600</u>
<i>Total Other Financing Sources (Uses)</i>	<u>2,900</u>	<u>0</u>	<u>(2,900)</u>
<i>Excess of Revenues and Other Financing Sources</i>			
<i>Under Expenditures and Other Financing Uses</i>	(2,088)	(338)	1,750
<i>Fund Balance Beginning of Year</i>	32,135	32,135	0
Prior Year Encumbrances Appropriated	<u>12</u>	<u>12</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$30,059</u></u>	<u><u>\$31,809</u></u>	<u><u>\$1,750</u></u>

City of Alliance, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Litter Control Fund
For the Year Ended December 31, 2000

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues			
Intergovernmental	<u>\$73,281</u>	<u>\$75,107</u>	<u>\$1,826</u>
Expenditures			
Current:			
Community Environment:			
Litter Control:			
Personal Services	26,453	26,452	1
Fringe Benefits	11,417	10,624	793
Contractual Services	10,685	8,037	2,648
Materials and Supplies	<u>66,309</u>	<u>61,280</u>	<u>5,029</u>
<i>Total Expenditures</i>	<u>114,864</u>	<u>106,393</u>	<u>8,471</u>
<i>Excess of Revenues Under Expenditures</i>	(41,583)	(31,286)	10,297
Other Financing Sources			
Operating Transfers In	<u>25,000</u>	<u>27,292</u>	<u>2,292</u>
<i>Excess of Revenues and Other Financing Sources Under Expenditures</i>	(16,583)	(3,994)	12,589
<i>Fund Balance Beginning of Year</i>	2,665	2,665	0
Prior Year Encumbrances Appropriated	<u>16,945</u>	<u>16,945</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$3,027</u></u>	<u><u>\$15,616</u></u>	<u><u>\$12,589</u></u>

City of Alliance, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
State Misdemeanant Grant Fund
For the Year Ended December 31, 2000

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues			
Intergovernmental	\$15,000	\$14,786	(\$214)
Expenditures			
Current:			
General Government:			
Judge:			
Contractual Services	<u>15,000</u>	<u>14,790</u>	<u>210</u>
<i>Excess of Revenues</i>			
<i> Under Expenditures</i>	0	(4)	(4)
<i>Fund Balance Beginning of Year</i>	<u>66</u>	<u>66</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$66</u></u>	<u><u>\$62</u></u>	<u><u>(\$4)</u></u>

City of Alliance, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Federal Aging Grant Fund
For the Year Ended December 31, 2000

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues			
Intergovernmental	\$10,900	\$15,289	\$4,389
Interest	<u>200</u>	<u>574</u>	<u>374</u>
<i>Total Revenues</i>	<u>11,100</u>	<u>15,863</u>	<u>4,763</u>
Expenditures			
Current:			
General Government:			
Aging:			
Personal Services	10,843	10,226	617
Fringe Benefits	2,876	1,982	894
Materials and Supplies	<u>1,400</u>	<u>902</u>	<u>498</u>
<i>Total Expenditures</i>	<u>15,119</u>	<u>13,110</u>	<u>2,009</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(4,019)	2,753	6,772
<i>Fund Balance Beginning of Year</i>	7,623	7,623	0
<i>Prior Year Encumbrances Appropriated</i>	<u>356</u>	<u>356</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$3,960</u></u>	<u><u>\$10,732</u></u>	<u><u>\$6,772</u></u>

City of Alliance, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Cemetery Fund
For the Year Ended December 31, 2000

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues			
Licenses, Permits and Fees	\$34,000	\$33,290	(\$710)
Interest	24,200	29,190	4,990
Other	<u>26,575</u>	<u>32,277</u>	<u>5,702</u>
<i>Total Revenues</i>	<u>84,775</u>	<u>94,757</u>	<u>9,982</u>
Expenditures			
Current:			
Public Health Services:			
Cemetery:			
Personal Services	82,309	79,898	2,411
Fringe Benefits	23,949	15,474	8,475
Contractual Services	21,730	19,230	2,500
Materials and Supplies	<u>3,800</u>	<u>3,586</u>	<u>214</u>
<i>Total Expenditures</i>	<u>131,788</u>	<u>118,188</u>	<u>13,600</u>
<i>Excess of Revenues Under Expenditures</i>	(47,013)	(23,431)	23,582
Other Financing Sources			
Operating Transfers In	<u>67,191</u>	<u>67,191</u>	<u>0</u>
<i>Excess of Revenues and Other Financing Sources Over Expenditures</i>	20,178	43,760	23,582
<i>Fund Balance Beginning of Year</i>	451,289	451,289	0
<i>Prior Year Encumbrances Appropriated</i>	<u>414</u>	<u>414</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$471,881</u></u>	<u><u>\$495,463</u></u>	<u><u>\$23,582</u></u>

City of Alliance, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
HUD Grant Fund
For the Year Ended December 31, 2000

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues			
Intergovernmental	\$2,203,964	\$773,067	(\$1,430,897)
Other	<u>0</u>	<u>13,501</u>	<u>13,501</u>
<i>Total Revenues</i>	<u>2,203,964</u>	<u>786,568</u>	<u>(1,417,396)</u>
Expenditures			
Current:			
Community Environment:			
CDBG:			
Personal Services	165,221	135,546	29,675
Fringe Benefits	40,409	33,370	7,039
Contractual Services	203,582	130,892	72,690
Materials and Supplies	24,742	10,951	13,791
Capital Outlay	982,030	546,349	435,681
Other	<u>12,720</u>	<u>0</u>	<u>12,720</u>
<i>Total Expenditures</i>	<u>1,428,704</u>	<u>857,108</u>	<u>571,596</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	775,260	(70,540)	(845,800)
Other Financing Uses			
Operating Transfers Out	<u>(361,985)</u>	<u>(144,755)</u>	<u>217,230</u>
<i>Excess of Revenues Over (Under) Expenditures and Other Financing Uses</i>	413,275	(215,295)	(628,570)
<i>Fund Balance (Deficit) Beginning of Year</i>	(159,432)	(159,432)	0
<i>Prior Year Encumbrances Appropriated</i>	<u>162,210</u>	<u>162,210</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u><u>\$416,053</u></u>	<u><u>(\$212,517)</u></u>	<u><u>(\$628,570)</u></u>

City of Alliance, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Community Development Block Grant Fund
For the Year Ended December 31, 2000

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues			
Interest	\$18,020	\$23,514	\$5,494
Other	<u>87,000</u>	<u>47,206</u>	<u>(39,794)</u>
<i>Total Revenues</i>	<u>105,020</u>	<u>70,720</u>	<u>(34,300)</u>
Expenditures			
Current:			
Community Environment:			
CDBG:			
Materials and Supplies	1,000	0	1,000
Capital Outlay	<u>169,008</u>	<u>65,971</u>	<u>103,037</u>
<i>Total Expenditures</i>	<u>170,008</u>	<u>65,971</u>	<u>104,037</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(64,988)	4,749	69,737
<i>Fund Balance Beginning of Year</i>	238,846	238,846	0
<i>Prior Year Encumbrances Appropriated</i>	<u>8,495</u>	<u>8,495</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$182,353</u></u>	<u><u>\$252,090</u></u>	<u><u>\$69,737</u></u>

City of Alliance, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Revolving Loan Fund
For the Year Ended December 31, 2000

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues			
Interest	\$180,088	\$203,022	\$22,934
Other	<u>190,824</u>	<u>193,759</u>	<u>2,935</u>
<i>Total Revenues</i>	<u>370,912</u>	<u>396,781</u>	<u>25,869</u>
Expenditures			
Current:			
Community Environment:			
Revolving Loan:			
Contractual Services	3,345	1,287	2,058
Capital Outlay	<u>820,903</u>	<u>200,772</u>	<u>620,131</u>
<i>Total Expenditures</i>	<u>824,248</u>	<u>202,059</u>	<u>622,189</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(453,336)	194,722	648,058
<i>Fund Balance Beginning of Year</i>	1,523,420	1,523,420	0
<i>Prior Year Encumbrances Appropriated</i>	<u>5,903</u>	<u>5,903</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$1,075,987</u></u>	<u><u>\$1,724,045</u></u>	<u><u>\$648,058</u></u>

City of Alliance, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Taxi Fund
For the Year Ended December 31, 2000

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues	\$0	\$0	\$0
Expenditures			
Current:			
Transportation:			
Taxi Fund:			
Contractual Services	<u>73,425</u>	<u>73,316</u>	<u>109</u>
<i>Excess of Revenues</i>			
<i>Under Expenditures</i>	(73,425)	(73,316)	109
Other Financing Sources			
Operating Transfers In	<u>82,901</u>	<u>71,784</u>	<u>(11,117)</u>
<i>Excess of Revenues and Other Financing Sources</i>			
<i>Over (Under) Expenditures</i>	9,476	(1,532)	(11,008)
<i>Fund Balance Beginning of Year</i>	0	0	0
<i>Prior Year Encumbrances Appropriated</i>	<u>1,641</u>	<u>1,641</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$11,117</u></u>	<u><u>\$109</u></u>	<u><u>(\$11,008)</u></u>

City of Alliance, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Fire Pension Fund
For the Year Ended December 31, 2000

	<u>Revised Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues			
Property and Other Taxes	\$66,582	\$64,929	(\$1,653)
Intergovernmental	<u>8,017</u>	<u>8,017</u>	<u>0</u>
<i>Total Revenues</i>	74,599	72,946	(1,653)
Expenditures			
Current:			
Security of Persons and Property:			
Fire:			
Fringe Benefits	<u>343,358</u>	<u>343,357</u>	<u>1</u>
<i>Excess of Revenues</i>			
<i>Under Expenditures</i>	(268,759)	(270,411)	(1,652)
Other Financing Sources			
Operating Transfers In	<u>276,448</u>	<u>270,505</u>	<u>(5,943)</u>
<i>Excess of Revenues and Other Financing</i>			
<i>Sources Over Expenditures</i>	7,689	94	(7,595)
<i>Fund Balance Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$7,689</u></u>	<u><u>\$94</u></u>	<u><u>(\$7,595)</u></u>

City of Alliance, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Police Pension Fund
For the Year Ended December 31, 2000

	<u>Revised Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues			
Property and Other Taxes	\$66,401	\$64,933	(\$1,468)
Intergovernmental	8,198	8,017	(181)
Other	<u>12,948</u>	<u>12,948</u>	<u>0</u>
<i>Total Revenues</i>	87,547	85,898	(1,649)
Expenditures			
Current:			
Security of Persons and Property:			
Police:			
Fringe Benefits	<u>401,278</u>	<u>401,277</u>	<u>1</u>
<i>Excess of Revenues</i>			
<i>Under Expenditures</i>	(313,731)	(315,379)	(1,648)
Other Financing Sources			
Operating Transfers In	<u>313,732</u>	<u>315,474</u>	<u>1,742</u>
<i>Excess of Revenues and Other Financing</i>			
<i>Sources Over Expenditures</i>	1	95	94
<i>Fund Balance Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$1</u></u>	<u><u>\$95</u></u>	<u><u>\$94</u></u>

City of Alliance, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Indigent Driver Alcohol Treatment Fund
For the Year Ended December 31, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Fines and Forfeitures	\$7,000	\$9,295	\$2,295
Expenditures			
Current:			
General Government:			
Clerk of Courts:			
Materials and Supplies	7,000	2,696	4,304
<i>Excess of Revenues Over Expenditures</i>	0	6,599	6,599
<i>Fund Balance Beginning of Year</i>	17,490	17,490	0
<i>Fund Balance End of Year</i>	\$17,490	\$24,089	\$6,599

City of Alliance, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Enforcement and Education Fund
For the Year Ended December 31, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Fines and Forfeitures	\$1,200	\$2,945	\$1,745
Expenditures			
Current:			
Security of Persons and Property:			
Police:			
Materials and Supplies	1,200	0	1,200
<i>Excess of Revenues Over Expenditures</i>	0	2,945	2,945
<i>Fund Balance Beginning of Year</i>	2,799	2,799	0
<i>Fund Balance End of Year</i>	\$2,799	\$5,744	\$2,945

City of Alliance, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Municipal Court Legal Research Fund
For the Year Ended December 31, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Fines and Forfeitures	\$7,000	\$7,446	\$446
Expenditures			
Current:			
General Government:			
Municipal Court:			
Materials and Supplies	7,000	1,117	5,883
Capital Outlay	8,000	5,000	3,000
<i>Total Expenditures</i>	15,000	6,117	8,883
<i>Excess of Revenues Over (Under) Expenditures</i>	(8,000)	1,329	9,329
<i>Fund Balance Beginning of Year</i>	9,691	9,691	0
<i>Fund Balance End of Year</i>	\$1,691	\$11,020	\$9,329

City of Alliance, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Court ADR Fund
For the Year Ended December 31, 2000

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues			
Intergovernmental	\$1,600	\$2,690	\$1,090
<i>Total Expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Excess of Revenues Over Expenditures</i>	1,600	2,690	1,090
<i>Fund Balance Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$1,600</u>	<u>\$2,690</u>	<u>\$1,090</u>

City of Alliance, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Court Security Grant Fund
For the Year Ended December 31, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues	\$0	\$0	\$0
Expenditures			
Current:			
General Government:			
Court:			
Capital Outlay	230	230	0
<i>Excess of Revenues</i>			
<i>Under Expenditures</i>	(230)	(230)	0
<i>Fund Balance Beginning of Year</i>	2,272	2,272	0
<i>Fund Balance End of Year</i>	\$2,042	\$2,042	\$0

City of Alliance, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Court Immobilization Fund
For the Year Ended December 31, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Fines and Forfeitures	\$6,800	\$6,900	\$100
Expenditures			
Current:			
General Government:			
Court:			
Materials and Supplies	2,500	444	2,056
<i>Excess of Revenues Over Expenditures</i>	4,300	6,456	2,156
<i>Fund Balance Beginning of Year</i>	0	0	0
<i>Fund Balance End of Year</i>	\$4,300	\$6,456	\$2,156

City of Alliance, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Parking Lot Maintenance Fund
For the Year Ended December 31, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Licenses, Permits and Fees	\$2,446	\$2,476	\$30
Expenditures			
Current:			
General Government:			
Parking Lot:			
Materials and Supplies	4	4	0
<i>Excess of Revenues</i>			
<i>Over Expenditures</i>	2,442	2,472	30
<i>Fund Balance Beginning of Year</i>	0	0	0
<i>Fund Balance End of Year</i>	\$2,442	\$2,472	\$30

City of Alliance, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balances - Budget (Non-GAAP Basis) and Actual
All Special Revenue Funds
For the Year Ended December 31, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Property and Other Taxes	\$132,983	\$129,862	(\$3,121)
Permissive Motor Vehicle License Tax	100,000	100,409	409
Licenses, Permits and Fees	57,946	57,425	(521)
Fines and Forfeitures	52,000	57,776	5,776
Intergovernmental	3,390,072	1,968,278	(1,421,794)
Interest	232,508	275,694	43,186
Other	319,347	311,280	(8,067)
<i>Total Revenues</i>	<u>4,284,856</u>	<u>2,900,724</u>	<u>(1,384,132)</u>
Expenditures			
Current:			
General Government:			
Municipal Court Computerization Fund	42,845	39,331	3,514
State Misdemeanant Grant Fund	15,000	14,790	210
Federal Aging Grant Fund	15,119	13,110	2,009
Indigent Drivers Alcohol Treatment Fund	7,000	2,696	4,304
Municipal Court Legal Research Fund	15,000	6,117	8,883
Court Security Grant Fund	230	230	0
Court Immobilization Fund	2,500	444	2,056
Parking Lot Maintenance Fund	4	4	0
Total General Government	<u>97,698</u>	<u>76,722</u>	<u>20,976</u>
Security of Persons and Property:			
Street Repair and Maintenance Fund	51,337	47,414	3,923
Federal COPS Fast Program Fund	313,744	313,744	0
Law Enforcement Block Grant Fund	93,558	58,923	34,635
Fire Pension Fund	343,358	343,357	1
Police Pension Fund	401,278	401,277	1
Enforcement and Education Fund	1,200	0	1,200
Total Security of Persons and Property	<u>1,204,475</u>	<u>1,164,715</u>	<u>39,760</u>
Public Health Services:			
Health Fund	176,500	162,123	14,377
Cemetery Fund	131,788	118,188	13,600
Total Public Health Services	<u>308,288</u>	<u>280,311</u>	<u>27,977</u>
Transportation:			
Street Repair and Maintenance Fund	584,521	540,270	44,251
State Highway Fund	6,035	5,951	84
Taxi Fund	73,425	73,316	109
Total Transportation	<u>\$663,981</u>	<u>\$619,537</u>	<u>\$44,444</u>

(continued)

City of Alliance, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balances - Budget (Non-GAAP Basis) and Actual
All Special Revenue Funds (continued)
For the Year Ended December 31, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Community Environment:			
Litter Control Fund	\$114,864	\$106,393	\$8,471
HUD Grant Fund	1,428,704	857,108	571,596
Community Development Block Grant Fund	170,008	65,971	104,037
Revolving Loan Fund	<u>824,248</u>	<u>202,059</u>	<u>622,189</u>
 Total Community Environment	 <u>2,537,824</u>	 <u>1,231,531</u>	 <u>1,306,293</u>
 <i>Total Expenditures</i>	 <u>4,812,266</u>	 <u>3,372,816</u>	 <u>1,439,450</u>
 <i>Excess of Revenues</i>			
<i>Under Expenditures</i>	<u>(527,410)</u>	<u>(472,092)</u>	<u>55,318</u>
 Other Financing Sources (Uses)			
Operating Transfers In	849,479	832,953	(16,526)
Operating Transfers Out	<u>(504,585)</u>	<u>(285,580)</u>	<u>219,005</u>
 <i>Total Other Financing Sources (Uses)</i>	 <u>344,894</u>	 <u>547,373</u>	 <u>202,479</u>
 <i>Excess of Revenues and Other Financing Sources</i>			
<i>Over (Under) Expenditures and Other Financing Uses</i>	(182,516)	75,281	257,797
 <i>Fund Balances Beginning of Year</i>	 2,506,004	 2,506,004	 0
 Prior Year Encumbrances Appropriated	 <u>229,575</u>	 <u>229,575</u>	 <u>0</u>
 <i>Fund Balances End of Year</i>	 <u><u>\$2,553,063</u></u>	 <u><u>\$2,810,860</u></u>	 <u><u>\$257,797</u></u>

Debt Service Fund

The debt service fund is used to account for the accumulation of financial resources for, and the payment of, general long-term debt principal, interest, and related costs. Since there is only one debt service fund and the level of budgetary control is not greater than that presented in the combined financial statements, no additional financial statements are presented.

Capital Projects Funds

Capital projects funds account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

Street Income Tax Construction Fund - This fund accounts for income tax monies used for improvements to various City roads.

Capital Improvements Fund - This fund accounts for income tax monies received for the purpose of acquisition of capital assets.

Swimming Pool Fund - This fund was set up in 1971 to account for monies accumulated for the purpose of constructing a municipal community swimming pool.

Downtown Development Fund - This fund accounts for monies received for the purpose of improving the downtown area. Source of funds include State Issue II funds and City funds.

Communication Equipment Fund - This fund accounts for monies received for the purpose of purchasing communication equipment for the City.

Jail Construction Fund - This fund accounts for monies received for the purpose of improvements and construction at the City jail.

West State Street Fund - This fund accounts for monies received for the purpose of widening West State Street from Western Avenue to Freshley Avenue.

Hospital Sale Capital Fund - This fund accounts for the monies received from the sale of real property, equipment and buildings to the Alliance Citizens Health Association. (Alliance Community Hospital).

Other - Smaller Capital Projects maintained by the City. These funds are as follows:

Airport Construction Fund
Crossroads Street Construction Fund
High School Property Fund

City of Alliance, Ohio
Combining Balance Sheet
All Capital Projects Funds
December 31, 2000

	<u>Street Income Tax Construction</u>	<u>Capital Improvements</u>	<u>Swimming Pool</u>	<u>Downtown Development</u>
Assets				
Equity in Pooled Cash and Cash Equivalents	\$177,967	\$388,788	\$54,725	\$46,467
Receivables:				
Taxes	90,774	129,678	0	0
Special Assessments	<u>153,775</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total Assets</i>	<u><u>\$422,516</u></u>	<u><u>\$518,466</u></u>	<u><u>\$54,725</u></u>	<u><u>\$46,467</u></u>
Liabilities				
Accounts Payable	\$0	\$0	\$0	\$0
Interfund Payable	0	0	0	0
Deferred Revenue	153,775	0	0	0
Notes Payable	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total Liabilities</i>	<u>153,775</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Equity				
Fund Balances:				
Reserved for Encumbrances	0	66,146	0	0
Unreserved, Undesignated	<u>268,741</u>	<u>452,320</u>	<u>54,725</u>	<u>46,467</u>
<i>Total Fund Equity</i>	<u>268,741</u>	<u>518,466</u>	<u>54,725</u>	<u>46,467</u>
<i>Total Liabilities and Fund Equity</i>	<u><u>\$422,516</u></u>	<u><u>\$518,466</u></u>	<u><u>\$54,725</u></u>	<u><u>\$46,467</u></u>

<u>Communication Equipment</u>	<u>Jail Construction</u>	<u>West State Street</u>	<u>Hospital Sale Capital</u>	<u>Other</u>	<u>Totals</u>
\$1,616	\$200,712	\$20,096	\$4,216,255	\$16,181	\$5,122,807
0	0	0	0	0	220,452
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>153,775</u>
<u>\$1,616</u>	<u>\$200,712</u>	<u>\$20,096</u>	<u>\$4,216,255</u>	<u>\$16,181</u>	<u>\$5,497,034</u>
\$0	\$7,350	\$0	\$0	\$0	\$7,350
0	0	0	0	2,159	2,159
0	0	0	0	0	153,775
<u>0</u>	<u>0</u>	<u>0</u>	<u>450,000</u>	<u>0</u>	<u>450,000</u>
<u>0</u>	<u>7,350</u>	<u>0</u>	<u>450,000</u>	<u>2,159</u>	<u>613,284</u>
1,616	47,204	3,846	0	0	118,812
<u>0</u>	<u>146,158</u>	<u>16,250</u>	<u>3,766,255</u>	<u>14,022</u>	<u>4,764,938</u>
<u>1,616</u>	<u>193,362</u>	<u>20,096</u>	<u>3,766,255</u>	<u>14,022</u>	<u>4,883,750</u>
<u>\$1,616</u>	<u>\$200,712</u>	<u>\$20,096</u>	<u>\$4,216,255</u>	<u>\$16,181</u>	<u>\$5,497,034</u>

City of Alliance, Ohio
*Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
All Capital Projects Funds
For the Year Ended December 31, 2000*

	<u>Street Income Tax Construction</u>	<u>Capital Improvements</u>	<u>Swimming Pool</u>	<u>Downtown Development</u>
Revenues				
Municipal Income Tax	\$486,212	\$694,588	\$0	\$0
Special Assessments	392	0	0	0
Interest	0	0	0	0
Other	0	0	25,000	0
<i>Total Revenues</i>	<u>486,604</u>	<u>694,588</u>	<u>25,000</u>	<u>0</u>
Expenditures				
Capital Outlay	<u>340,676</u>	<u>745,488</u>	<u>0</u>	<u>97,388</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>145,928</u>	<u>(50,900)</u>	<u>25,000</u>	<u>(97,388)</u>
Other Financing Sources (Uses)				
Sale of Fixed Assets	0	0	0	0
Operating Transfers In	0	0	0	0
Operating Transfers Out	<u>(157,953)</u>	<u>(60,000)</u>	<u>0</u>	<u>0</u>
<i>Total Other Financing Sources (Uses)</i>	<u>(157,953)</u>	<u>(60,000)</u>	<u>0</u>	<u>0</u>
<i>Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</i>	(12,025)	(110,900)	25,000	(97,388)
<i>Fund Balances Beginning of Year</i>	<u>280,766</u>	<u>629,366</u>	<u>29,725</u>	<u>143,855</u>
<i>Fund Balances End of Year</i>	<u><u>\$268,741</u></u>	<u><u>\$518,466</u></u>	<u><u>\$54,725</u></u>	<u><u>\$46,467</u></u>

<u>Communication Equipment</u>	<u>Jail Construction</u>	<u>West State Street</u>	<u>Hospital Sale Capital</u>	<u>Other</u>	<u>Totals</u>
\$0	\$0	\$0	\$0	\$0	\$1,180,800
0	0	0	0	0	392
0	0	0	252,366	0	252,366
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>22,368</u>	<u>47,368</u>
0	0	0	252,366	22,368	1,480,926
<u>201,288</u>	<u>106,795</u>	<u>54,904</u>	<u>500,165</u>	<u>0</u>	<u>2,046,704</u>
<u>(201,288)</u>	<u>(106,795)</u>	<u>(54,904)</u>	<u>(247,799)</u>	<u>22,368</u>	<u>(565,778)</u>
0	0	0	1,083	0	1,083
0	300,000	0	0	0	300,000
<u>0</u>	<u>0</u>	<u>0</u>	<u>(300,000)</u>	<u>(19,540)</u>	<u>(537,493)</u>
<u>0</u>	<u>300,000</u>	<u>0</u>	<u>(298,917)</u>	<u>(19,540)</u>	<u>(236,410)</u>
(201,288)	193,205	(54,904)	(546,716)	2,828	(802,188)
<u>202,904</u>	<u>157</u>	<u>75,000</u>	<u>4,312,971</u>	<u>11,194</u>	<u>5,685,938</u>
<u>\$1,616</u>	<u>\$193,362</u>	<u>\$20,096</u>	<u>\$3,766,255</u>	<u>\$14,022</u>	<u>\$4,883,750</u>

City of Alliance, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Street Income Tax Construction Fund
For the Year Ended December 31, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Municipal Income Tax	\$506,550	\$492,179	(\$14,371)
Special Assessments	0	392	392
<i>Total Revenues</i>	506,550	492,571	(13,979)
Expenditures			
Capital Outlay:			
Street Income Tax:			
Capital Outlay	348,000	340,676	7,324
<i>Excess of Revenues Over Expenditures</i>	158,550	151,895	(6,655)
Other Financing Uses			
Operating Transfers Out	(157,953)	(157,953)	0
<i>Excess of Revenues Over (Under) Expenditures and Other Financing Uses</i>	597	(6,058)	(6,655)
<i>Fund Balance Beginning of Year</i>	184,025	184,025	0
<i>Fund Balance End of Year</i>	\$184,622	\$177,967	(\$6,655)

City of Alliance, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Capital Improvements Fund
For the Year Ended December 31, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Municipal Income Tax	\$725,500	\$703,112	(\$22,388)
Expenditures			
Capital Outlay:			
Capital Improvements:			
Capital Outlay	<u>916,017</u>	<u>822,556</u>	<u>93,461</u>
<i>Excess of Revenues</i> <i>Under Expenditures</i>	(190,517)	(119,444)	71,073
Other Financing Uses			
Operating Transfers Out	<u>(60,000)</u>	<u>(60,000)</u>	<u>0</u>
<i>Excess of Revenues Under</i> <i>Expenditures and Other Financing Uses</i>	(250,517)	(179,444)	71,073
<i>Fund Balance Beginning of Year</i>	358,619	358,619	0
Prior Year Encumbrances Appropriated	<u>143,467</u>	<u>143,467</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$251,569</u></u>	<u><u>\$322,642</u></u>	<u><u>\$71,073</u></u>

City of Alliance, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Swimming Pool Fund
For the Year Ended December 31, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Other	\$25,000	\$25,000	\$0
<i>Total Expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Excess of Revenues Over Expenditures</i>	25,000	25,000	0
<i>Fund Balance Beginning of Year</i>	<u>29,725</u>	<u>29,725</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$54,725</u></u>	<u><u>\$54,725</u></u>	<u><u>\$0</u></u>

City of Alliance, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Downtown Development Fund
For the Year Ended December 31, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Donations	\$80,000	\$0	(\$80,000)
Expenditures			
Capital Outlay:			
Community Development:			
Capital Outlay	<u>230,312</u>	<u>131,659</u>	<u>98,653</u>
<i>Excess of Revenues</i>			
<i>Under Expenditures</i>	(150,312)	(131,659)	18,653
<i>Fund Balance Beginning of Year</i>	<u>150,312</u>	<u>150,312</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$0</u></u>	<u><u>\$18,653</u></u>	<u><u>\$18,653</u></u>

City of Alliance, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Communication Equipment Fund
For the Year Ended December 31, 2000

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues	\$0	\$0	\$0
Expenditures			
Capital Outlay:			
General Administration Safety:			
Capital Outlay	<u>202,904</u>	<u>201,288</u>	<u>1,616</u>
<i>Excess of Revenues Under Expenditures</i>	(202,904)	(201,288)	1,616
<i>Fund Balance Beginning of Year</i>	0	0	0
<i>Prior Year Encumbrances Appropriated</i>	<u>202,904</u>	<u>202,904</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$0</u></u>	<u><u>\$1,616</u></u>	<u><u>\$1,616</u></u>

City of Alliance, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Jail Construction Fund
For the Year Ended December 31, 2000

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<i>Total Revenues</i>	\$0	\$0	\$0
Expenditures			
Capital Outlay:			
Police:			
Capital Outlay	<u>300,157</u>	<u>153,998</u>	<u>146,159</u>
<i>Excess of Revenues Under Expenditures</i>	(300,157)	(153,998)	146,159
Other Financing Sources			
Operating Transfers In	<u>300,000</u>	<u>300,000</u>	<u>0</u>
<i>Excess of Revenues and Other Financing Sources Over (Under) Expenditures</i>	(157)	146,002	146,159
<i>Fund Balance Beginning of Year</i>	0	0	0
<i>Prior Year Encumbrances Appropriated</i>	<u>157</u>	<u>157</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$146,159</u>	<u>\$146,159</u>

City of Alliance, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
West State Street Fund
For the Year Ended December 31, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<i>Total Revenues</i>	\$0	\$0	\$0
Expenditures			
Capital Outlay:			
Street Transportation:			
Capital Outlay	161,000	144,749	16,251
<i>Excess of Revenues</i> <i>Under Expenditures</i>	(161,000)	(144,749)	16,251
<i>Fund Balance Beginning of Year</i>	75,000	75,000	0
<i>Prior Year Encumbrances Appropriated</i>	86,000	86,000	0
<i>Fund Balance End of Year</i>	\$0	\$16,251	\$16,251

City of Alliance, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Hospital Sale Capital Fund
For the Year Ended December 31, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
	<u> </u>	<u> </u>	<u> </u>
Revenues			
Interest	\$462,160	\$252,366	(\$209,794)
Expenditures			
Capital Outlay:			
Street Transportation:			
Capital Outlay	<u>501,118</u>	<u>500,165</u>	<u>953</u>
<i>Excess of Revenues</i>			
<i> Under Expenditures</i>	<u>(38,958)</u>	<u>(247,799)</u>	<u>(208,841)</u>
Other Financing Sources (Uses)			
Proceeds of Notes	431,801	450,000	18,199
Sale of Fixed Assets	1,039	1,083	44
Operating Transfers Out	<u>(300,000)</u>	<u>(300,000)</u>	<u>0</u>
<i>Total Other Financing Sources (Uses)</i>	<u>132,840</u>	<u>151,083</u>	<u>18,243</u>
<i>Excess of Revenues and Other Financing</i>			
<i> Sources Over (Under) Expenditures and</i>			
<i> Other Financing Uses</i>	93,882	(96,716)	(190,598)
<i>Fund Balance Beginning of Year</i>	<u>4,312,971</u>	<u>4,312,971</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$4,406,853</u></u>	<u><u>\$4,216,255</u></u>	<u><u>(\$190,598)</u></u>

City of Alliance, Ohio
*Schedule of Revenues, Expenditures and Changes
 In Fund Balance - Budget (Non-GAAP Basis) and Actual
 Airport Construction Fund
 For the Year Ended December 31, 2000*

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<i>Total Revenues</i>	\$0	\$0	\$0
<i>Total Expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Excess of Revenues Over Expenditures</i>	0	0	0
<i>Fund Balance Beginning of Year</i>	<u>612</u>	<u>612</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$612</u></u>	<u><u>\$612</u></u>	<u><u>\$0</u></u>

City of Alliance, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Crossroads Street Construction Fund
For the Year Ended December 31, 2000

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues	\$0	\$0	\$0
Expenditures			
Capital Outlay:			
Street Transportation:			
Capital Outlay	<u>10,490</u>	<u>8</u>	<u>10,482</u>
<i>Excess of Revenues</i>			
<i> Under Expenditures</i>	(10,490)	(8)	10,482
<i>Fund Balance Beginning of Year</i>	<u>10,498</u>	<u>10,498</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$8</u></u>	<u><u>\$10,490</u></u>	<u><u>\$10,482</u></u>

City of Alliance, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
High School Property Fund
For the Year Ended December 31, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Other	\$22,368	\$22,368	\$0
<i>Total Expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Excess of Revenues Over Expenditures</i>	22,368	22,368	0
Other Financing Uses			
Operating Transfers Out	<u>(19,540)</u>	<u>(19,540)</u>	<u>0</u>
<i>Excess of Revenues Over Expenditures and Other Financing Uses</i>	2,828	2,828	0
<i>Fund Balance Beginning of Year</i>	<u>2,243</u>	<u>2,243</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$5,071</u></u>	<u><u>\$5,071</u></u>	<u><u>\$0</u></u>

City of Alliance, Ohio
Schedule of Revenues, Expenditures and Changes
In Fund Balances - Budget (Non-GAAP Basis) and Actual
All Capital Projects Funds
For the Year Ended December 31, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Municipal Income Tax	\$1,232,050	\$1,195,291	(\$36,759)
Special Assessments	0	392	392
Interest	462,160	252,366	(209,794)
Donations	80,000	0	(80,000)
Other	47,368	47,368	0
<i>Total Revenues</i>	<u>1,821,578</u>	<u>1,495,417</u>	<u>(326,161)</u>
Expenditures			
Capital Outlay			
Street Income Tax Construction Fund	348,000	340,676	7,324
Capital Improvements Fund	916,017	822,556	93,461
Downtown Development Fund	230,312	131,659	98,653
Communication Equipment Fund	202,904	201,288	1,616
Jail Construction Fund	300,157	153,998	146,159
West State Street Fund	161,000	144,749	16,251
Hospital Sale Capital Fund	501,118	500,165	953
Crossroads Street Construction Fund	10,490	8	10,482
<i>Total Capital Outlay</i>	<u>2,669,998</u>	<u>2,295,099</u>	<u>374,899</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(848,420)</u>	<u>(799,682)</u>	<u>48,738</u>
Other Financing Sources (Uses)			
Proceeds of Notes	431,801	450,000	18,199
Sale of Fixed Assets	1,039	1,083	44
Transfers In	300,000	300,000	0
Transfers Out	(537,493)	(537,493)	0
<i>Total Other Financing Sources (Uses)</i>	<u>195,347</u>	<u>213,590</u>	<u>18,243</u>
<i>Excess of Revenues and Other Financing Sources Under Expenditures and Other Financing Uses</i>	<u>(653,073)</u>	<u>(586,092)</u>	<u>66,981</u>
<i>Fund Balances Beginning of Year</i>	5,124,005	5,124,005	0
Prior Year Encumbrances Appropriated	<u>432,528</u>	<u>432,528</u>	<u>0</u>
<i>Fund Balances End of Year</i>	<u><u>\$4,903,460</u></u>	<u><u>\$4,970,441</u></u>	<u><u>\$66,981</u></u>

Enterprise Funds

Enterprise Funds are established to account for operations that are financed and operated in a manner similar to private sector business enterprises where the intent is that the cost (expenses, including depreciation) of providing services to the general public on a continuing basis be financed or recovered primarily through user charges or where it is has been decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriated for capital maintenance, public policy, management control, accountability or other purposes.

Water Fund - This fund accounts for revenues generated from charges for distribution of water to residential and commercial users of the City.

Sewer Fund - This fund accounts for revenues generated from charges for sanitary services provided to residential and commercial users of the City.

City of Alliance, Ohio
Combining Balance Sheet
All Enterprise Funds
December 31, 2000

	Water	Sewer	Totals
Assets			
Current Assets:			
Equity in Pooled Cash and Cash Equivalents	\$1,556,191	\$1,529,139	\$3,085,330
Accounts Receivables	632,298	532,251	1,164,549
Materials and Supplies Inventory	331,596	43,390	374,986
Deferred Charges	306,447	0	306,447
<i>Total Current Assets</i>	2,826,532	2,104,780	4,931,312
Restricted Assets:			
Equity in Pooled Cash and Cash Equivalents	1,339,854	630,407	1,970,261
Cash and Cash Equivalents with Fiscal Agents	1,837,764	749,611	2,587,375
Fixed Assets (Net, where applicable, of Accumulated Depreciation)	17,937,948	9,226,776	27,164,724
<i>Total Assets</i>	\$23,942,098	\$12,711,574	\$36,653,672
Liabilities and Fund Equity			
Liabilities			
Current Liabilities:			
Accounts Payable	\$46,030	\$42,929	\$88,959
Accrued Wages	20,042	32,578	52,620
Compensated Absences Payable	22,114	24,901	47,015
Intergovernmental Payable	55,408	52,971	108,379
Accrued Interest Payable	119,326	58,380	177,706
Current Portion of General Obligation Bonds Payable	0	100,000	100,000
Current Portion of Revenue Bonds Payable	630,000	340,000	970,000
<i>Total Current Liabilities</i>	892,920	651,759	1,544,679
Long-Term Liabilities:			
Compensated Absences Payable	255,812	302,145	557,957
General Obligation Bonds Payable (net of Current Portion)	0	375,000	375,000
Revenue Bonds Payable (net of Current Portion)	17,861,085	3,970,000	21,831,085
<i>Total Long-Term Liabilities</i>	18,116,897	4,647,145	22,764,042
<i>Total Liabilities</i>	19,009,817	5,298,904	24,308,721
Fund Equity			
Contributed Capital	5,067,998	1,340,892	6,408,890
Retained Earnings (Deficit):			
Reserved:			
Replacement and Improvement	399,275	333,938	733,213
Operation and Maintenance	940,579	296,469	1,237,048
Unreserved	(1,475,571)	5,441,371	3,965,800
<i>Total Fund Equity</i>	4,932,281	7,412,670	12,344,951
<i>Total Liabilities and Fund Equity</i>	\$23,942,098	\$12,711,574	\$36,653,672

City of Alliance, Ohio
*Combining Statement of Revenues, Expenses
and Changes in Fund Equity
All Enterprise Funds
For the Year Ended December 31, 2000*

	<u>Water</u>	<u>Sewer</u>	<u>Totals</u>
Operating Revenues			
Charges for Services	\$3,937,154	\$3,371,997	\$7,309,151
Other	<u>31,138</u>	<u>31,415</u>	<u>62,553</u>
<i>Total Operating Revenues</i>	<u>3,968,292</u>	<u>3,403,412</u>	<u>7,371,704</u>
Operating Expenses			
Salaries and Wages	1,171,333	1,108,333	2,279,666
Fringe Benefits	482,960	377,658	860,618
Purchased Services	384,224	319,513	703,737
Materials and Supplies	466,434	480,306	946,740
Depreciation	<u>721,746</u>	<u>359,165</u>	<u>1,080,911</u>
<i>Total Operating Expenses</i>	<u>3,226,697</u>	<u>2,644,975</u>	<u>5,871,672</u>
<i>Operating Income</i>	<u>741,595</u>	<u>758,437</u>	<u>1,500,032</u>
Non-Operating Revenues (Expenses)			
Interest	365,111	217,317	582,428
Loss on Sale of Fixed Assets	(1,088)	(242)	(1,330)
Interest and Fiscal Charges	<u>(1,209,728)</u>	<u>(320,003)</u>	<u>(1,529,731)</u>
<i>Total Non-Operating Revenues (Expenses)</i>	<u>(845,705)</u>	<u>(102,928)</u>	<u>(948,633)</u>
<i>Income (Loss) Before Operating Transfers</i>	(104,110)	655,509	551,399
Operating Transfers In	0	60,000	60,000
Operating Transfers Out	<u>0</u>	<u>(40,863)</u>	<u>(40,863)</u>
<i>Net Income (Loss)</i>	(104,110)	674,646	570,536
<i>Retained Earnings (Deficit) Beginning of Year</i>	<u>(31,607)</u>	<u>5,397,132</u>	<u>5,365,525</u>
<i>Retained Earnings (Deficit) End of Year</i>	<u>(135,717)</u>	<u>6,071,778</u>	<u>5,936,061</u>
Contributed Capital Beginning of Year	4,786,753	1,136,329	5,923,082
Contributions:			
Municipal Income Tax	281,245	0	281,245
Capital Grants	<u>0</u>	<u>204,563</u>	<u>204,563</u>
Contributed Capital End of Year	<u>5,067,998</u>	<u>1,340,892</u>	<u>6,408,890</u>
<i>Total Fund Equity End of Year</i>	<u>\$4,932,281</u>	<u>\$7,412,670</u>	<u>\$12,344,951</u>

City of Alliance, Ohio
Schedule of Revenues, Expenses and Changes
In Fund Equity - Budget (Non-GAAP Basis) and Actual
Water Fund
For the Year Ended December 31, 2000

	<u>Revised Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues			
Municipal Income Tax	\$301,000	\$281,245	(\$19,755)
Charges for Services	3,884,000	3,880,280	(3,720)
Interest	122,800	133,011	10,211
Other	4,665	31,138	26,473
<i>Total Revenues</i>	<u>4,312,465</u>	<u>4,325,674</u>	<u>13,209</u>
Expenses			
Salaries and Wages	1,200,270	1,172,400	27,870
Fringe Benefits	411,896	381,626	30,270
Contractual Services	489,241	446,380	42,861
Materials and Supplies	553,648	526,941	26,707
Capital Outlay	572,230	144,412	427,818
<i>Total Expenses</i>	<u>3,227,285</u>	<u>2,671,759</u>	<u>555,526</u>
<i>Excess of Revenues Over Expenses</i>	1,085,180	1,653,915	568,735
Operating Transfers Out	<u>(1,594,705)</u>	<u>(1,388,707)</u>	<u>205,998</u>
<i>Excess of Revenues Over (Under) Expenses and Operating Transfers</i>	(509,525)	265,208	774,733
<i>Fund Equity Beginning of Year</i>	2,428,143	2,428,143	0
Prior Year Encumbrances Appropriated	<u>66,074</u>	<u>66,074</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u>\$1,984,692</u>	<u>\$2,759,425</u>	<u>\$774,733</u>

City of Alliance, Ohio
Schedule of Revenues, Expenses and Changes
In Fund Equity - Budget (Non-GAAP Basis) and Actual
Sewer Fund
For the Year Ended December 31, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Charges for Services	\$3,105,500	\$3,279,295	\$173,795
Licenses, Permits and Fees	6,000	19,025	13,025
Interest	104,000	128,315	24,315
Grants	301,702	204,563	(97,139)
Other	50,565	12,390	(38,175)
<i>Total Revenues</i>	<u>3,567,767</u>	<u>3,643,588</u>	<u>75,821</u>
Expenses			
Salaries and Wages	1,113,258	1,098,926	14,332
Fringe Benefits	366,791	337,265	29,526
Contractual Services	534,323	439,404	94,919
Materials and Supplies	540,616	494,958	45,658
Capital Outlay	1,318,704	277,177	1,041,527
Other	221	0	221
<i>Total Expenses</i>	<u>3,873,913</u>	<u>2,647,730</u>	<u>1,226,183</u>
<i>Excess of Revenues Over (Under) Expenses</i>	(306,146)	995,858	1,302,004
Operating Transfers In	60,000	60,000	0
Operating Transfers Out	(722,486)	(722,486)	0
<i>Excess of Revenues Over (Under) Expenses and Operating Transfers</i>	(968,632)	333,372	1,302,004
<i>Fund Equity Beginning of Year</i>	1,573,977	1,573,977	0
Prior Year Encumbrances Appropriated	<u>135,192</u>	<u>135,192</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u><u>\$740,537</u></u>	<u><u>\$2,042,541</u></u>	<u><u>\$1,302,004</u></u>

City of Alliance, Ohio
Schedule of Revenues, Expenses and Changes
in Fund Equity - Budget (Non-GAAP Basis) and Actual
All Enterprise Funds
For the Year Ended December 31, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Municipal Income Tax	\$301,000	\$281,245	(\$19,755)
Charges for Services	6,989,500	7,159,575	170,075
Licenses, Permits and Fees	6,000	19,025	13,025
Capital Grants	301,702	204,563	(97,139)
Interest	226,800	261,326	34,526
Other	55,230	43,528	(11,702)
<i>Total Revenues</i>	<u>7,880,232</u>	<u>7,969,262</u>	<u>89,030</u>
Expenses			
Salaries and Wages:			
Water Fund	1,200,270	1,172,400	27,870
Sewer Fund	1,113,258	1,098,926	14,332
Total Salaries and Wages	<u>2,313,528</u>	<u>2,271,326</u>	<u>42,202</u>
Fringe Benefits:			
Water Fund	411,896	381,626	30,270
Sewer Fund	366,791	337,265	29,526
Total Fringe Benefits	<u>778,687</u>	<u>718,891</u>	<u>59,796</u>
Contractual Services:			
Water Fund	489,241	446,380	42,861
Sewer Fund	534,323	439,404	94,919
Total Contractual Services	<u>1,023,564</u>	<u>885,784</u>	<u>137,780</u>
Materials and Supplies:			
Water Fund	553,648	526,941	26,707
Sewer Fund	540,616	494,958	45,658
Total Materials and Supplies	<u>1,094,264</u>	<u>1,021,899</u>	<u>72,365</u>
Capital Outlay:			
Water Fund	572,230	144,412	427,818
Sewer Fund	1,318,704	277,177	1,041,527
Total Capital Outlay	<u>\$1,890,934</u>	<u>\$421,589</u>	<u>\$1,469,345</u>

(continued)

City of Alliance, Ohio
Schedule of Revenues, Expenses and Changes
in Fund Equity - Budget (Non-GAAP Basis) and Actual
All Enterprise Funds (continued)
For the Year Ended December 31, 2000

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Other:			
Sewer Fund	\$221	\$0	\$221
<i>Total Expenses</i>	<u>7,101,198</u>	<u>5,319,489</u>	<u>1,781,709</u>
<i>Excess of Revenues Over Expenses</i>	779,034	2,649,773	1,870,739
Operating Transfers In	60,000	60,000	0
Operating Transfers Out	<u>(2,317,191)</u>	<u>(2,111,193)</u>	<u>205,998</u>
<i>Excess of Revenues Over (Under)</i> <i>Expenses and Operating Transfers</i>	(1,478,157)	598,580	2,076,737
<i>Fund Equity Beginning of Year</i>	4,002,120	4,002,120	0
Prior Year Encumbrances Appropriated	<u>201,266</u>	<u>201,266</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u><u>\$2,725,229</u></u>	<u><u>\$4,801,966</u></u>	<u><u>\$2,076,737</u></u>

City of Alliance, Ohio
Combining Statement of Cash Flows
All Enterprise Funds
For the Year Ended December 31, 2000

	Water	Sewer	Totals
<i>Increase (Decrease) In Cash and Cash Equivalents</i>			
Cash Flows from Operating Activities			
Cash Received from Customers	\$3,880,280	\$3,279,295	\$7,159,575
Cash Payments to Suppliers for Good and Services	(511,024)	(473,342)	(984,366)
Cash Payments for Employee Services and Benefits	(1,547,199)	(1,436,086)	(2,983,285)
Cash Payments for Contractual Services	(442,522)	(381,183)	(823,705)
Other Revenue	31,138	31,415	62,553
	<u>1,410,673</u>	<u>1,020,099</u>	<u>2,430,772</u>
Cash Flows from Noncapital Financing Activities			
Transfer In	0	60,000	60,000
	<u>0</u>	<u>60,000</u>	<u>60,000</u>
Cash Flows from Capital and Related Financing Activities			
Acquisition of Capital Assets	(34,394)	(240,114)	(274,508)
Municipal Income Tax	281,245	0	281,245
Capital Grants	0	204,563	204,563
Principal Paid on Sewer General Obligation Bonds	0	(100,000)	(100,000)
Interest Paid on Sewer General Obligation Bonds	0	(40,863)	(40,863)
Principal Paid on Water Revenue Bonds	(615,000)	0	(615,000)
Interest Paid on Water Revenue Bonds	(979,205)	0	(979,205)
Principal Paid on Sewer Revenue Bonds	0	(320,000)	(320,000)
Interest Paid on Sewer Revenue Bonds	0	(261,623)	(261,623)
	<u>(1,347,354)</u>	<u>(758,037)</u>	<u>(2,105,391)</u>
Cash Flows from Investing Activities			
Interest	242,710	162,812	405,522
	<u>242,710</u>	<u>162,812</u>	<u>405,522</u>
<i>Net Increase In Cash and Cash Equivalents</i>	306,029	484,874	790,903
<i>Cash and Cash Equivalents Beginning of Year</i>	<u>4,427,780</u>	<u>2,424,283</u>	<u>6,852,063</u>
<i>Cash and Cash Equivalents End of Year</i>	<u>\$4,733,809</u>	<u>\$2,909,157</u>	<u>\$7,642,966</u>

(continued)

City of Alliance, Ohio
Combining Statement of Cash Flows
All Enterprise Funds (continued)
For the Year Ended December 31, 2000

	Water	Sewer	Totals
Reconciliation of Operating Income to			
Net Cash Provided by Operating Activities			
Operating Income	\$741,595	\$758,437	\$1,500,032
Adjustments:			
Depreciation	721,746	359,165	1,080,911
(Increase)/Decrease in Assets:			
Accounts Receivable	(53,882)	(90,294)	(144,176)
Materials and Supplies Inventory	(45,619)	6,505	(39,114)
Increase/(Decrease) in Liabilities:			
Accounts Payable	15,369	8,231	23,600
Accrued Wages	(1,067)	9,407	8,340
Compensated Absences Payable	54,029	(12,413)	41,616
Intergovernmental Payable	(18,506)	(16,531)	(35,037)
Due to Other Funds	(2,992)	(2,408)	(5,400)
	\$1,410,673	\$1,020,099	\$2,430,772
<i>Net Cash Provided by Operating Activities</i>	\$1,410,673	\$1,020,099	\$2,430,772

Internal Service Fund

The internal service fund is used 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. Specifically the Insurance fund accounts for a medical benefit self-insurance program for employees of the City. Since there is only one internal service fund and the level of budgetary control is not greater than that presented in the combined financial statements, no additional financial statements are presented.

Fiduciary Funds

Fiduciary funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds. The following are the City's fiduciary fund types:

Agency Funds

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

Municipal Court Fund - This fund accounts for bank accounts used by the municipal court.

Carnation Cable Fund - This fund accounts for monies received from cable franchise fees prescribed by City Ordinance for local cable access.

City of Alliance, Ohio
Combining Statement of Changes in Assets and Liabilities
All Agency Funds
For the Year Ended December 31, 2000

	Beginning Balance 01/01/00	Additions	Deductions	Ending Balance 12/31/00
<i>Municipal Court</i>				
Assets				
Cash and Cash Equivalents in Segregated Accounts	\$75,409	\$1,349,145	\$1,346,444	\$78,110
Liabilities				
Undistributed Assets	\$75,409	\$1,349,145	\$1,346,444	\$78,110
<i>Carnation Cable</i>				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$652	\$46,479	\$47,131	\$0
Liabilities				
Undistributed Assets	\$652	\$46,479	\$47,131	\$0
<i>Total - All Agency Funds</i>				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$652	\$46,479	\$47,131	\$0
Cash and Cash Equivalents in Segregated Accounts	75,409	1,349,145	1,346,444	78,110
<i>Total Assets</i>	\$76,061	\$1,395,624	\$1,393,575	\$78,110
Liabilities				
Undistributed Assets	\$76,061	\$1,395,624	\$1,393,575	\$78,110

General Fixed Assets Account Group

The general fixed assets group is used to account for all land and improvements, buildings, equipment and machinery, and vehicles not used in the operations of proprietary funds.

City of Alliance, Ohio
Schedule of Changes in General Fixed Assets
By Function
For the Year Ended December 31, 2000

<u>Function</u>	<u>General Fixed Assets 1/1/00</u>	<u>Additions</u>	<u>Deductions</u>	<u>General Fixed Assets 12/31/00</u>
General Government	\$5,235,628	\$92,492	\$177,898	\$5,150,222
Security of Persons and Property	2,612,734	466,869	154,151	2,925,452
Public Health Services	178,994	2,282	12,081	169,195
Leisure Time Activities	688,233	114,300	57,124	745,409
Community Environment	67,940	813	0	68,753
Basic Utility	85,156	7,903	0	93,059
Transportation	<u>1,478,377</u>	<u>161,239</u>	<u>90,450</u>	<u>1,549,166</u>
<i>Total</i>	10,347,062	845,898	491,704	10,701,256
Construction in Progress	<u>67,096</u>	<u>67,989</u>	<u>0</u>	<u>135,085</u>
<i>Total General Fixed Assets</i>	<u><u>\$10,414,158</u></u>	<u><u>\$913,887</u></u>	<u><u>\$491,704</u></u>	<u><u>\$10,836,341</u></u>

City of Alliance, Ohio
Schedule of General Fixed Assets
By Function and Type
December 31, 2000

Function	Total	Land and Improvements	Buildings	Equipment and Machinery	Vehicles
General Government	\$5,150,222	\$2,666,364	\$1,853,819	\$556,587	\$73,452
Security of Persons and Property	2,925,452	37,641	38,981	1,347,647	1,501,183
Public Health Services	169,195	61,361	32,404	75,430	0
Leisure Time Activities	745,409	111,637	113,196	333,796	186,780
Community Environment	68,753	36,648	10,781	21,324	0
Basic Utility	93,059	0	0	93,059	0
Transportation	1,549,166	82,901	84,045	874,163	508,057
<i>Total</i>	10,701,256	2,996,552	2,133,226	3,302,006	2,269,472
Construction in Progress	135,085	0	135,085	0	0
<i>Total General Fixed Assets</i>	<u>\$10,836,341</u>	<u>\$2,996,552</u>	<u>\$2,268,311</u>	<u>\$3,302,006</u>	<u>\$2,269,472</u>

City of Alliance, Ohio
Schedule of General Fixed Assets
By Source
December 31, 2000

General Fixed Assets

Land and Improvements	\$2,996,552
Buildings	2,133,226
Equipment and Machinery	3,302,006
Vehicles	2,269,472
Construction in Progress	<u>135,085</u>
<i>Total General Fixed Assets</i>	<u><u>\$10,836,341</u></u>

Investment in General Fixed Assets from

General Governmental Revenues	\$10,590,948
Capital Projects	109,444
Grants	<u>135,949</u>
<i>Total General Fixed Assets</i>	<u><u>\$10,836,341</u></u>

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STATISTICAL SECTION

City of Alliance, Ohio
General Fund Expenditures by Function
Last Ten Years

	2000 (1)	1999 (1)	1998 (1)	1997 (1)	1996 (1)	1995	1994	1993	1992	1991
General Government	\$2,204,701	\$2,153,411	\$1,947,283	\$1,981,236	\$1,776,027	\$1,374,729	\$1,290,295	\$1,206,387	\$1,200,401	\$1,394,465
Security of Persons and Property	5,350,452	5,293,124	4,871,021	4,546,571	4,489,627	4,178,110	4,067,978	4,025,351	3,801,000	3,929,209
Public Health Services	372,827	334,104	325,500	324,364	287,153	294,872	289,454	381,470	439,025	248,578
Transportation	317,313	274,218	154,225	281,260	278,114	218,596	250,331	240,486	239,732	270,923
Community Environment	81,846	74,637	70,412	64,580	76,084	74,125	88,223	78,902	70,185	71,847
Basic Utility Services	55,720	50,222	42,045	36,641	33,710	34,939	33,246	33,419	0	25,659
Leisure Time Activities	537,253	503,413	468,233	442,598	415,225	369,617	363,696	354,075	347,188	361,503
Capital Outlay	0	0	0	0	0	1,500	0	0	0	0
Debt Service	0	0	2,646	3,897	3,897	0	0	0	0	0
Total	\$8,920,112	\$8,683,129	\$7,881,365	\$7,681,147	\$7,359,837	\$6,546,488	\$6,383,223	\$6,320,090	\$6,097,531	\$6,302,184

Source: City financial records

(1) 1996 - 2000 are reported on a GAAP basis; all other on a Cash basis.

City of Alliance, Ohio
General Fund Revenues by Source
Last Ten Years

	2000 (1)	1999 (1)	1998 (1)	1997 (1)	1996 (1)	1995	1994	1993	1992	1991
Property and Other Taxes	\$723,922	\$726,080	\$717,986	\$600,209	\$608,917	\$589,162	\$579,956	\$572,545	\$602,235	\$583,565
Municipal Income Tax (2)	5,711,142	6,160,316	5,890,573	5,240,798	5,007,100	0	0	0	0	0
Charges for Services	309,885	189,297	102,862	193,172	287,354	0	53,655	179,046	189,184	0
Licenses, Permits and Fees	119,047	146,591	109,243	107,265	124,296	315,999	339,696	359,186	323,586	477,451
Fines and Forfeitures (3)	462,359	452,978	403,061	307,879	338,592	0	0	0	0	0
Intergovernmental	1,390,205	1,552,126	1,770,962	1,968,925	1,443,921	1,379,200	1,109,141	1,054,891	1,267,620	1,236,623
Special Assessments	0	5,318	0	0	0	0	0	0	0	0
Interest	246,661	223,248	184,306	197,503	164,577	0	0	0	0	0
Rentals	0	1,960	51,206	98,611	50,650	0	0	0	0	0
Donations	0	2,500	0	0	100	0	0	0	0	0
Other	425,793	314,780	479,427	76,868	88,778	360,223	522,568	185,822	197,371	290,108
Totals	\$9,389,014	\$9,775,194	\$9,709,626	\$8,791,030	\$8,114,285	\$2,644,584	\$2,605,016	\$2,351,490	\$2,579,996	\$2,587,747

Source: City Financial Records

(1) 1996 - 2000 are reported on a GAAP basis; all other on a Cash basis.

(2) Prior to 1996 does not include Municipal Income Tax. They were part of operating transfers in.

(3) Prior to 1996 Fines and Forfeitures was not separate, the City reported Fines with Licenses, Permits and Fees and Forfeitures were part of other.

City of Alliance, Ohio
Real Property and Public Utility Tax Levies and Collections
Last Ten Years

Year	Current Levy	Delinquent Levy	Total Levy	Current Collection	Percent of Current Collections To Tax Levy	Delinquent Collection	Total Collections	Percent of Total Collections to Current Tax Levy	Outstanding Delinquent Taxes (1)
2000	\$728,374	\$103,853	\$832,227	\$698,425	95.89%	\$24,345	\$722,770	99.23%	\$87,614
1999	730,893	93,753	824,646	707,075	96.74	28,188	735,263	100.60	103,853
1998	722,697	94,117	816,814	694,723	96.13	21,767	716,490	99.14	93,753
1997	586,621	72,957	659,578	569,071	97.01	17,794	586,865	100.04	94,117
1996	585,811	71,830	657,641	568,449	97.04	13,995	582,444	99.43	72,957
1995	581,392	77,340	658,732	569,032	97.87	17,029	586,061	100.80	71,830
1994	570,062	73,486	643,548	557,215	97.75	16,072	573,287	100.57	77,340
1993	560,695	75,845	636,540	550,836	98.24	18,034	568,870	101.46	73,486
1992	557,273	77,442	634,715	543,926	97.60	22,716	566,642	101.68	75,845
1991	551,087	73,432	624,519	528,857	95.97	15,176	544,033	98.72	77,442

Source: Stark County, Ohio; County Auditor

(1) Includes penalties and interest, since by Ohio Law, they become part of tax obligation as assessment occurs.

City of Alliance, Ohio
Personal Property Tax Levies And Collections
Last Ten Years

Year	Current Levy	Delinquent Levy	Total Levy	Current Collection	Percent of Current Collections To Tax Levy	Delinquent Collection	Total Collections	Percent of Total Collections to Current Tax Levy	Outstanding Delinquent Taxes (1)
2000	\$159,684	\$32,286	\$191,970	\$148,647	93.09%	\$9,199	\$157,846	98.85%	\$30,242
1999	153,185	32,192	185,377	143,143	93.44	1,729	144,872	94.57	32,286
1998	140,065	40,201	180,266	138,941	99.20	6,566	145,507	103.89	32,192
1997	135,396	35,811	171,207	132,716	98.02	5,519	138,235	102.10	40,201
1996	134,171	16,777	150,948	132,928	99.07	5,204	138,132	102.95	35,811
1995	124,576	15,657	140,233	123,895	99.45	3,926	127,821	102.60	16,777
1994	120,953	14,350	135,303	119,745	99.00	2,978	122,723	101.46	15,657
1993	121,647	14,163	135,810	118,320	97.27	6,081	124,401	102.26	14,350
1992	146,826	13,281	160,107	142,760	97.23	12,538	155,298	105.77	14,163
1991	149,037	9,823	158,860	142,003	95.28	8,348	150,351	100.88	13,281

Source: Stark County, Ohio; County Auditor

(1) Includes penalties and interest, since by Ohio Law, they become part of tax obligation as assessment occurs.

City of Alliance, Ohio
Assessed and Estimated Actual Value of Taxable Property
Last Ten Years

Year (1)	Real Property		Public Utility Property		Tangible Personal Property		Total		
	Assessed Value	Estimated Actual Value (2)	Assessed Value	Estimated Actual Value (2)	Assessed Value	Estimated Actual Value (2)	Assessed Value	Estimated Actual Value	
2000	\$189,244,740	\$540,699,257	\$12,297,450	\$13,974,375	\$47,248,917	\$188,995,668	\$248,791,107	\$743,669,300	33.45%
1999	188,647,670	538,993,343	13,664,980	15,528,386	45,873,190	183,492,760	248,185,840	738,014,489	33.63
1998	184,426,770	526,933,629	14,185,590	16,119,989	41,473,908	165,895,632	240,086,268	708,949,250	33.87
1997	146,125,620	417,501,771	14,162,410	16,093,648	39,507,805	158,031,220	199,795,835	591,626,639	33.77
1996	144,821,400	413,775,429	14,829,220	16,851,386	38,626,528	154,506,112	198,277,148	585,132,927	33.89
1995	142,813,080	408,037,371	14,768,480	16,782,364	35,207,943	140,831,772	192,789,503	565,651,507	34.08
1994	140,674,860	401,928,171	14,608,750	16,600,852	33,648,097	134,592,388	188,931,707	553,121,411	34.16
1993	138,231,920	394,948,343	14,362,290	16,320,784	33,709,777	134,839,108	186,303,987	546,108,235	34.11
1992	137,559,700	393,027,714	14,068,960	15,987,455	39,840,339	159,361,356	191,468,999	568,376,525	33.69
1991	136,446,920	389,848,343	14,121,690	16,047,375	40,714,647	162,858,588	191,283,257	568,754,306	33.63

Source: Stark County, Ohio; County Auditor

- (1) The year represents collection year.
- (2) This amount is calculated based on the following percentages:
 Real property is assessed at thirty-five percent of actual value.
 Public utility is assessed at eighty-eight percent of actual value.
 Tangible personal is assessed at twenty-five percent of actual value.

City of Alliance, Ohio
Property Tax Rates - Direct and Overlapping Governments
(Per \$1,000 of Assessed Valuation)
Last Ten Years

Year	City of Alliance		Total City	Stark County	Alliance City School District	Marlington Local School District	County Parks	Total Direct and Overlapping Governments
	District 1	District 2						
2000	\$4.00	\$2.00	\$6.00	\$9.60	\$54.60	\$48.40	\$0.50	\$119.10
1999	4.00	2.00	6.00	9.60	50.40	48.90	0.50	115.40
1998	4.00	2.00	6.00	9.60	50.40	48.90	0.50	115.40
1997	4.00	2.00	6.00	9.60	50.70	48.90	0.50	115.70
1996	4.00	2.00	6.00	9.60	50.70	48.90	0.20	115.40
1995	4.00	2.00	6.00	10.10	50.70	48.90	0.20	115.90
1994	4.00	2.00	6.00	8.20	50.70	48.90	0.20	114.00
1993	4.00	2.00	6.00	9.20	50.80	48.90	0.20	115.10
1992	4.00	2.00	6.00	9.20	50.80	48.90	0.20	115.10
1991	4.00	2.00	6.00	9.20	50.80	48.90	0.20	115.10

Source: Stark County, Ohio; County Auditor

City of Alliance
Special Assessment Levies and Collections (1)
Last Ten Years

Year	Current Assessments Levied	Current Assessments Collected	Percentage of Current Assessments Collected to Levy	Delinquent Assessments Collected	Percentage of Delinquent Assessments Collected to Current Levy	Total Assessments Collected	Percentage of Total Collections to Current Levy	Accumulative Delinquency
2000	\$116,241	\$86,393	74.32%	\$26,847	23.10%	\$113,240	97.42%	\$571,913
1999	32,236	8,207	25.46	14,972	46.44	23,179	71.90	566,835
1998	14,504	3,733	25.74	8,181	56.41	11,914	82.14	558,107
1997	3,656	3,650	99.84	2,445	66.88	6,095	166.71	513,468
1996	2,883	426	14.78	3,601	124.90	4,027	139.68	477,937
1995	4,948	3,184	64.35	7,902	159.70	11,086	224.05	454,999
1994	2,328	1,464	62.89	2,261	97.12	3,725	160.01	434,435
1993	7,542	3,750	49.72	500	6.63	4,250	56.35	418,511
1992	12,771	4,480	35.08	8,404	65.81	12,884	100.88	374,569
1991	19,546	2,508	12.83	7,960	40.72	10,468	53.56	347,947

Source: Stark County, Ohio; County Auditor

(1) Includes penalties and interest, since by Ohio Law, they become part of tax obligation as assessment occurs.
The assessments include service assessments and delinquent water and sewer assessments.

City of Alliance, Ohio
*Ratio of Net General Bonded Debt to Assessed
 Value and Net Bonded Debt Per Capita
 Last Ten Years*

<u>Year</u>	<u>Population (1)</u>	<u>Net General Bonded Debt</u>	<u>Assessed Value</u>	<u>Ratio of Net General Bonded Debt to Assessed Value</u>	<u>Net General Bonded Debt Per Capita</u>
2000	23,253	\$1,399,980	\$248,791,107	0.56%	\$60.21
1999	23,376	1,535,922	248,185,840	0.62	65.71
1998	23,376	1,700,922	240,086,268	0.71	72.76
1997	23,376	630,819	199,795,835	0.32	26.99
1996	23,376	733,005	198,277,148	0.37	31.36
1995	23,376	798,032	192,789,503	0.41	34.14
1994	23,376	88,032	188,931,707	0.05	3.77
1993	23,376	909,560	186,303,987	0.49	38.91
1992	23,376	984,559	191,468,999	0.51	42.12
1991	23,376	1,109,039	191,283,257	0.58	47.44

Source: Stark County, Ohio; County Auditor

(1) Population figures are from the Census Bureau.

City of Alliance, Ohio
Computation of Legal Debt Margin
December 31, 2000

Assessed Value		\$248,791,107
Legal Debt Margin:		
Debt Limitation - 10.5 percent of Assessed Value		26,123,066
Debt Applicable to Limitation:		
General Obligation Bonds	\$1,485,000	
Special Assessment Bonds	675,000	
Enterprise General Obligation Bonds	475,000	
Revenue Bonds	24,385,000	
Notes	<u>2,150,000</u>	
Gross Indebtedness (Total Voted and Unvoted Debt)	<u>29,170,000</u>	
Less: Debt Outside Limitations:		
Special Assessment Bonds	675,000	
Enterprise General Obligation Bonds	475,000	
Revenue Bonds	<u>24,385,000</u>	
Total Debt Outside Limitations	<u>25,535,000</u>	
Total Debt Applicable to Limitation - Within 10.5% Limitations	3,635,000	
Less: Amount Available in Debt Service Fund to pay debt applicable to limitation	<u>85,020</u>	
Net Debt Within 10.5% Limitation		<u>3,549,980</u>
Overall Debt Margin Within 10.5% Limitation		<u><u>\$22,573,086</u></u>

Unvoted Debt Limitation - 5.5% of Assessed Valuation		\$13,683,511
Gross Indebtedness Authorized by Council	<u>\$29,170,000</u>	
Less: Debt Outside Limitations:		
Total Debt Outside Limitations	<u>25,535,000</u>	
Debt Within 5.5% Limitation	3,635,000	
Less Amount Available in Debt Service Fund	<u>85,020</u>	
Net Debt Within 5.5% Limitation		<u>3,549,980</u>
Unvoted Debt Margin Within 5.5% Limitation		<u><u>\$10,133,531</u></u>

Source: City Financial Records

City of Alliance, Ohio
Computation of Direct and Overlapping General Obligation Bonded Debt
December 31, 2000

	General Obligation Debt Outstanding	Percentage Applicable to City (1)	Amount Applicable to City of Alliance
City of Alliance	\$1,485,000	100.00%	\$1,485,000
Alliance City Schools	10,970,000	94.31	10,345,807
			\$11,830,807

Source: Stark County, Ohio; County Auditor

(1) Percentages were determined by dividing the assessed valuation of the political subdivision located within the boundaries of the City by the assessed valuation of the political subdivision.

City of Alliance, Ohio
Revenue Bond Coverage (4)

Water							
Year (3)	Operating Revenue	Operating Expenses (1)	Net Revenue Available for Debt Service	Debt Service Requirement (2)			Coverage
				Principal	Interest	Total	
2000	\$3,968,292	\$2,504,951	\$1,463,341	\$615,000	\$979,205	\$1,594,205	0.92
1999	4,117,212	2,211,054	1,906,158	590,000	1,017,893	1,607,893	1.19
1998	3,719,118	2,160,627	1,558,491	230,000	911,582	1,141,582	1.37
1997	4,165,780	2,147,368	2,018,412	370,000	923,163	1,293,163	1.56
1996	4,276,833	2,133,031	2,143,802	330,000	941,643	1,271,643	1.69
1995	4,109,604	2,028,258	2,081,346	200,000	952,443	1,152,443	1.81
1994	3,590,407	1,689,506	1,900,901	175,000	961,543	1,136,543	1.67
1993	3,165,370	1,677,861	1,487,509	100,000	966,543	1,066,543	1.39
1992	2,806,319	1,537,803	1,268,516	0	1,084,675	1,084,675	1.17

Sewer							
Year (3)	Operating Revenue	Operating Expenses (1)	Net Revenue Available for Debt Service	Debt Service Requirement (2)			Coverage
				Principal	Interest	Total	
2000	\$3,403,412	\$2,285,810	\$1,117,602	\$320,000	\$261,623	\$581,623	1.92
1999	3,278,269	2,264,167	1,014,102	305,000	259,976	564,976	1.79
1998	2,731,436	1,756,040	975,396	295,000	288,632	583,632	1.67
1997	2,722,849	1,949,139	773,710	280,000	300,533	580,533	1.33
1996	3,047,533	1,996,073	1,051,460	270,000	311,333	581,333	1.81
1995	3,140,605	1,775,861	1,364,744	260,000	320,693	580,693	2.35
1994	3,016,014	1,645,980	1,370,034	0	160,346	160,346	8.54

- (1) Total Operating Expenses exclusive of depreciation
- (2) Includes principal and interest of bonds only
- (3) 1996 - 2000 are reported on a GAAP basis, all other years are on a Cash basis
- (4) Prior to 1992, the Water enterprise fund did not have any revenue bonds.
Prior to 1994, the Sewer enterprise fund did not have any revenue bonds.

City of Alliance, Ohio
*Ratio of Annual Debt Service Expenditures For
 General Bonded Debt to Total General Fund Expenditures
 Last Ten Years*

Year	Principal	Interest	Total Debt Service	Total General Fund Expenditures	Ratio of Debt Service To Total General Fund Expenditures
2000	\$175,000	\$89,821	\$264,821	\$8,920,112	2.97%
1999	165,000	99,590	264,590	8,683,129	3.05
1998	135,000	77,791	212,791	7,881,365	2.70
1997	100,000	59,305	159,305	7,681,147	2.07
1996	95,000	65,433	160,433	7,359,837	2.18
1995	90,000	71,147	161,147	6,546,488	2.46
1994	85,000	76,460	161,460	6,383,223	2.53
1993	75,000	81,110	156,110	6,320,090	2.47
1992	70,000	85,380	155,380	6,097,531	2.55
1991	65,000	89,280	154,280	6,302,184	2.45

Source: City financial records

City of Alliance, Ohio
Property Value, Construction and Bank Deposits
Last Ten Years

Year	Property Value (1)	New Construction		
		Permits	Dollar Value of Permits	Bank Deposits (in thousands)(2,3)
2000	\$189,244,740	30	\$4,811,432	\$1,021,596
1999	188,647,670	96	11,786,981	916,844
1998	184,426,770	35	17,976,000	843,638
1997	146,125,620	38	7,949,695	1,623,273
1996	144,821,400	25	4,304,900	1,570,223
1995	142,813,080	41	9,750,800	1,614,744
1994	140,674,860	42	5,966,200	872,577
1993	138,231,920	54	9,807,500	803,704
1992	137,559,700	28	3,165,500	797,601
1991	136,446,920	24	3,275,800	738,397

Sources: Stark County, Ohio; County Auditor
City building permits reports
Federal Reserve Bank of Cleveland

(1) Represents total real property assessed value for the City

(2) Increase in 1995 is due to Citizens National Bank becoming a single Charter

(3) Decrease in 1998 is due to Citizens National Bank's headquarters relocating

City of Alliance, Ohio
Principal Taxpayers - Real Property
December 31, 2000

<u>Taxpayer</u>	<u>Assessed Valuation</u>	<u>Percent of Assessed Valuation</u>
Alliance Ventures, Incorporated	\$6,821,050	3.60%
James G. Stout	6,104,040	3.23
Alliance Citizens Health Association, Incorporated	4,409,940	2.33
Grisel Bros Properties LP	3,454,230	1.83
All Ohio Holding, Incorporated	3,131,420	1.65
Lord Edwin V. & Marilyn A.	2,971,820	1.57
S D A General Partnership	2,970,420	1.57
WM Alliance LLC	2,334,060	1.23
Ohio Edison Company	1,927,040	1.02
Willmoll Development Company	1,856,650	0.98
United National Bank & Trust Co Trustee	<u>1,728,900</u>	<u>0.91</u>
Totals	<u>\$37,709,570</u>	<u>19.92%</u>
Total City Assessed Valuation	<u>\$189,244,740</u>	

Source: Stark County, Ohio; County Auditor

City of Alliance, Ohio
Principal Taxpayers - Tangible Personal Property
December 31, 2000

Taxpayer	Assessed Valuation	Percent of Assessed Valuation
Alliance Tubular Products Company	\$6,049,690	12.80%
Amsted Industries, Incorporated	4,466,140	9.45
Coastal Pet Products, Incorporated	2,027,480	4.29
Lane Drug Company	1,684,810	3.57
Wal Mart Stores East Incorporated	1,683,600	3.56
Lowes Home Center Incorporated	1,632,710	3.46
Stars of Cleveland Incorporated	1,481,750	3.14
Robertson Heating Supply Company of Ohio	1,477,430	3.13
Rite Aide of Ohio Incorporated	1,471,460	3.11
Wally Armour Chrysler Plymouth Dodge	1,341,110	2.84
Time Warner Entertainment	909,240	1.92
Chatwins Group Incorporated	876,108	1.85
Totals	<u>\$25,101,528</u>	<u>53.12%</u>
Total City Assessed Valuation	<u><u>\$47,248,917</u></u>	

Source: Stark County, Ohio; County Auditor

City of Alliance, Ohio
Principal Taxpayers - Public Utility Property
December 31, 2000

Taxpayer	Assessed Valuation	Percent of Assessed Valuation
Ohio Edison	\$4,583,670	37.27%
Columbia Gas of Ohio, Incorporated	3,181,580	25.87
Ohio Bell Telephone	2,993,370	24.34
Norfolk Southern Combined RR Subsidiaries	1,013,740	8.24
GTE Mobilnet of Ohio Limited Partnership	115,420	0.94
New Par	37,040	0.30
<i>Totals</i>	<u>\$11,924,820</u>	<u>96.97%</u>
Assessed Valuation	<u>\$12,297,450</u>	

Source: Stark County, Ohio; County Auditor

City of Alliance, Ohio
Demographic Statistics

Last Five Census		December 31, 2000	
Year	Population		
2000	23,253	Sex:	
		Male	10,851
		Female	12,402
1990	23,376	Median Age	34.0
1980	24,315	Total Households	8,908
1970	26,547	Persons Per Household	2.4
1960	28,362	Median Income	\$21,031
		Median Dollar Value of Housing Units	\$40,000

Source: U.S. Bureau of the Census

City of Alliance, Ohio

Miscellaneous Statistics

December 31, 2000

Date of Incorporation	1854
Form of Government	Statutory
Area	7.917 square miles
Miles of Streets	107
Number of Traffic Lights	32
Fire Protection:	
Number of Stations	2
Number of Firefighters and Officers:	
Part-Time	0
Full-Time	38
Police Protection:	
Number of Stations	1
Number of Police Officers:	
Part-Time	14
Full-Time	46
Recreation and Culture:	
Number of Parks	11
Area	185 acres
Number of Libraries	2
Volumes	151,000
Employees:	
Non-Exempt (Full Time)	134
Non-Exempt (Part Time)	73
Exempt (Full Time)	19
Exempt (Part Time)	21

Source: City Records



STATE OF OHIO
OFFICE OF THE AUDITOR

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CITY OF ALLIANCE

STARK 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
AUGUST 7, 2001**