



**CITY OF BELPRE
WASHINGTON COUNTY**

REGULAR AUDIT

FOR THE YEAR ENDED DECEMBER 31, 2000



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

CITY OF BELPRE
WASHINGTON COUNTY

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

City of Belpre
Washington County
P.O. Box 160
Belpre, Ohio 45714-0160

To the City Council:

We have audited the basic financial statements of the City of Belpre, Washington County, Ohio (the City), as of and for the year ended December 31, 2000, and have issued our report thereon dated June 21, 2001, wherein we noted the City adopted Governmental Accounting Standards Board Statements 33, 34, 36 and Interpretation 6. 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 basic 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 21, 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 over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the 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 21, 2001.

City of Belpre
Washington 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 the audit committee, management and the City Council, and is not intended to be and should not be used by anyone other than these specified parties.

Jim Petro
Auditor of State

June 21, 2001

CITY OF BELPRE, OHIO

**Comprehensive Annual Financial Report
For The Year Ended December 31, 2000**

City of Belpre, Ohio

Comprehensive Annual Financial Report

For The Year Ended December 31, 2000

Issued by the City of Belpre Auditor's Office
Patrick J. Hines, CPA
Belpre City Auditor

INTRODUCTORY SECTION

City of Belpre, Ohio
Comprehensive Annual Financial Report
For the Year Ended December 31, 2000
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CITY OF BELPRE

715 PARK DRIVE • P.O. BOX 160

BELPRE, OHIO 45714

William R. "Bill" McAfee – Mayor

Patrick J. Hines, CPA – Auditor

Dale R. Myers, Jr. – Safety-Service Director

June 27, 2001

City Council and
Citizens of Belpre:
Belpre, Ohio 45714

We are pleased to submit to you the City of Belpre's second Comprehensive Annual Financial Report (CAFR). This CAFR was prepared by the City Auditor's Office with the assistance of the Local Government Services division of the Auditor of State. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. We believe the data as presented is accurate in all material respects, that it is presented in a manner designed to set forth fairly the financial position and results of operations of the City, and that all disclosures necessary to enable the reader to gain the maximum understanding of the City's financial activity have been included. This report will provide the taxpayers of the City of Belpre with comprehensive financial data in a format which will enable them to gain an understanding of the City of Belpre's financial affairs. Copies will be made available to the Chamber of Commerce, major taxpayers, the Washington County Public Library, financial institutions, and other interested parties.

The comprehensive annual report is presented in three sections as follows:

1. The Introductory Section, which contains a Table of Contents, Letter of Transmittal, GFOA Certificate of Achievement, List of Principal Officials, and an Organization Chart of the City.
2. The Financial Section, which begins with the Report of Independent Accountants and includes Management's Discussion and Analysis, the Basic Financial Statements, and Notes that provide an overview of the City's financial position and operating results; the Combining Statements for nonmajor funds; and other schedules that provide detailed information relative to the Basic Financial Statements.
3. The Statistical Section, which presents social and economic data, financial trends, and the fiscal capacity of the City of Belpre.

THE CITY OF BELPRE

The City is located on the Ohio River at River Mile Post 184 with good river and rail transportation. Belpre is located only 114 miles from Columbus, 150 miles from Pittsburgh, 100 miles from Huntington, and 285 miles from Washington D.C.

Belpre, Ohio's second City, was founded April 11, 1789. The original settlers called it "Bellepraire" or beautiful prairie. After the Revolutionary War, the early settlers prospered because of the rich farm land. From one of the largest townships in Ohio, the Village of Belpre was formed in 1901, and Belpre was incorporated as a City in 1961.

The early settlers came as part of the Ohio Company. The Federal Government, unable to pay cash for their services during the war, gave them land in Ohio. Most were from New England and were well educated. They passed this education on to their children in the wilderness. One of them was Bathsheba Rouse, the first female school teacher in Ohio.

Over the years, Belpre grew and prospered. One of the early families, the Dana family, brought along with them seeds from their apple trees in New England. Thus grew a large vinegar and canning business with vinegar being shipped as far as New Orleans. In later years, truck farming became the largest business in the area.

During the 1950's and 60's came the growth of the chemical industry, especially plastics. This growth overshadowed the farming industry, and many of the truck farmers sold their land for housing developments.

CITY ORGANIZATION

Belpre is a statutory City operating under the Mayor/Council form of government. The citizens of Belpre elect a mayor, auditor, law director, treasurer, and eight members of council including the president, three council members-at-large, and four ward council members. Responsible for the various departments of the City are the safety service director, the public works superintendent, the auditor, treasurer, and law director.

REPORTING ENTITY AND SERVICES PROVIDED

For financial reporting purposes, the City includes in this report all funds and agencies that are controlled by, or are dependent on, the City's legislative branch. These determinations are made on the basis of budget adoption, taxing authority, outstanding debt secured by revenues or general taxing authority of the City, and/or the City's obligation to fund any deficits that may occur.

The City of Belpre, as a governmental entity, is totally separate and distinct from the Belpre Volunteer Fire Fighters, Inc. Although the two entities share similar names, they are independent of each other in terms of governing bodies, financial resources, and management. Even though the City provides fire stations, fire trucks, and equipment, the corporation was set up by the firefighters themselves for independent fund raising and activities. Because of the separate and independent nature of this corporation, its financial statements are not included in this report. Likewise, the Belpre City School District is a separate and distinct entity from the City of Belpre. Consequently, its financial statements are not included in this report. The Community Action Program Corporation of Washington-Morgan Counties, Ohio, and the Wood, Washington, and Wirt Planning Commission are reported as jointly governed organizations.

The City provides a wide range of municipal services. These services include police, senior citizens programs, recreation programs (including parks), transportation programs (including streets), water distribution and wastewater treatment programs, planning and zoning, and general administrative services.

EMPLOYEE RELATIONS

The City has ninety-two employees, including part time and seasonal workers. Full time employees may join one of the bargaining units for their group as determined by the State Employee Relations Board (SERB). The two unions in the City are:

<u>Name</u>	<u>Contract Expires</u>	<u>Membership</u>
AFSCME Local #3507	December 31, 2001	13
United Food and Commercial Workers, Local 347	September 16, 2001	14

The remaining full time employees are either not authorized to join a bargaining unit or have elected not to do so. The City of Belpre and the unions have come to terms on three-year contracts. These contracts were negotiated in part and arbitrated in part to reach these new contracts. All nonunion employees will receive the same contract changes with respect to sick and vacation leave benefits.

In the judgment of the City Management, the City's employee relations have been stable and are expected to remain so.

ECONOMIC CONDITION AND OUTLOOK

As the new century turns, Belpre is seeing much new growth: a new City Building for the next century, more City services, and more businesses moving into town. Local service clubs are providing new leadership. The Historical Society has a new Museum and Educational Center and the Civitan Park and boat docking area are being improved. Many of the businesses that have been a part of Belpre over the years are expanding to meet the demand for their services and products.

Several business developments occurred in 2000 which gave the local economy a boost. These include the opening of the new Fruth's Pharmacy and Wendy's restaurant. We expect our tax base to continue to grow in 2001 with many new small shops, stores, and other industry expanding in our City.

The City also made moves to stimulate economic growth by beginning the cleanup process of the former Snyder junkyard acquired by the City in 1999. The land will provide park expansion and revenue from the sale of road frontage along Washington Boulevard to potential new businesses.

MAJOR INITIATIVES

The City embarked on ambitious infrastructure improvements and equipment upgrades during the year. The City completed two new water wells, along with a new drinking water treatment facility, which was funded by State Issue II grants and loans, Appalachian Regional Commission grants, and low interest loans. Engineering work and grant application work will continue for a planned 500,000 gallon water storage tank at the east end of the City. Work will continue on the replacement of the Farson Street water line and the installation of the water pressure booster station for that area.

The City is also in the process of a major upgrade of the sewer treatment facility. The cost could exceed 1.5 million dollars. This project is funded by grants and low interest loans secured in prior years from State Issue II and the Washington County Commissioners. Work will continue on the upgrade of sewer lift stations.

In 2000, the City applied for an Ohio Public Works Commission grant for street paving. This grant was approved in the amount of \$192,632. The paving will begin in 2001.

Out-of-date equipment replacements were also a priority during the year. Four cruisers were purchased for the police department. A new backhoe was purchased for use by the street, water, and sewer departments. In addition, several new computers were purchased for various departments of the City.

FINANCIAL INFORMATION

Management of the City is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft, or misuse, and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of control should not exceed the benefits likely to be derived from their implementation, and (2) the valuation of costs and benefits requires estimates and judgements by management.

As a recipient of federal, state, and county financial assistance, the City also is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. The internal control structure is subject to periodic evaluation by management and the City Auditor's office.

The City undergoes an annual audit by the Office of the Auditor of State. As part of the City's audit, tests are made to determine the adequacy of the internal control structure, including internal controls related to federal financial assistance programs, as well as to determine that the City has complied with applicable laws and regulations that are material to the basic financial statements and federal financial assistance programs. In addition, the City maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by City Council. Activities of all funds are included in the annual appropriated budget, which is prepared on the basis of cash receipts and disbursements (including encumbrances). The level of budgetary control (that is the level at which expenditures cannot legally exceed the appropriated amount) is established at the fund level. The allocation of appropriations among departments and objects within a fund may be modified during the year by the City Auditor without an ordinance of Council. The City also maintains an encumbrance accounting system as a technique of accomplishing budgetary control. Unencumbered appropriations lapse at year end.

As demonstrated by the statements and schedules included in the financial section of this report, the City continues to meet its responsibility for sound financial management.

Financial Condition This is the first year the City has prepared financial statements following GASB Statement 34, "Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments." GASB 34 creates new basic financial statements for reporting on the City's financial activities as follows:

Government-wide financial statements These statements are prepared on an accrual basis of accounting which is similar to the basis of accounting followed by many businesses. The government-wide statements distinguish between those activities of the City that are governmental and those that are considered business-type activities.

Fund financial statements These statements present information for individual major funds rather than by fund type. Nonmajor funds are presented in total in one column. Governmental funds use the modified accrual basis of accounting and include a reconciliation to the governmental activities accrual information presented in the government-wide financial statements. Proprietary and fiduciary funds use the accrual basis of accounting.

Statements of budgetary comparisons These statements present comparisons of actual information to the legally adopted budget. The budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances.

As part of this new reporting model, management is responsible for preparing a Management Discussion and Analysis of the City. This discussion follows this letter of transmittal, providing an assessment of the City finances for 2000.

CASH MANAGEMENT

Investments are governed by the City's investment policy as passed by City Council and the Ohio Revised Code. The purpose of the City's investment policy is to maximize return on investment of the City's excess cash balances consistent with the safety of those monies while maintaining desired liquidity. The City invested in a bank account and short term cash equivalents such as certificates of deposit and overnight repurchase agreements. The City may also invest in money market accounts, federal agency securities, and the State Treasury Asset Reserve (STAR Ohio). The City Auditor's Department has implemented an excellent cash management program. While the City uses only safe, conservative investments, at the same time it takes full advantage of available investment opportunities. Interest earned on investments is allocated to the various funds in accordance with the investment policy. Following is a schedule of interest earned for the past ten years:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2000	\$70,260	1995	\$18,706
1999	69,311	1994	47,391
1998	61,429	1993	45,556
1997	30,805	1992	32,253
1996	23,800	1991	49,278

The City complied with applicable provisions of the Ohio Revised Code and Codified Ordinances pertaining to types of investments held and institutions in which deposits were made. The City also complied with provisions of the Ohio Revised Code concerning security requirements. The Ohio Revised Code does not require security in the City's name. Instead, the investment institutions may pledge a pool of government securities the face value of which is at least 110% of the total value of public monies on deposit. The City monitors compliance with the various statutes mentioned above and will continue to do so in future years.

RISK MANAGEMENT

The City purchases insurance policies in varying amounts from Specialty National Insurance Company to insure City property against loss or misuse and provide coverage for general liability and for errors and omissions.

The City provides life insurance and accidental death and dismemberment insurance to its employees through Anthem Life Insurance for non-union employees and through the AFSCME Care Plan for AFSCME union members. Comprehensive major medical insurance is provided through Aetna Life & Casualty and through the United Food and Commercial Worker's Union for the police.

The City also pays unemployment claims to the State of Ohio as incurred. The City also participates in the Ohio Worker's Compensation program.

PENSION AND POSTEMPLOYMENT BENEFIT PLANS

Full-time, permanent employees of the City belong to one of two state operated pension plans. (Both are cost-sharing, defined benefit, multiple-employer plans.) Elected officials and non-uniformed employees are members of the Public Employees Retirement System of Ohio ("PERS"). Police and fire personnel are members of the Ohio Police and Fire Pension Fund ("OP&FPF"). The plans provide pension benefits as well as postretirement health care coverage to qualifying employees. Contributions to the plans by both the City and participating employees are mandated by State statute. Because both plans operate pursuant to the Ohio Revised Code, the Ohio General Assembly could decide to amend the format of the plans and could revise contribution benefit levels. During the plan year ended December 31, 2000, the City contributed \$168,002 to the two plans.

Information regarding the operations and funded status of both plans are available from the following sources:

Public Employees Retirement System of Ohio
277 East Town Street
Columbus, OH 43215-4642
(614) 466-2085

The Ohio Police and Fire Pension Fund
140 East Town Street
Columbus, OH 43215-5164
(614) 228-2975

INDEPENDENT AUDIT

State statutes require a periodic audit. This year, the City's Audit was performed by State Auditor, Jim Petro. The independent auditor's report on the basic financial statements is included in the financial section of this report.

AWARDS

GFOA CERTIFICATE OF ACHIEVEMENT - The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Belpre, Ohio, for its comprehensive annual financial report for the year ended December 31, 1999. This was the City of Belpre's first year for receiving this award. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

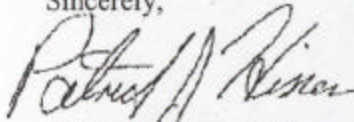
A Certificate of Achievement is valid for a period of one year only. We believe our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

TREE CITY USA - The City received its fifth Tree City USA Award for the year ended December 31, 2000. This prestigious award recognized the City for its annual program of planting new trees and maintaining and removing old trees.

ACKNOWLEDGMENTS

The preparation of this comprehensive annual report on a timely basis was made possible by the dedicated service of the entire staff of the City Auditor's Department. I would like to express my appreciation to all staff members who have contributed or assisted in its preparation. I would also like to thank the Local Government Services Division of the State Auditor's Office, whose very knowledgeable and professional staff helped make the preparation of this report possible.

Sincerely,



Patrick J. Hines, CPA
Belpre City Auditor

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Belpre,
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. Essler
Executive Director

City of Belpre, Ohio
Principal Officials
December 31, 2000

Mayor	William R. McAfee
President of Council	Don McCullough
Council - 1 st Ward	Kevin Mayle
Council - 2 nd Ward	Clifford Walker
Council - 3 rd Ward	David Ferguson
Council - 4 th Ward	Dewey Robinson
Council - at Large	Jerry Green
Council - at Large	Robert Frank
Council - at Large	Will Neff
Clerk of Council	Kimberly Meredith
Law Director	James McCauley

Finance

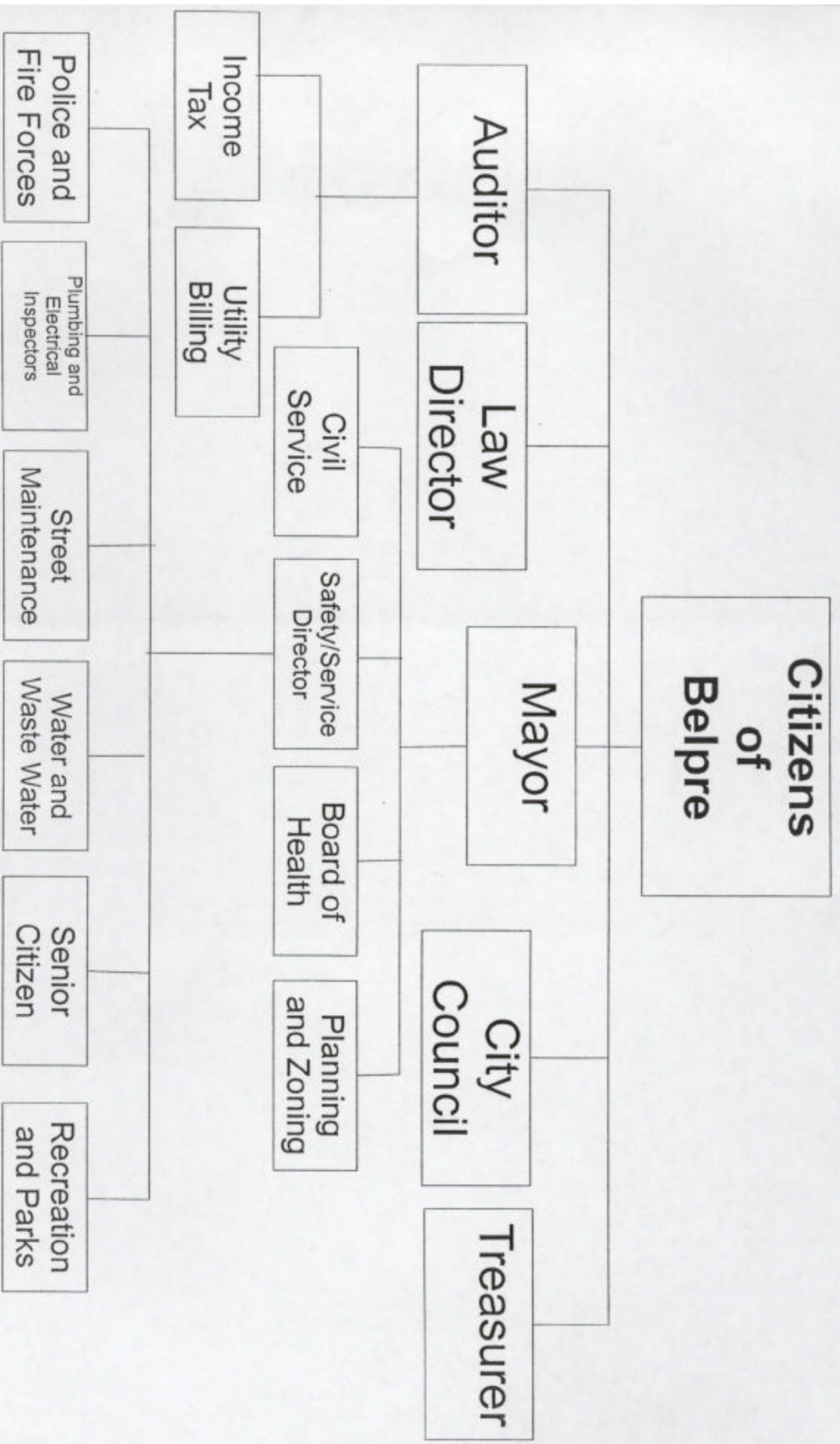
Auditor	Patrick J. Hines, CPA
Deputy Auditor	Sharon McVey
Deputy Office Administrator	Muriel Sickles
Treasurer	Larry Lorentz
Income Tax Commissioner	Leonard Wiggins, II

Safety and Service

Safety/Service Director	Dale Myers, Jr.
Public Works Superintendent	Mike Betz
Police Chief	Ira Walker
Fire Chief	Wesley Walker
Water Department Foreman	Bill Harpold
Sewer Department Senior Operator	Howard Watkins, Jr.

CITY of BELPRE, OHIO

Organization Chart



FINANCIAL SECTION



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

743 East State Street
Athens Mall, Suite B
Athens, Ohio 45701
Telephone 740-594-3300
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Facsimile 740-594-2110
www.auditor.state.oh.us

REPORT OF INDEPENDENT ACCOUNTANTS

City of Belpre
Washington County
P.O. Box 160
Belpre, Ohio 45714-0160

To the City Council:

We have audited the accompanying basic financial statements of the City of Belpre, Washington County, Ohio (the City), as of and for the year ended December 31, 2000, as listed in the table of contents. These basic financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these basic 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 basic financial statements referred to above present fairly, in all material respects, the financial position of the City of Belpre, Washington County, as of December 31, 2000, and the results of its operations and the cash flows of its proprietary funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 4 to the basic financial statements, the City adopted Governmental Accounting Standards Board Statements 33, 34, 36 and Interpretation 6.

In accordance with *Government Auditing Standards*, we have also issued our report dated July 2, 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.

Management's Discussion and Analysis is not a required part of the basic financial statements but is supplementary information the Governmental Accounting Standards Board requires. We have applied limited procedures, consisting of inquiries of management regarding the methods of measurement and presentation of the supplementary information. We did not audit the information and express no opinion thereon.

We performed our audit to form an opinion on the basic financial statements of the City, taken as a whole. The combining statements and individual fund schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. We subjected this information to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented in all material respects, in relation to the basic 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.

Jim Petro
Auditor of State

July 2, 2001

City of Belpre
Management's Discussion and Analysis
For the Year Ended December 31, 2000
Unaudited

The discussion and analysis of the City of Belpre's financial performance provides an overall review of the City's financial activities for the year ended December 31, 2000. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the transmittal letter and the basic financial statements to enhance their understanding of the City's financial performance.

Financial Highlights

Key financial highlights for 2000 are as follows:

- ◆ In total, net assets decreased \$526,183. Net assets of governmental activities decreased \$1,232,850 or 12 percent from 1999. Net assets of business-type activities increased \$706,667, which represents a 15 percent increase from 1999.
- ◆ In total, cash and cash equivalents only increased \$7,350 or .5 percent. Total cash and cash equivalents of governmental activities decreased \$276,613 or 31 percent, while cash and cash equivalents in our business-type activities increased \$242,150 or 51 percent.
- ◆ Overall, the book value of capital assets decreased \$718,959. Total capital assets from governmental activities decreased \$1,412,855 or 14.3 percent. Capital assets of business-type activities increased \$693,896 or 15 percent.

Using this Annual Financial Report

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the City of Belpre as a financial whole or as an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial conditions.

The statement of Net Assets and Statement of Activities provide information about the activities of the whole City, presenting both an aggregate view of the City's finances and a longer-term view of those assets. Major fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what dollars remain for future spending. The fund financial statements also look at the City's most significant funds with all other nonmajor funds presented in total in one column.

City of Belpre
Management's Discussion and Analysis
For the Year Ended December 31, 2000
Unaudited

Reporting the City of Belpre as a Whole

Statement of Net Assets and the Statement of Activities

While this document contains information about the funds used by the City to provide services to our citizens, the view of the City as a whole looks at all financial transactions and ask the question, "How did we do financially during 2000?" The Statement of Net Assets and the Statement of Activities answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by private sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when the cash is received or paid.

These two statements report the City's net assets and the changes in those assets. This change in assets is important because it tells the reader whether, for the City as a whole, the financial position of the City has improved or diminished. However, in evaluating the overall position of the City, nonfinancial information such as the condition of City capital assets will also need to be evaluated.

In the Statement of Net Assets and the Statement of Activities, the City is divided into two kinds of activities:

- ◆ Governmental Activities - Most of the City's services are reported here including police, fire, administration, and all departments with the exception of our Sanitation, Sewer, and Water Funds.
- ◆ Business-Type Activities - Sewer and water services have charges based upon the amount of usage. The City charges fees to recoup the cost of the entire operations of our Sewer and Water Treatment Plants as well as all capital expenses associated with the facilities. Sanitation services have charges based upon set rates. The City charges fees that more than cover the costs of the contract to provide the service.

Reporting the City of Belpre's Most Significant Funds

Fund Financial Statements

The basic governmental fund financial statements begin on page 16. Fund financial reports provide detailed information about the City's major funds. Based upon restrictions on the use of monies, the City has established many funds which account for the multitude of services provided to our residents. However, these fund financial statements focus on the City's most significant funds. In the case of the City of Belpre, our major funds are the General, Street, Capital Improvements, Sanitation, Sewer, and Water.

Governmental Funds Most of the City's activities are reported in the governmental funds, which focus on how money flows into and out of those funds and the balances left at year end available for spending in the future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future on services provided to our residents. The relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds is reconciled as part of the financial statements.

City of Belpre
Management's Discussion and Analysis
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Proprietary Funds When the City charges customers for the services it provides, these services are generally reported in proprietary funds. Proprietary funds use the same basis of accounting as business-type activities; therefore, these statements will essentially match.

The City of Belpre as a Whole

Recall that the Statement of Net Assets looks at the City as a whole. Table 1 provides a summary of the City's net assets for 2000 compared to 1999.

(Table 1)
 Net Assets

	Governmental Activities		Business-Type Activities		Total	
	2000	1999	2000	1999	2000	1999
Assets						
Current and Other Assets	\$1,383,619	\$1,573,914	\$1,031,229	\$743,039	\$2,414,848	\$2,316,953
Capital Assets, Net	8,460,424	9,873,279	5,369,822	4,675,926	13,830,246	14,549,205
<i>Total Assets</i>	<u>9,844,043</u>	<u>11,447,193</u>	<u>6,401,051</u>	<u>5,418,965</u>	<u>16,245,094</u>	<u>16,866,158</u>
Liabilities						
Current and Other Liabilities	343,436	407,005	155,512	177,322	498,948	584,327
Long-Term Liabilities:						
Due Within One Year	111,972	351,348	244,809	101,917	356,781	453,265
Due in More Than One Year	407,826	475,181	599,194	444,857	1,007,020	920,038
<i>Total Liabilities</i>	<u>863,234</u>	<u>1,233,534</u>	<u>999,515</u>	<u>724,096</u>	<u>1,862,749</u>	<u>1,957,630</u>
Net Assets						
Invested in Capital Assets, Net of Related Debt	7,994,300	9,099,406	4,544,399	4,145,850	12,538,699	13,245,256
Restricted:						
Capital Projects	82,755	374,285	0	0	82,755	374,285
Other Purposes	283,089	242,251	0	0	283,089	242,251
Unrestricted	620,665	497,717	857,137	549,019	1,477,802	1,046,736
<i>Total Net Assets</i>	<u>\$8,980,809</u>	<u>\$10,213,659</u>	<u>\$5,401,536</u>	<u>\$4,694,869</u>	<u>\$14,382,345</u>	<u>\$14,908,528</u>

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Total assets decreased \$621,064. Even though total cash and cash equivalents only increased \$7,350, cash and cash equivalents in governmental activities decreased \$276,613; however, the business-type activities experienced an increase of \$242,150 in cash and cash equivalents. The decrease in governmental activities reflects the City's effort to replace and upgrade capital assets without incurring large amounts of debt. The increase in business-type activities reflects the City's increase in operating revenue due to a 20% rate increase effective January 1, 2000.

Net assets of the City's governmental activities decreased \$1,232,850. Most of this decrease can be attributed to depreciation of general infrastructure assets and the corresponding decrease in net assets: invested in capital assets, net of related debt. Unrestricted net assets increased \$122,948 or 25 percent. The growth in our City and surrounding townships have made our tax base expand. Each homeowner in the City is required to pay city income tax on wages earned if they work in a locality that does not have an income tax. In addition, any person who works in the City is required to pay income tax on wages earned in the City, even if they live outside the City limits. Belpre Township, which borders our City, has experienced substantial growth with the building of many new homes, of which many of the people living there work in the City.

The governmental activities experienced declines of \$1,603,150 in current and capital assets compared to reductions of \$370,300 in both current and long-term liabilities. In steps taken to reduce long-term debt, the City made an extra payment of \$248,568 towards the property loan. Restricted net assets for capital projects decreased from 1999 reflecting the completion of the new city building.

The net assets of the City's business type activities increased \$706,667, with investment in capital assets and unrestricted net assets representing \$398,549 and \$308,118 of the increase, respectively. With usage rates generating operating revenue which exceeds expenses, the financial condition of the business type activities is sound. The City continues to invest heavily in our sewer treatment facility. The treatment facility upgrade began in 2000 and will continue in 2001. Total amounts to be expended on this upgrade are expected to be approximately \$1.4 million. By project's end, the Ohio Public Works Commission will have provided \$198,000 in grant funds and \$207,000 in low interest (2.0%) loans for this project, with the balance to be made up with funds borrowed by the City from Peoples Banking & Trust Company, and repaid over ten years. Since the City's sewer infrastructure has not been updated for several decades, continual improvements to the plant and the sewer lines carrying the flow to the plant have been our top priority for at least the last two years.

Table 2 shows the changes in net assets for the year ended December 31, 2000. Since this is the first year the City has prepared financial statements following GASB Statement 34, revenue and expense comparisons to 1999 are not available. In future years, when prior-year information is available, a comparative analysis of government-wide data will be presented.

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(Table 2)
 Changes in Net Assets

	Governmental Activities 2000	Business-Type Activities 2000	Total 2000
Revenues			
Program Revenues			
Charges for Services	\$300,216	\$2,267,550	\$2,567,766
Operating Grants, Contributions and Interest	385,452	0	385,452
Capital Grants and Contributions	2,721	305,799	308,520
Total Program Revenues	688,389	2,573,349	3,261,738
General Revenues			
Property Taxes	247,518	0	247,518
Income Taxes	939,501	0	939,501
Grants and Entitlements	289,198	0	289,198
Interest	68,561	0	68,561
Other	26,497	6,859	33,356
Total General Revenues	1,571,275	6,859	1,578,134
Transfers	76,774	0	76,774
Total Revenues and Transfers	2,336,438	2,580,208	4,916,646
Program Expenses			
General Government	443,082	0	443,082
Security of Persons and Property:			
Police	840,810	0	840,810
Fire	203,981	0	203,981
Public Health Services	31,433	0	31,433
Transportation	1,701,589	0	1,701,589
Leisure Time Activities:			
Senior Services	21,584	0	21,584
Parks	226,731	0	226,731
Pool	65,380	0	65,380
Interest and Fiscal Charges	34,698	0	34,698
Sanitation	0	438,346	438,346
Sewer	0	828,501	828,501
Water	0	529,920	529,920
Total Program Expenses	3,569,288	1,796,767	5,366,055
Transfers	0	76,774	76,774
Total Expenses	3,569,288	1,873,541	5,442,829
Increase in Net Assets	(\$1,232,850)	\$706,667	(\$526,183)

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Governmental Activities

Several revenue sources fund our governmental activities, with the City income tax being the biggest contributor. The income tax rate is 1.0 percent. The income tax revenue for 2000 nearly reached \$1 million. General revenues from grants and entitlements, such as local government funds, are also a large revenue generator. The City monitors both of these revenue sources very closely for fluctuations because the income tax and intergovernmental revenue fund 70 percent of all expenses in the governmental activities.

The City's income tax collections had been increasing year after year until 2000. This can be attributed to the loss of some jobs in businesses, such as Middleton Doll Factory and Elby's Restaurant. The City of Belpre has been very aggressive in 2000 collecting delinquent income tax. The City's Tax Commissioner has established procedures for identifying delinquent accounts and for setting up payment schedules for hardship cases.

The City has worked very hard on increasing our income tax base by being proactive with new businesses and are continuing to strive to provide better service to the taxpayers at the lowest possible cost. The ability of the City to continue to provide quality services without income tax increases rests on the City Management's ability to keep costs in line.

Security of persons and property are major activities of the City, generating 29.3% of the governmental expenses. During 2000, expenses for police and fire operations amounted to \$840,810 and \$203,981, respectively. These activities are, for the most part, funded by the municipal income tax. The City attempts to supplement the income and activities of the police department with grants, such as the \$2,377 Law Enforcement Block Grant and the \$9,576 DARE program grant, to enable the police department to widen the scope of its activities. The "Belpre Volunteer Firefighters, Inc.", an entity separate and distinct from the City, has worked hand in hand with the City to help reduce costs to the taxpayer by providing much of the equipment used by the fire department.

Transportation activities of the City accounted for 47.7% of the governmental expenses. Street patching and street lighting expenses during 2000 amounted to \$370,101, with the remainder of the transportation expenses representing depreciation in the amount of \$1,331,488.

Business-Type Activities

The City's business-type activities are the water and sewer departments and sanitation services. The City does not provide trash pickup, but contracts this service from an outside vendor. The City provides the billing service for trash pickup on the existing utility bills and receives a commission from the vendor for providing this service for them. Operating income generated by this activity is used to supplement the City's general government activities. This means greater value to the citizens. During 2000, program revenues exceeded expenses by \$776,582.

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The City's water and sewer departments continue to operate with rates at a minimum. The minimum water rate is \$5.70 for the first 3,000 gallons of water. Water rates for two neighboring water associations are \$12.80 and \$15.60 for the first 2,000 gallons of water. The City is proud of the fact that our system is able to provide plentiful amounts of water even during the drought and near drought conditions of recent summers. One surrounding water association had to purchase water during the past summer. The new City water wells are now complete and the major upgrade to the sewer treatment plant is now underway and will be complete in 2001 or 2002.

The City's Funds

The City's governmental funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues of \$2,256,662 and expenditures of \$2,503,664. The only significant change in governmental funds would be in the reduction in capital outlay expenditures, as 1999 numbers reflected the construction costs of the new City building.

The fund balance of the General Fund increased by slightly more than \$110,000. Revenues exceeded expenditures by \$70,000. A \$76,774 transfer was received by the Sanitation Enterprise Fund. The General Fund's Unreserved Fund Balance of \$550,406 represented 38% of current year expenditures. These funds remain in the City's treasury and are invested.

During 2000, the Water Fund had operating revenues of \$669,365 and operating expenses of \$515,067. The Sewer Fund had operating revenues of \$1,045,206 and operating expenses of \$809,631. This operating income generated needed cash to fund capital projects of the utilities. The Water Fund received a \$66,900 grant from the Appalachian Regional Commission during 2000 for completion of the construction on the water wells. The Sewer Fund received \$171,873 in grant revenue from the Ohio Public Works Commission for improvements of the sewer treatment plant. This fund also received \$50,000 from the Washington County Commissioners for the sewer treatment plant project.

General Fund Budgeting Highlights

The City's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the General Fund. From time to time during the year, the fund's budget may be amended as needs or conditions change.

During the course of 2000, the City amended its General Fund budget several times, none significant. All recommendations for a budget change come from the City Auditor to the Finance Committee of Council for review before going to the whole Council for Ordinance enactment on the change. The City does allow small inter-departmental budget changes that modify line items within departments within the same fund. With the General Fund supporting many of our major activities such as our police and fire departments, as well as most legislative and executive activities, the General Fund is monitored closely looking for possible revenue shortfalls or over spending by individual departments.

For the General Fund, original budgeted revenues were \$1,387,651. The final budgeted amount remained the same. Final budgeted expenditures increased \$46,260 over the original amount. The City of Belpre's ending unencumbered cash balance in the General Fund was \$134,296 above the final budgeted amount.

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Capital Assets and Debt Administration

Capital Assets

Table 3
 Capital Assets at December 31, 2000

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2000</u>	<u>1999</u>	<u>2000</u>	<u>1999</u>	<u>2000</u>	<u>1999</u>
Land	\$2,024,318	\$2,024,318	\$250,754	\$250,754	\$2,275,072	\$2,275,072
Buildings and Improvements	1,715,705	1,774,254	636,952	653,455	2,352,657	2,427,709
Machinery and Equipment	405,199	433,931	541,539	548,079	946,738	982,010
Vehicles	355,209	376,401	84,682	50,053	439,891	426,454
Infrastructure						
Roads	1,220,036	1,626,714	0	0	1,220,036	1,626,714
Streets	2,622,836	3,497,115	0	0	2,622,836	3,497,115
Street Signals	117,121	140,546	0	0	117,121	140,546
Sewer System	0	0	1,366,555	1,347,424	1,366,555	1,347,424
Water System	0	0	1,931,255	1,199,535	1,931,255	1,199,535
Construction in Progress	0	0	558,085	626,626	558,085	626,626
Totals	<u>\$8,460,424</u>	<u>\$9,873,279</u>	<u>\$5,369,822</u>	<u>\$4,675,926</u>	<u>\$13,830,246</u>	<u>\$14,549,205</u>

The assets of the City are reported at historical cost, net of depreciation. The primary increases occurred in the Water and Sewer Enterprise Funds where assets related to the new water wells and the sewer treatment plant were added.

Debt

The City had no bond issues outstanding but did have various loans payable at December 31, 2000, totaling \$1,315,024. The City has two Ohio Public Works Issue II Loans outstanding, one for water well replacement and one for paving. The City has six additional loans outstanding, one for property, one for the city building, one for three emergency vehicles, one for water wells, one for a backhoe, and one for the sewer treatment facility.

At December 31, 2000, the City of Belpre had \$1,363,801 million in loans, capital leases, and compensated absences outstanding, \$356,781 due within one year.

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Table 4
 Outstanding Debt at Year End

	Governmental Activities		Business-Type Activities		Total	
	2000	1999	2000	1999	2000	1999
City Building Loan	\$125,602	\$100,225	\$251,205	\$259,775	\$376,807	\$360,000
Property Loan	42,484	301,904	84,969	97,266	127,453	399,170
Backhoe Loan	13,640	0	27,280	0	40,920	0
Issue II Water Well	0	0	80,103	13,313	80,103	13,313
Water Loan	0	0	82,142	159,722	82,142	159,722
Sewer Treatment Plant Loan	0	0	299,724	0	299,724	0
Fire Truck Loan	225,000	300,000	0	0	225,000	300,000
Issue II Paving Loan	59,398	69,516	0	0	59,398	69,516
Capital Leases	0	2,228	0	0	0	2,228
Police Pension	23,477	23,774	0	0	23,477	23,774
Total	\$489,601	\$797,647	\$825,423	\$530,076	\$1,315,024	\$1,327,723

The City Building, Property, and Backhoe loans are paid equally from three funds: Capital Improvement, Sewer, and Water. The Capital Improvement portion will be paid from income tax revenues and the Water and Sewer portions will be paid from charges for services. Permissive motor vehicle license tax is pledged to pay the debt of the Issue II Paving Loan. The Fire Truck Loan will be repaid from income tax revenues.

The City's overall legal debt margin was \$7,380,299 at December 31, 2000.

Current Finance Related Activities

The City of Belpre continues to be in a strong financial position. Infrastructure upgrades will continue to be a major priority for the City. In 2001, we will continue the upgrade of the sewer treatment plant. Final costs could exceed \$1.5 million dollars. This project is being funded with grants from the Ohio Public Works Commission and the Washington County Commissioners, as well as loans from the Ohio Public Works Commission and local banks. The City had not made any draws from the approved loan amount of \$207,000 from the Ohio Public Works Commission at year end. Also, the City has been awarded a grant from the Ohio Public Works Commission for street paving in 2001. In conjunction with the paving project, the City will embark on a major water line replacement program, and will replace water lines under all streets to be paved, before paving begins, the goal being to improve water service and fire protection in the City. Engineering work is complete, and a grant application is pending for a planned 300,000 gallon water tank at the east end of the City. Meanwhile, work continues on replacement and upgrade of pumps in the sewer lift stations.

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In conclusion, the City of Belpre has committed itself to financial excellence for many years. The City received, for the first time, the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting in 1999. The City of Belpre will also be one of the first cities in Ohio to report using the new GASB 33 and 34 requirements. Our commitment to the residents of the City of Belpre has always been to fully disclose the financial position of the City.

I must personally thank Mr. Jim Petro, our State Auditor, and his staff, especially the Local Government Services Division, for their involvement and tremendous amount of help in putting together these new statements. Mr. Petro's desire to make the State of Ohio one of the most respected in financial reporting to the citizens has certainly been taken to heart in Belpre and I am proud to be part of this commitment.

Contacting the City's Auditor's Department

This financial report is designed to provide our citizens, taxpayers, creditors, and investors with an overview of the City's finances and to show the City's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact Patrick J. Hines, CPA, Belpre City Auditor, 715 Park Drive, Belpre, Ohio 45714, 740-423-7592.

City of Belpre, Ohio*Statement of Net Assets**December 31, 2000*

	Governmental Activities	Business-Type Activities	Total
Assets			
Equity in Pooled Cash and Cash Equivalents	\$610,640	\$717,101	\$1,327,741
Cash and Cash Equivalents in Segregated Accounts	7,129	0	7,129
Investments	0	50,000	50,000
Accounts Receivable	16,892	228,732	245,624
Accrued Interest Receivable	539	0	539
Due from Other Governments	306,219	16,887	323,106
Taxes Receivable	414,870	0	414,870
Materials and Supplies Inventory	6,731	5,285	12,016
Prepaid Items	20,599	4,953	25,552
Loans Receivable	0	8,271	8,271
Non-Depreciable Capital Assets	2,024,318	808,839	2,833,157
Depreciable Capital Assets, Net	6,436,106	4,560,983	10,997,089
<i>Total Assets</i>	<u>9,844,043</u>	<u>6,401,051</u>	<u>16,245,094</u>
Liabilities			
Accounts Payable	19,208	19,224	38,432
Contracts Payable	0	2,041	2,041
Accrued Wages	17,507	8,237	25,744
Due to Other Governments	29,630	12,629	42,259
Deferred Revenue	243,316	0	243,316
Accrued Interest Payable	127	0	127
Vacation Benefits Payable	33,448	26,889	60,337
Deposits Held and Due to Others	200	0	200
Customer Deposits Payable	0	86,492	86,492
Long-Term Liabilities:			
Due Within One Year	111,972	244,809	356,781
Due In More Than One Year	407,826	599,194	1,007,020
<i>Total Liabilities</i>	<u>863,234</u>	<u>999,515</u>	<u>1,862,749</u>
Net Assets			
Invested in Capital Assets, Net of Related Debt	7,994,300	4,544,399	12,538,699
Restricted for:			
Capital Projects	82,755	0	82,755
Other Purposes	283,089	0	283,089
Unrestricted	620,665	857,137	1,477,802
<i>Total Net Assets</i>	<u>\$8,980,809</u>	<u>\$5,401,536</u>	<u>\$14,382,345</u>

See accompanying notes to the basic financial statements

City of Belpre, Ohio
Statement of Activities
For the Year Ended December 31, 2000

	Program Revenues			
	Expenses	Charges for Services	Operating Grants, Contributions and Interest	Capital Grants and Contributions
Governmental Activities				
General Government	\$443,082	\$107,009	\$0	\$1,500
Security of Persons and Property:				
Police	840,810	107,230	7,298	821
Fire	203,981	0	3,705	0
Public Health Services	31,433	9,593	2,039	0
Transportation	1,701,589	44,932	219,565	0
Leisure Time Activities:				
Senior Center	21,584	0	3,799	0
Parks	226,731	5,700	149,046	400
Pool	65,380	25,752	0	0
Interest and Fiscal Charges	34,698	0	0	0
<i>Total Governmental Activities</i>	<u>3,569,288</u>	<u>300,216</u>	<u>385,452</u>	<u>2,721</u>
Business-Type Activities				
Sanitation	438,346	552,979	0	0
Sewer	828,501	1,045,206	0	221,873
Water	529,920	669,365	0	83,926
<i>Total Business-Type Activities</i>	<u>1,796,767</u>	<u>2,267,550</u>	<u>0</u>	<u>305,799</u>
<i>Total</i>	<u>\$5,366,055</u>	<u>\$2,567,766</u>	<u>\$385,452</u>	<u>\$308,520</u>

General Revenues

Property Taxes Levied for:

 General Purposes

Income Taxes Levied for:

 General Purposes

 Capital Outlay

Grants and Entitlements not Restricted to Specific Programs

Investment Earnings

Other

Total General Revenues

Transfers

Change in Net Assets

Net Assets Beginning of Year - (See Note 4)

Net Assets End of Year

See accompanying notes to the basic financial statements

Net (Expense) Revenue
and Changes in Net Assets

Governmental Activities	Business-Type Activities	Total
(\$334,573)	\$0	(\$334,573)
(725,461)	0	(725,461)
(200,276)	0	(200,276)
(19,801)	0	(19,801)
(1,437,092)	0	(1,437,092)
(17,785)	0	(17,785)
(71,585)	0	(71,585)
(39,628)	0	(39,628)
(34,698)	0	(34,698)
(2,880,899)	0	(2,880,899)
0	114,633	114,633
0	438,578	438,578
0	223,371	223,371
0	776,582	776,582
(2,880,899)	776,582	(2,104,317)
247,518	0	247,518
671,575	0	671,575
267,926	0	267,926
289,198	0	289,198
68,561	0	68,561
26,497	6,859	33,356
1,571,275	6,859	1,578,134
76,774	(76,774)	0
(1,232,850)	706,667	(526,183)
10,213,659	4,694,869	14,908,528
\$8,980,809	\$5,401,536	\$14,382,345

City of Belpre, Ohio*Balance Sheet**Governmental Funds**December 31, 2000*

	<u>General</u>	<u>Street</u>	<u>Capital Improvement</u>	<u>Other Governmental Funds</u>
Assets				
Equity in Pooled Cash and Cash Equivalents	\$409,979	\$23,905	\$19,188	\$157,568
Cash and Cash Equivalents in Segregated Accounts	6,316	0	0	813
Receivables:				
Taxes	348,697	0	63,567	2,606
Accounts	16,892	0	0	0
Accrued Interest	539	0	0	0
Due from Other Governments	185,845	106,198	0	14,176
Materials and Supplies Inventory	890	5,841	0	0
Prepaid Items	16,263	2,278	0	2,058
<i>Total Assets</i>	<u>\$985,421</u>	<u>\$138,222</u>	<u>\$82,755</u>	<u>\$177,221</u>
Liabilities and Fund Balances				
Liabilities				
Accounts Payable	\$12,830	\$2,160	\$0	\$4,218
Accrued Wages	13,313	4,099	0	95
Due to Other Governments	24,081	4,039	0	1,510
Deferred Revenue	368,984	71,968	20,311	5,787
Deposits Held and Due to Others	200	0	0	0
<i>Total Liabilities</i>	<u>419,408</u>	<u>82,266</u>	<u>20,311</u>	<u>11,610</u>
Fund Balances				
Reserved for Encumbrances	11,907	4,886	333	5,123
Reserved for Inventory	890	5,841	0	0
Reserved for Unclaimed Monies	2,810	0	0	0
Unreserved, Undesignated, Reported in:				
General Fund	550,406	0	0	0
Special Revenue Funds	0	45,229	0	160,488
Capital Projects Funds	0	0	62,111	0
<i>Total Fund Balances</i>	<u>566,013</u>	<u>55,956</u>	<u>62,444</u>	<u>165,611</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$985,421</u>	<u>\$138,222</u>	<u>\$82,755</u>	<u>\$177,221</u>

See accompanying notes to the basic financial statements

City of Belpre, Ohio
*Reconciliation of Total Governmental Fund Balances to
 Net Assets of Governmental Activities
 December 31, 2000*

Total Governmental Funds <hr/> \$610,640 7,129 414,870 16,892 539 306,219 6,731 <hr/> 20,599 <hr/> \$1,383,619 <hr/> <hr/> 533,595 <hr/> 850,024 <hr/> \$1,383,619 <hr/>	Total Governmental Funds Balances	\$850,024
	<i>Amounts reported for governmental activities in the statement of net assets are different because</i>	
	Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	8,460,424
	Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds:	
	Property Taxes	9,868
	Income Taxes	50,778
	Intergovernmental Revenues	156,088
	Fines, Licenses, and Permits	7,000
	Total	223,734
	Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:	
	Police Pension Payable	(23,477)
	Accrued Interest Payable	(127)
	Loans Payable	(466,124)
	Compensated Absences Payable	(30,197)
	Vacation Benefits Payable	(33,448)
	Total	(553,373)
	<i>Net Assets of Governmental Activities</i>	\$8,980,809

City of Belpre, Ohio
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2000

	General	Street	Capital Improvement	Other Governmental Funds
Revenues				
Property and Other Taxes	\$246,504	\$0	\$0	\$0
Municipal Income Tax	665,126	0	263,627	0
Motor Vehicle License Tax	0	0	0	35,370
Charges for Services	68,357	9,562	0	31,452
Fines, Licenses and Permits	132,933	0	0	12,925
Intergovernmental	289,661	214,399	0	149,601
Investment Earnings	68,561	593	0	1,106
Donations	9,825	0	0	24,446
Other	28,089	2,925	0	1,600
<i>Total Revenues</i>	<u>1,509,056</u>	<u>227,479</u>	<u>263,627</u>	<u>256,500</u>
Expenditures				
Current:				
General Government	419,643	0	3,150	3,752
Security of Persons and Property:				
Police	798,905	0	47,817	29,627
Fire	115,238	0	0	0
Public Health Services	21,735	0	0	0
Transportation	63,719	280,825	41,933	19,742
Leisure Time Activities:				
Senior Center	19,816	0	0	0
Parks	0	0	0	193,447
Pool	0	0	0	56,533
Debt Service:				
Principal Retirement	0	0	342,966	10,118
Interest and Fiscal Charges	0	0	33,358	1,340
<i>Total Expenditures</i>	<u>1,439,056</u>	<u>280,825</u>	<u>469,224</u>	<u>314,559</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>70,000</u>	<u>(53,346)</u>	<u>(205,597)</u>	<u>(58,059)</u>
Other Financing Sources (Uses)				
Proceeds of Loans	0	0	15,675	31,888
Transfers In	76,774	60,000	0	108,295
Transfers Out	(36,100)	0	(132,195)	0
<i>Total Other Financing Sources (Uses)</i>	<u>40,674</u>	<u>60,000</u>	<u>(116,520)</u>	<u>140,183</u>
<i>Net Change in Fund Balances</i>	110,674	6,654	(322,117)	82,124
<i>Fund Balances Beginning of Year - Restated (See Note 4)</i>	455,961	52,917	384,561	83,487
Decrease in Reserve for Inventory	(622)	(3,615)	0	0
<i>Fund Balances End of Year</i>	<u>\$566,013</u>	<u>\$55,956</u>	<u>\$62,444</u>	<u>\$165,611</u>

See accompanying notes to the basic financial statements

City of Belpre, Ohio

*Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2000*

Total Governmental Funds <hr/> \$246,504 928,753 35,370 109,371 145,858 653,661 70,260 34,271 32,614 <hr/> 2,256,662 <hr/> 426,545 876,349 115,238 21,735 406,219 19,816 193,447 56,533 353,084 34,698 <hr/> 2,503,664 <hr/> (247,002) <hr/> 47,563 245,069 (168,295) <hr/> 124,337 <hr/> (122,665) 976,926 (4,237) <hr/> \$850,024 <hr/> <hr/>	<p>Net Change in Fund Balances - Total Governmental Funds (\$122,665)</p> <p><i>Amounts reported for governmental activities in the statement of activities are different because</i></p> <p>Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlay in the current period. (1,399,057)</p> <p>Governmental funds only report the disposal of fixed assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. (13,798)</p> <p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. 3,002</p> <p>Other financing sources in the governmental funds that increase long-term liabilities in the statement of net assets. (47,563)</p> <p>Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. 355,312</p> <p>Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the funds:</p> <table border="0" style="width: 100%;"> <tr> <td style="width: 50%;">Inventory</td> <td style="width: 20%; text-align: right;">(4,237)</td> <td style="width: 30%;"></td> </tr> <tr> <td>Vacation Benefits Payable</td> <td style="text-align: right;">(2,826)</td> <td></td> </tr> <tr> <td>Compensated Absences Payable - Sick</td> <td style="text-align: right;">(1,315)</td> <td></td> </tr> <tr> <td>Police Pension Payable</td> <td style="text-align: right;">297</td> <td></td> </tr> <tr> <td>Total</td> <td style="border-top: 1px solid black; text-align: right;">(8,081)</td> <td style="border-top: 1px solid black; text-align: right;">(8,081)</td> </tr> </table> <p><i>Change in Net Assets of Governmental Activities</i> <u>(\$1,232,850)</u></p>	Inventory	(4,237)		Vacation Benefits Payable	(2,826)		Compensated Absences Payable - Sick	(1,315)		Police Pension Payable	297		Total	(8,081)	(8,081)
Inventory	(4,237)															
Vacation Benefits Payable	(2,826)															
Compensated Absences Payable - Sick	(1,315)															
Police Pension Payable	297															
Total	(8,081)	(8,081)														

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Favorable (Unfavorable)
Revenues				
Property and Other Taxes	\$252,816	\$252,816	\$246,342	(\$6,474)
Municipal Income Tax	697,085	697,085	644,685	(52,400)
Charges for Services	76,000	76,000	68,357	(7,643)
Fines, Licenses and Permits	95,100	95,100	128,385	33,285
Intergovernmental	185,550	185,550	261,677	76,127
Investment Earnings	45,000	45,000	69,241	24,241
Donations	17,450	17,450	11,825	(5,625)
Other	18,450	18,450	9,467	(8,983)
<i>Total Revenues</i>	<u>1,387,451</u>	<u>1,387,451</u>	<u>1,439,979</u>	<u>52,528</u>
Expenditures				
Current:				
General Government	454,589	445,836	429,611	16,225
Security of Persons and Property:				
Police	851,701	899,827	802,116	97,711
Fire	102,452	117,334	116,116	1,218
Public Health Services	27,561	23,946	22,080	1,866
Transportation	73,000	69,900	69,861	39
Leisure Time Activities - Senior Center	21,480	20,200	19,805	395
<i>Total Expenditures</i>	<u>1,530,783</u>	<u>1,577,043</u>	<u>1,459,589</u>	<u>117,454</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(143,332)</u>	<u>(189,592)</u>	<u>(19,610)</u>	<u>169,982</u>
Other Financing Sources (Uses)				
Sale of Fixed Assets	200	200	0	(200)
Transfers In	85,000	112,260	76,774	(35,486)
Transfers Out	(30,000)	(36,100)	(36,100)	0
<i>Total Other Financing Sources (Uses)</i>	<u>55,200</u>	<u>76,360</u>	<u>40,674</u>	<u>(35,686)</u>
<i>Net Change in Fund Balance</i>	(88,132)	(113,232)	21,064	134,296
<i>Fund Balance Beginning of Year</i>	349,872	349,872	349,872	0
Prior Year Encumbrances Appropriated	6,735	6,735	6,735	0
<i>Fund Balance End of Year</i>	<u>\$268,475</u>	<u>\$243,375</u>	<u>\$377,671</u>	<u>\$134,296</u>

See accompanying notes to the basic financial statements

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

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Charges for Services	\$5,000	\$5,000	\$9,562	\$4,562
Intergovernmental	205,000	205,000	214,773	9,773
Interest	2,800	2,800	645	(2,155)
Other	1,500	1,500	400	(1,100)
<i>Total Revenues</i>	214,300	214,300	225,380	11,080
Expenditures				
Current:				
Transportation	299,937	299,937	297,374	2,563
<i>Excess of Revenues Under Expenditures</i>	(85,637)	(85,637)	(71,994)	13,643
Other Financing Sources				
Transfers In	60,000	60,000	60,000	0
<i>Net Change in Fund Balance</i>	(25,637)	(25,637)	(11,994)	13,643
<i>Fund Balance Beginning of Year</i>	18,867	18,867	18,867	0
Prior Year Encumbrances Appropriated	7,132	7,132	7,132	0
<i>Fund Balance End of Year</i>	\$362	\$362	\$14,005	\$13,643

See accompanying notes to the basic financial statements

City of Belpre, Ohio
Statement of Net Assets
Enterprise Funds
December 31, 2000

	Sanitation	Sewer	Water	Total Enterprise Funds
Assets				
Current Assets:				
Equity in Pooled Cash and Cash Equivalents	\$186,727	\$248,854	\$245,028	\$680,609
Accounts Receivable	51,610	95,798	81,324	228,732
Due from Other Governments	140	15,073	1,674	16,887
Materials and Supplies Inventory	0	1,565	3,720	5,285
Prepaid Items	0	2,473	2,480	4,953
Loans Receivable	0	0	8,271	8,271
<i>Total Current Assets</i>	<u>238,477</u>	<u>363,763</u>	<u>342,497</u>	<u>944,737</u>
Noncurrent Assets:				
Restricted Assets:				
Cash and Cash Equivalents	0	0	36,492	36,492
Investments	0	0	50,000	50,000
Non-Depreciable Capital Assets	0	636,890	171,949	808,839
Depreciable Capital Assets, Net	0	2,157,467	2,403,516	4,560,983
<i>Total Noncurrent Assets</i>	<u>0</u>	<u>2,794,357</u>	<u>2,661,957</u>	<u>5,456,314</u>
<i>Total Assets</i>	<u>238,477</u>	<u>3,158,120</u>	<u>3,004,454</u>	<u>6,401,051</u>
Liabilities				
Current Liabilities:				
Accounts Payable	239	10,421	8,564	19,224
Contracts Payable	0	2,041	0	2,041
Accrued Wages	123	6,188	1,926	8,237
Due to Other Governments	2,006	7,528	3,095	12,629
Vacation Benefits Payable	648	19,831	6,410	26,889
Loans Payable	0	139,931	104,878	244,809
<i>Total Current Liabilities</i>	<u>3,016</u>	<u>185,940</u>	<u>124,873</u>	<u>313,829</u>
Long-Term Liabilities:				
Payable from Restricted Assets:				
Customer Deposits	0	0	86,492	86,492
Compensated Absences Payable	365	16,105	2,110	18,580
Issue II Loans Payable	0	0	80,103	80,103
Loans Payable	0	341,520	158,991	500,511
<i>Total Long-Term Liabilities</i>	<u>365</u>	<u>357,625</u>	<u>327,696</u>	<u>685,686</u>
<i>Total Liabilities</i>	<u>3,381</u>	<u>543,565</u>	<u>452,569</u>	<u>999,515</u>
Net Assets				
Invested in Capital Assets, Net of Related Debt	0	2,312,906	2,231,493	4,544,399
Unrestricted	235,096	301,649	320,392	857,137
<i>Total Net Assets</i>	<u>\$235,096</u>	<u>\$2,614,555</u>	<u>\$2,551,885</u>	<u>\$5,401,536</u>

See accompanying notes to the basic financial statements

City of Belpre, Ohio
*Statement of Revenues, Expenses
and Changes in Fund Net Assets
Enterprise Funds
For the Year Ended December 31, 2000*

	<u>Sanitation</u>	<u>Sewer</u>	<u>Water</u>	<u>Total Enterprise Funds</u>
Operating Revenues				
Charges for Services	\$552,979	\$1,045,206	\$669,365	\$2,267,550
Operating Expenses				
Salaries and Wages	7,246	276,709	102,012	385,967
Fringe Benefits	2,672	84,720	37,635	125,027
Contractual Services	424,814	319,015	159,327	903,156
Materials and Supplies	3,614	27,362	148,485	179,461
Depreciation	0	101,825	67,608	169,433
<i>Total Operating Expenses</i>	<u>438,346</u>	<u>809,631</u>	<u>515,067</u>	<u>1,763,044</u>
<i>Operating Income</i>	<u>114,633</u>	<u>235,575</u>	<u>154,298</u>	<u>504,506</u>
Non Operating Revenues (Expenses)				
Other Non-Operating Revenues	140	4,452	2,267	6,859
Interest and Fiscal Charges	0	(18,870)	(14,853)	(33,723)
<i>Total Non Operating Revenues (Expenses)</i>	<u>140</u>	<u>(14,418)</u>	<u>(12,586)</u>	<u>(26,864)</u>
<i>Income Before Contributions and Transfers</i>	114,773	221,157	141,712	477,642
Capital Contributions	0	221,873	83,926	305,799
Transfers	(76,774)	3,807	(3,807)	(76,774)
<i>Change in Net Assets</i>	37,999	446,837	221,831	706,667
<i>Net Assets Beginning of Year Restated (See Note 4)</i>	<u>197,097</u>	<u>2,167,718</u>	<u>2,330,054</u>	<u>4,694,869</u>
<i>Net Assets End of Year</i>	<u>\$235,096</u>	<u>\$2,614,555</u>	<u>\$2,551,885</u>	<u>\$5,401,536</u>

See accompanying notes to the basic financial statements

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

	Sanitation	Sewer	Water	Total Enterprise Funds
<i>Increase (Decrease) In Cash and Cash Equivalents</i>				
Cash Flows from Operating Activities:				
Cash Received from Customers	\$548,221	\$1,034,430	\$638,374	\$2,221,025
Cash Received from Other Non-Operating Sources	0	0	593	593
Cash Payments for Employee Services and Benefits	(10,304)	(368,527)	(144,771)	(523,602)
Cash Payments to Suppliers for Goods and Services	(428,877)	(355,319)	(312,334)	(1,096,530)
Customer Deposits Received	0	0	14,000	14,000
Customer Deposits Returned	0	0	(1,791)	(1,791)
<i>Net Cash Provided by Operating Activities</i>	<u>109,040</u>	<u>310,584</u>	<u>194,071</u>	<u>613,695</u>
Cash Flows from Noncapital Financing Activities:				
Repayment of Loan Receivable	0	0	7,813	7,813
Transfers In	0	3,807	0	3,807
Transfers Out	(76,774)	0	(3,807)	(80,581)
<i>Net Cash Provided by (Used for) Noncapital Financing Activities</i>	<u>(76,774)</u>	<u>3,807</u>	<u>4,006</u>	<u>(68,961)</u>
Cash Flows from Capital and Related Financing Activities:				
Acquisition of Capital Assets	0	(670,460)	(188,926)	(859,386)
Issue II Loans Received	0	0	66,790	66,790
Proceeds of Loans	0	334,326	15,675	350,001
Principal Paid on Debt	0	(31,396)	(90,048)	(121,444)
Interest Paid on Debt	0	(18,870)	(14,853)	(33,723)
Contributed Capital	0	211,252	83,926	295,178
<i>Net Cash Used for Capital and Related Financing Activities</i>	<u>0</u>	<u>(175,148)</u>	<u>(127,436)</u>	<u>(302,584)</u>
Cash Flows from Investing Activities:				
Purchase of Investments	0	0	(50,000)	(50,000)
Proceeds on Sale of Investments	0	0	50,000	50,000
<i>Net Cash Provided by Investing Activities</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Increase In Cash and Cash Equivalents</i>	32,266	139,243	70,641	242,150
<i>Cash and Cash Equivalents Beginning of Year</i>	<u>154,461</u>	<u>109,611</u>	<u>210,879</u>	<u>474,951</u>
<i>Cash and Cash Equivalents End of Year</i>	<u>\$186,727</u>	<u>\$248,854</u>	<u>\$281,520</u>	<u>\$717,101</u>

(continued)

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

	<u>Sanitation</u>	<u>Sewer</u>	<u>Water</u>	<u>Total Enterprise Funds</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:				
<i>Operating Income</i>	\$114,633	\$235,575	\$154,298	\$504,506
Adjustments:				
Depreciation	0	101,825	67,608	169,433
Other Non-Operating Revenues	0	0	593	593
(Increase)/Decrease in Assets:				
Accounts Receivable	(4,758)	(1,603)	(30,991)	(37,352)
Materials and Supplies Inventory	0	(29)	746	717
Prepaid Items	0	(168)	(163)	(331)
Increase/(Decrease) in Liabilities:				
Accounts Payable	239	(3,120)	(5,276)	(8,157)
Contracts Payable	0	(12,980)	(700)	(13,680)
Accrued Wages	(45)	348	(169)	134
Compensated Absences Payable	11	2,001	(130)	1,882
Customer Deposits	0	0	12,209	12,209
Vacation Benefits Payable	(66)	(2,167)	(1,738)	(3,971)
Due to Other Governments	(974)	(9,098)	(2,216)	(12,288)
<i>Net Cash Provided by Operating Activities</i>	<u>\$109,040</u>	<u>\$310,584</u>	<u>\$194,071</u>	<u>\$613,695</u>

Noncash Capital Financing Activities

The City is paying a local vendor for services provided to the Sewer Fund through credits on the vendor's water and sewer bills. During 2000, the \$3,807 reduction in the Water Fund is reported as an operating transfer out with the Sewer Fund reporting a corresponding operating transfer in. Also, the Sewer Fund recorded a receivable for a reimbursable grant of \$10,621 from the Ohio Public Works Commission which was used for the sewer treatment plant improvements. This amount has been reflected as capital contributions.

See accompanying notes to the basic financial statements

City of Belpre, Ohio
Statement of Fiduciary Assets and Liabilities
Agency Funds
December 31, 2000

Assets

Equity Pooled in Cash and Cash Equivalents	\$44,239
Cash and Cash Equivalents in Segregated Accounts	<u>3,442</u>

<i>Total Assets</i>	<u><u>\$47,681</u></u>
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Liabilities

Due to Other Governments	\$44,239
Deposits Held and Due to Others	<u>3,442</u>

<i>Total Liabilities</i>	<u><u>\$47,681</u></u>
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See accompanying notes to the basic financial statements

City of Belpre, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2000

Note 1 - Description of the City and Reporting Entity

The City of Belpre (the "City") is a home-rule municipal corporation, incorporated under the laws of the State of Ohio. The City is organized as a Mayor/Council form of government. Located in the southern part of Washington County, Belpre became a city in 1961. The Mayor, Auditor, Treasurer, and Law Director, all with four year terms, and a seven member Council, with two year terms, are elected. Department directors and public members of various boards and commissions are appointed by the Mayor.

Reporting Entity

A reporting entity consists of the primary government, component units, and other organizations that are included to ensure that financial statements are not misleading. The primary government of the City consists of all funds, departments, boards, and agencies that are not legally separate from the City. For the City of Belpre, this includes various services including police protection, recreation (including parks), planning and zoning, street maintenance and repair, sanitation, water and water pollution control, and general administrative services. The operation of each of these activities is directly controlled by Council through the budgetary process.

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 organizations. Component units may also include organizations for which the City authorizes the issuance of debt or the levying of taxes, or determines the budget. No separate government units meet the criteria for inclusion as a component unit.

The City is associated with the Community Action Program Corporation of Washington-Morgan Counties, Ohio, and the Wood, Washington, and Wirt Planning Commission which are defined as jointly governed organizations. Additional information concerning the jointly governed organizations is presented in Note 15.

Note 2 - Summary of Significant Accounting Policies

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

A. Basis of Presentation

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

City of Belpre, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2000

Government-wide Financial Statements The statement of net assets and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the City that are governmental and those that are considered business-type activities.

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

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

B. Fund Accounting

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

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

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

Street Special Revenue Fund The Street Special Revenue Fund is used to account for that portion of the State gasoline tax and motor vehicle registration fees designated for maintenance of streets within the City.

Capital Improvement Capital Projects Fund The Capital Improvement Capital Projects Fund accounts for income tax revenues and grants used for general capital improvements in the City.

City of Belpre, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2000

The other governmental funds of the City account for grants and other resources whose use is restricted to a particular purpose.

Proprietary Funds Proprietary fund reporting focuses on the determination of operating income, changes in net assets, financial position, and cash flows. The major proprietary funds of the City are all classified as enterprise funds.

Sanitation Enterprise Fund The Sanitation Enterprise Fund is used to account for sanitation billing revenues used to provide sanitation services.

Sewer Enterprise Fund The Sewer Enterprise Fund is used to account for the revenues generated from the charges for sanitary services provided to the residential and commercial users of the City.

Water Enterprise Fund The Water Enterprise Fund is used to account for the revenues generated from the charges for distribution of water to the residential and commercial users of the City.

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

C. Measurement Focus

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

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

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

Fiduciary funds are reported using the economic resources measurement focus.

City of Belpre, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2000

D. Basis of Accounting

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

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

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

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year end: income tax, interest, grants, fees, and rentals.

Deferred Revenue Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

Property taxes for which there is an enforceable legal claim as of December 31, 2000, but which were levied to finance year 2001 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

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

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

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

City of Belpre, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2000

E. Budgets

An annual appropriated budget is legally required to be prepared for all funds of the City other than agency funds. Council passes budgets for each fund. Line item appropriations within a department may be transferred between the accounts with the approval of the City Auditor and respective department head. Council must approve any revisions in the budget that alter fund appropriations. The following are the procedures used by the City in establishing the budgetary data reported in the basic financial statements:

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

Estimated Resources The County Budget Commission determines if the tax 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 October 1. As part of this certification, the City receives the official certificate of estimated resources that states the projected revenue of each fund. Prior to December 31, the City must revise its budget so that the total contemplated expenditures from any fund during the ensuing fiscal year will not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriations measure. On or about January 1, the certificate of estimated resources is amended to include any unencumbered balances from the preceding year. The certificate of estimated resources can 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 as the original budgeted amounts in the budgetary statements reflect the amounts in the amended certificate when the original appropriations were adopted. The amounts reported in the budgetary statements as final 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 may be supplemented during the year by action of Council, as new information becomes available, provided that total fund appropriations do not exceed current estimated resources, as certified. During the year, several supplemental appropriation measures were passed. The amounts reported as the original budgeted amounts in the budgetary statements reflect the first appropriated budget for each fund that covered the entire year, including amounts automatically carried over from prior years. The amounts reported as the final budgeted amounts in the statements of budgetary comparisons represent the final appropriation amounts, including all amendments and modifications.

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 re-appropriated.

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. On the GAAP basis, encumbrances outstanding at year end are reported as reservations of fund balances for subsequent-year expenditures of governmental funds.

City of Belpre, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2000

F. 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 City records. Each fund's interest in the pool is presented as "equity in pooled cash and cash equivalents" on the balance sheet.

During 2000, investments were limited to a certificate of deposit and repurchase agreements, which are reported at cost.

Interest is distributed to the General Fund and certain special revenue funds of the City. Interest revenue credited to the General Fund during 2000 amounted to \$68,561, which includes \$52,510 assigned from other City funds.

The City has a segregated bank account for monies held separate from the City's central bank account. This depository account is presented on the statement of net assets as "cash and cash equivalents in segregated accounts" since it is not required to be deposited into the City's treasury. The cash of the Mayor's Court is included in this line item.

For purposes of the statement of cash flows and for presentation on the statement of net assets/balance sheet, investments with an original maturity of three months or less and investments of the cash management pool are considered to be cash equivalents.

G. Inventory

On government-wide financial statements, inventories are presented at the lower of cost or market on a first-in, first-out basis and are expensed when used.

On fund financial statements, inventories of governmental funds are stated at cost while inventories of proprietary funds are 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 cost of inventory items is recorded as an expenditure in the governmental fund types when purchased. Inventories of the enterprise fund are expensed when used.

H. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2000, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which it was consumed.

I. Restricted Assets

Restricted assets in the enterprise funds represent customer deposits.

City of Belpre, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2000

J. Capital Assets

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated fixed assets are recorded at their fair market values as of the date received. The City maintains a capitalization threshold of one thousand dollars. The City's infrastructure consists of roads, streets, street signs, and water and sewer systems. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. Interest incurred during the construction of capital assets is also capitalized.

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

Description	Governmental Activities Estimated Lives	Business-Type Activities Estimated Lives
Land	N/A	N/A
Buildings and Improvements	20 - 50 years	20 - 50 years
Machinery and Equipment	5 - 20 years	5 - 20 years
Vehicles	8 years	8 years
Infrastructure	15 - 20 years	50 - 65 years

K. Compensated Absences

The City reports compensated absences in accordance with the provisions of GASB No. 16, "Accounting for Compensated Absences". Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means. The liability for vacation benefits is recorded as "vacation benefits payable" as the balances are to be used by employees within the year earned.

Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those that the City has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employee wage rates at year end taking into consideration any limits specified in the City's termination policy.

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

City of Belpre, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2000

For governmental funds, the current portion of unpaid compensated absences is the amount that is normally expected to be paid using expendable available financial resources. These amounts are recorded in the account "compensated absences payable" in the fund from which the employees who have accumulated leave are paid. The noncurrent portion of the liability is not reported. In proprietary funds, the entire amount of compensated absences is reported as a fund liability.

L. Accrued Liabilities and Long-Term Obligations

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

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

Capital leases and long-term loans are recognized as a liability on the fund financial statements when due.

M. Fund Balance Reserves

The City reserves those portions of fund balance which are legally segregated for a specific future use or which do not represent expendable resources and therefore are not available for appropriation or expenditure. As a result, encumbrances, inventories, and unclaimed monies are recorded as a reservation of fund balance.

N. Net Assets

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

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

O. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are charges for services for sanitation and water and sewer programs. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund.

City of Belpre, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2000

P. Contributions of Capital

Contributions of capital in proprietary fund financial statements arise from outside contributions of fixed assets, tap-in fees to the extent they exceed the cost of the connection to the system, or from grants or outside contributions of resources restricted to capital acquisition and construction.

Q. Interfund Activity

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

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

R. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the City Administration and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during 2000.

S. 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.

Note 3 - Budgetary Basis of Accounting

While the City is reporting financial position, results of operations and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The Statement of Revenues, Expenditures and Changes in Fund Balances - Budget (Non-GAAP Basis) and Actual presented for each major governmental fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and GAAP basis are as follows:

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 Belpre, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2000

3. Encumbrances are treated as expenditures (budget) rather than as a reservation of fund balance (GAAP).
4. Unrecorded cash represents amounts received but not included as revenue on the budget basis operating statements. These amounts are included as revenue on the GAAP basis operating statement.

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the General Fund and for the major Street Special Revenue Fund.

Net Change in Fund Balance Major Governmental Funds		
	General	Street
GAAP Basis	\$110,674	\$6,654
Net Adjustment for Revenue Accruals	(69,893)	(2,151)
Unrecorded Cash	7,132	52
Prepays	1,267	167
Net Adjustment for Expenditure Accruals	(5,756)	(10,715)
Segregated Accounts	(6,316)	0
Encumbrances	(16,044)	(6,001)
Budget Basis	\$21,064	(\$11,994)

Note 4 - Change in Accounting Principles and Restatement of Prior Year Fund Equity

Changes in Accounting Principles For 2000, the City has implemented GASB Statement No. 33, "Accounting and Financial Reporting for Nonexchange Transactions"; GASB Statement No. 36, "Recipient Reporting for Certain Shared Nonexchange Revenues"; GASB Statement No. 34, "Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments"; and GASB Interpretation No. 6, "Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements."

GASB 34 creates new basic financial statements for reporting on the City's financial activities. The financial statements now include government-wide financial statements prepared on an accrual basis of accounting and fund financial statements which present information for individual major funds rather than by fund type. Nonmajor funds are presented in total in one column.

City of Belpre, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2000

The government-wide financial statements split the City's programs between business-type and governmental activities. Except for the restatement explained below, the beginning net asset amount for the business-type activities equals fund equity of the enterprise funds from last year. The beginning net asset amount for governmental programs reflects the change in fund balance for governmental funds at December 31, 1999, caused by conversion to the accrual basis of accounting.

Restatement of Fund Balance

During 2000, it was determined that accounts receivable were immaterially misstated. Also, due from other governments, compensated absences, and deferred revenue were restated. These restatements had the following effects on fund balance of the major and nonmajor funds of the City as they were previously reported. The transition from governmental fund balance to net assets of the governmental activities is also presented.

	General	Street	Capital Improvement	Nonmajor	Total
Fund Balances, December 31, 1999	\$438,307	\$35,701	\$384,561	\$71,279	\$929,848
Fund Reclassification	0	0	0	10,787	10,787
Accounts Receivable	(3,500)	0	0	0	(3,500)
Implementation of GASB Interpretation No. 6	1,424	826	0	92	2,342
Adjusted Fund Balance, December 31, 1999	436,231	36,527	384,561	82,158	939,477
GASB 33 Adjustments:					
Due from Other Governments	96,487	101,111	0	8,199	205,797
Deferred Revenue	(76,757)	(84,721)	0	(6,870)	(168,348)
GASB 33 Adjusted Fund Balance, December 31, 1999	<u>\$455,961</u>	<u>\$52,917</u>	<u>\$384,561</u>	<u>\$83,487</u>	976,926
GASB 34 Adjustments:					
Capital Assets					9,873,279
Long-Term Liabilities					(857,278)
Long-term (Deferred) Assets					220,732
Governmental Activities Net Assets, December 31, 1999					<u>\$10,213,659</u>

City of Belpre, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2000

During 2000, it was determined accounts receivable and compensated absences were immaterially misstated. Also, loans payable and capital assets were restated in the enterprise funds. These restatements had the following effects on fund equity as it was previously reported:

	Sanitation	Sewer	Water	Total
Fund Equity December 31, 1999	\$202,087	\$1,982,239	\$2,171,315	\$4,355,641
Accounts Receivable	(5,074)	(6,353)	(3,432)	(14,859)
Capital Assets	0	359,602	337,904	697,506
Compensated Absences Payable	84	10,751	2,787	13,622
Loans Payable	0	(178,521)	(178,520)	(357,041)
Adjusted Net Assets, December 31, 1999	<u>\$197,097</u>	<u>\$2,167,718</u>	<u>\$2,330,054</u>	<u>\$4,694,869</u>

Note 5 - Deposits and Investments

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

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

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

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

Protection of the City's deposits is provided by the Federal Deposit Insurance Corporation, by eligible securities pledged by the financial institution as security for repayment, by surety company bonds deposited with the City 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. 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 instrumentality;

City of Belpre, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2000

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

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

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

Investments in stripped principal or interest obligations and reverse repurchase agreement 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 City treasurer 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 \$200 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."

Deposits At year end, the carrying amount of the City's deposits was \$445,940 and the bank balance was \$611,591. Of the bank balance:

1. \$297,205 was covered by federal depository insurance.
2. \$314,386 was uncollateralized and uninsured. Although the pledging banks have an investment and securities pool used to collateralize all public deposits which are held in the financial institutions name, noncompliance with federal requirements could potentially subject the City to a successful claim by the FDIC.

City of Belpre, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2000

Investments GASB Statement No.3 requires the City to categorize investments 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 that are held by the counter-party's trust department or agent in the City's name. Category 3 includes uninsured and unregistered investments that are held by the counter-party or by its trust department or agent but not in the City's name.

	Category 3	Carrying Value	Fair Value
Repurchase Agreements	\$986,411	\$986,411	\$986,411

The classification of cash and cash equivalents, and investments on the basic financial statements is based on criteria set forth in GASB Statement 9. Cash equivalents are defined as investments with an original maturity of three months or less. Reconciliation between the classification of cash and investments on the basic financial statements and the classification per GASB Statement 3 is as follows:

	Cash and Cash Equivalents	Investments
GASB Statement 9	\$1,382,551	\$50,000
Petty Cash	(200)	0
Investments:		
Certificate of Deposits	50,000	(50,000)
Repurchase Agreements	(986,411)	986,411
GASB Statement 3	\$445,940	\$986,411

Note 6 - Receivables

Receivables at December 31, 2000, consisted primarily of taxes, accounts (billings for user charged services including unbilled utility services), loans, intergovernmental, accrued interest, and receivables arising from grants, entitlements, and shared revenues. The Water Enterprise Fund reflects loans receivable of \$8,271. This amount is for a loan owed to the City from Shell Oil Company for services rendered by the City for the company to give them increased water pressure. The loan was made on December 21, 1998, and is to be repaid by Shell Oil Company over three years at 5.71 percent interest. All receivables are considered 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 the 1999 taxes. Property tax payments received during 2000 for tangible personal property (other than public utility property) are 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.

City of Belpre, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2000

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2000 public utility property taxes became 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 \$3.40 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	\$68,284,830
Public Utility Property	3,533,210
Tangible Personal Property	<u>6,371,260</u>
Total Valuation	<u><u>\$78,189,300</u></u>

Real property taxes are payable annually or semi-annually. If paid annually, the 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 by September 20.

The County Treasurer collects property taxes on behalf of all taxing districts in the county, including the City of Belpre. The County Auditor periodically remits to the City its portion of the taxes collected. Accrued property taxes receivable represent real and tangible personal property taxes, public utility taxes, and outstanding delinquencies which are measurable as of December 31, 2000, and for which there is an enforceable legal claim. Although total property tax collections for the next year are measurable, amounts to be received during the available period are not subject to reasonable estimation at December 31, nor were they levied to finance 2000 operations. The receivable is therefore offset by deferred revenue.

B. Income Taxes

The City levies a municipal income tax of one percent on substantially all earned income arising from employment or business activities within the City as well as income of residents earned outside of the City.

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

1. All proceeds needed to defray the costs of collecting the tax and the cost of administering and enforcing the tax to the General Fund;
2. All proceeds needed for payment of the Belpre Volunteer Fire Department's expenses related to the Fire Chief and the volunteer firefighter's clothing allowances to the General Fund;

City of Belpre, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2000

3. All remaining income tax proceeds are set aside and allocated 60% to the General Fund and 40% to the Capital Improvement Capital Projects Fund.
4. Income tax proceeds allocated each year to the Capital Improvement Capital Projects Fund is limited per City Ordinance, with all tax proceeds thereafter distributed 100% to the General Fund.

C. Intergovernmental Receivables

A summary of intergovernmental receivables follows:

	Amounts
Governmental Activities	
Local Government	\$75,539
Estate Tax	74,294
DARE Grant	4,921
Gasoline and Excise Tax	73,776
Health State Subsidy	2,038
Motor Vehicle License Tax	38,174
Rollback and Homestead	15,649
Workers' Compensation Refund	21,828
	306,219
Business-Type Activities	
Issue II	10,621
Workers' Compensation Refund	6,266
	16,887
	\$323,106

Note 7 - Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During 2000, the City contracted with Specialty National Insurance Company for various types of insurance as follows:

City of Belpre, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2000

Type of Coverage	Limit	Aggregate	Deductible
Property:	\$10,657,221		\$1,000
Building and Contents	1,000,000		25,000
Boiler and Machinery	100,000		500
Valuable Papers and Records	250,000		0
Business Income	100,000		0
Accounts Receivable	250,000		0
Power Interruption	25,000		0
Backup of Sewers and Drains	25,000		0
Computer Equipment	250,000		0
Building Ordinance or Law	250,000		0
Extra Expenses	500,000		0
Liability:			
General	1,000,000 per Occurrence	\$3,000,000	1,000
Employee Benefits	1,000,000 per Occurrence	3,000,000	1,000
Public Officials Wrongful Acts	1,000,000 per Occurrence	1,000,000	2,500
Police Professional	1,000,000 per Occurrence	1,000,000	2,500
Ohio Stop Gap	1,000,000 per Occurrence	1,000,000	0
Fire Damage	50,000 per Occurrence	100,000	0
Medical Expense Limit	10,000 per Person		0
Vehicle:			
Liability	1,000,000		0
Medical Expense	5,000		0
Uninsured/Underinsured	1,000,000		0
Hired Car Physical Damage	35,000		0
Employee or Volunteer Auto	500		0
Comprehensive Deductible - \$100			
Collision Deductible - \$250			
Crime:			
Inside/Outside	10,000		250
Employee Dishonesty Blanket	50,000		250
Forgery and Alterations	50,000		250
Inland Marine:			
Property not Licensed for Highway Use	1,297,795		500
Borrowed, Leased, or Rental Equipment	100,000		0
Miscellaneous Equipment	126,460		0

There were no significant reductions from prior years and claims have not exceeded insurance coverage in any of the last three years. The City pays the State Worker's Compensation System a premium for employee injury coverage based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

City of Belpre, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2000

Note 8 - Capital Assets

Capital asset activity for the year ended December 31, 2000, was as follows:

	Balance 12/31/99	Increases	Decreases	Balance 12/31/00
Governmental Activities:				
Capital Assets not being Depreciated:				
Land	\$2,024,318	\$0	\$0	\$2,024,318
Other capital assets:				
Buildings and Improvements	2,647,868	12,394	0	2,660,262
Machinery and Equipment	1,035,102	34,455	11,294	1,058,263
Vehicles	1,185,424	88,480	14,005	1,259,899
Roads	6,100,176	0	0	6,100,176
Streets	13,114,183	0	0	13,114,183
Street Signals	468,496	0	0	468,496
Totals other capital assets at Historical Cost	24,551,249	135,329	25,299	24,661,279
Less Accumulated Depreciation:				
Buildings and Improvements	(873,614)	(70,943)	0	(944,557)
Machinery and Equipment	(601,171)	(61,351)	9,458	(653,064)
Vehicles	(809,023)	(97,710)	2,043	(904,690)
Roads	(4,473,462)	(406,678)	0	(4,880,140)
Streets	(9,617,068)	(874,279)	0	(10,491,347)
Street Signals	(327,950)	(23,425)	0	(351,375)
Total Accumulated Depreciation	(16,702,288)	(1,534,386)*	11,501	(18,225,173)
Other Capital Assets, Net	7,848,961	(1,399,057)	13,798	6,436,106
Governmental Activities Capital Assets, Net	<u>\$9,873,279</u>	<u>(\$1,399,057)</u>	<u>\$13,798</u>	<u>\$8,460,424</u>
Business-Type Activities				
Capital Assets not being Depreciated:				
Land	\$250,754	\$0	\$0	\$250,754
Construction in Progress	626,626	558,085	626,626	558,085
Total Capital Assets not being Depreciated	877,380	558,085	626,626	808,839
Other Capital Assets:				
Buildings and Improvements	740,525	0	0	740,525
Machinery and Equipment	1,365,456	40,979	0	1,406,435
Vehicles	283,767	48,961	0	332,728
Infrastructure	4,811,226	841,930	0	5,653,156
Total Other Capital Assets at Historical Cost	\$7,200,974	\$931,870	\$0	\$8,132,844

City of Belpre, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2000

	Balance 12/31/99	Increases	Decreases	Balance 12/31/00
Less Accumulated Depreciation for:				
Building and Improvements	(\$87,070)	(\$16,503)	\$0	(\$103,573)
Machinery and Equipment	(817,377)	(47,519)	0	(864,896)
Vehicles	(233,714)	(14,332)	0	(248,046)
Infrastructure	(2,264,267)	(91,079)	0	(2,355,346)
Total Accumulated Depreciation	<u>(3,402,428)</u>	<u>(169,433)</u>	<u>0</u>	<u>(3,571,861)</u>
Other Capital Assets, Net	<u>3,798,546</u>	<u>762,437</u>	<u>0</u>	<u>4,560,983</u>
Business-Type Activities Capital Assets, Net	<u>\$4,675,926</u>	<u>\$1,320,522</u>	<u>\$626,626</u>	<u>\$5,369,822</u>

* Depreciation expense was charged to governmental functions as follows:

General Government	\$16,810
Security of Persons and Property:	
Police	41,053
Fire	88,743
Transportation	1,331,488
Leisure Time Activities:	
Senior Center	1,768
Parks	45,677
Swimming Pool	8,847
Total Depreciation Expense	<u>\$1,534,386</u>

Note 9 - Other Employee Benefits

A. Insurance

The City provides \$15,000 in life insurance and accidental death and dismemberment insurance to its full-time employees, other than police, and for all elected officials. The insurance is through Anthem Life Insurance for non-union employees and through the AFSCME Care Plan for AFSCME union members.

The City provides comprehensive major medical insurance for full time employees under two plans through Aetna Life & Casualty and the United Food & Commercial Worker's Union for the police. The City pays 85% of the total monthly premium for the first plan and 100% of the monthly premium for the second plan. Premiums are paid from the same funds that pay the employees' salaries.

City of Belpre, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2000

B. Compensated Absences

The criteria for determining vested sick leave are derived from negotiated agreements and State laws. Upon retirement, all employees with ten or more years of service with the City are paid twenty-five percent of their sick leave up to a maximum of 240 hours; however, union employees under the American Federation of State, County and Municipal Employees with twenty or more years of service are paid twenty-five percent of their sick leave up to a maximum of 300 hours. Upon voluntary termination, death, or retirement, all employees will receive 100% of vacation earned and not previously taken.

Note 10 - Long-Term Debt

A schedule of changes in long-term obligations of the City during 2000, follows:

	Principal Outstanding 12/31/99	Additions	Deletions	Principal Outstanding 12/31/00	Amounts Due in One Year
Governmental Activities					
Backhoe Loan - 6.75%	\$0	\$15,675	\$2,035	\$13,640	\$2,878
Property Loan - 6.00%	301,904	0	259,420	42,484	9,163
City Building Loan - 5.42%	100,225	31,888	6,511	125,602	10,695
Fire Trucks Loan - 4.8%	300,000	0	75,000	225,000	75,000
Issue II Paving Loan - 2.0%	69,516	0	10,118	59,398	10,322
Total Loans	771,645	47,563	353,084	466,124	108,058
Capital Lease Obligation	2,228	0	2,228	0	0
Police Pension	23,774	0	297	23,477	309
Compensated Absences - Sick	28,882	2,862	1,547	30,197	3,605
Total Governmental Activities	\$826,529	\$50,425	\$357,156	\$519,798	\$111,972
Business Type Activities					
Property Loan - 6.00%	\$97,266	\$0	\$12,297	\$84,969	\$18,326
City Building Loan - 5.42%	259,775	0	8,570	251,205	21,390
Backhoe Loan - 6.75%	0	31,350	4,070	27,280	5,756
Issue II Water Well Loan - 2.00%	13,313	66,790	0	80,103	0
Water Loan - 5.71%	159,722	0	77,580	82,142	82,142
Sewer Plant Loan - 5.65%	0	318,651	18,927	299,724	117,195
Total Loans	530,076	416,791	121,444	825,423	244,809
Compensated Absences - Sick	16,698	4,085	2,203	18,580	0
Total Business Type Activities	\$546,774	\$420,876	\$123,647	\$844,003	\$244,809

City of Belpre, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2000

The police pension liability will be paid from general property tax revenues from the General Fund. The police pension liability payments are reflected as program expenditures. The Capital Improvement Capital Projects Fund received the fire trucks, backhoe, and property loan proceeds. The City Building Construction Capital Projects Fund received the city building loan proceeds. The fire trucks loan will be repaid from income tax revenues of the Capital Improvement Capital Projects Fund. The property, city building, and backhoe loans will be equally paid from three funds as follows: from income tax revenues of the Capital Improvement Capital Projects Fund, and charges for services from the Sewer and Water Enterprise Funds. The Issue II Paving Loan will be repaid from motor vehicle license revenue of the Permissive Tax Special Revenue Fund. Compensated absences for sick leave liabilities will be paid from the General Fund, Street Special Revenue Fund, and Sanitation, Sewer, and Water Enterprise Funds.

The City's overall legal debt margin was \$7,380,299 at December 31, 2000.

Principal and interest requirements to retire the backhoe, property, and city building loans, paid equally from the Capital Improvement, Sewer, and Water Funds, at December 31, 2000, are as follows:

Year	Backhoe Loan		Property Loan		City Building Loan		Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2001	\$7,893	\$2,313	\$27,490	\$6,900	\$32,086	\$19,635	\$67,469	\$28,848
2002	9,186	1,950	29,184	5,205	33,867	17,850	72,237	25,005
2003	9,825	1,308	30,984	3,405	35,751	15,969	76,560	20,682
2004	10,509	624	32,895	1,494	37,737	13,983	81,141	16,101
2005	3,507	48	6,900	60	39,834	11,886	50,241	11,994
2006-2010	0	0	0	0	197,532	24,294	197,532	24,294
	<u>\$40,920</u>	<u>\$6,243</u>	<u>\$127,453</u>	<u>\$17,064</u>	<u>\$376,807</u>	<u>\$103,617</u>	<u>\$545,180</u>	<u>\$126,924</u>

Principal and interest requirements to retire the fire truck loans at December 31, 2000, are as follows:

Year	Principal	Interest	Total
2001	\$75,000	\$9,900	\$84,900
2002	75,000	6,310	81,310
2003	75,000	2,700	77,700
	<u>\$225,000</u>	<u>\$18,910</u>	<u>\$243,910</u>

City of Belpre, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2000

Principal and interest requirements to retire the Issue II paving loan at December 31, 2000, are as follows:

Year	Principal	Interest	Total
2001	\$5,135	\$594	\$5,729
2002	10,425	1,034	11,459
2003	10,635	823	11,458
2004	10,848	610	11,458
2005	11,067	392	11,459
2006	11,288	170	11,458
	<u>\$59,398</u>	<u>\$3,623</u>	<u>\$63,021</u>

Principal and interest requirements to retire the police pension liability at December 31, 2000, are as follows:

Year	Principal	Interest	Total
2001	\$309	\$995	\$1,304
2002	323	981	1,304
2003	337	967	1,304
2004	351	953	1,304
2005	366	938	1,304
2006-2035	21,791	16,618	38,409
	<u>\$23,477</u>	<u>\$21,452</u>	<u>\$44,929</u>

City of Belpre, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2000

Principal and interest requirements to retire the Issue II water well loan at December 31, 2000, are as follows:

Year	Principal	Interest	Total
2002	\$1,639	\$1,482	\$3,121
2003	3,327	1,553	4,880
2004	3,393	1,486	4,879
2005	3,461	1,417	4,878
2006-2010	18,379	6,017	24,396
2011-2015	20,302	4,093	24,395
2016-2020	22,428	1,969	24,397
2021-2022	7,174	144	7,318
	<u>\$80,103</u>	<u>\$18,161</u>	<u>\$98,264</u>

Principal and interest requirements to retire the water loan at December 31, 2000, are as follows:

Year	Principal	Interest	Total
2001	\$75,100	\$2,530	\$77,630
2002	7,042	33	7,075
	<u>\$82,142</u>	<u>\$2,563</u>	<u>\$84,705</u>

Principal and interest requirements to retire the sewer plant loan at December 31, 2000, are as follows:

Year	Principal	Interest	Total
2001	\$117,195	\$13,930	\$131,125
2002	123,990	7,135	131,125
2003	58,539	897	59,436
	<u>\$299,724</u>	<u>\$21,962</u>	<u>\$321,686</u>

City of Belpre, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2000

Note 11 - Capitalized Leases

In 1997, the City entered into a capitalized lease for a telephone system. This lease meets the criteria of a capital lease as defined by Statement of Financial Accounting Standards No. 13, "Accounting for Leases," which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee. Principal and interest payments of \$2,228 and \$58, respectively, were paid from the General Fund during 2000, which retired the lease.

Fixed assets acquired by lease have been capitalized in the amount of \$8,300, which is equal to the present value of the future minimum lease payments at the time of acquisition.

Note 12 - Contractual Commitments

As of December 31, 2000, the City had a contractual commitment for the following project:

	Contractual Commitment	Expended	Balance Remaining
Sewer Treatment Plant Improvements	\$1,402,000	\$558,085	\$843,915

Note 13 - Defined Benefit Pension Plans

A. Public Employees Retirement System

All 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 \$52,781, \$90,979, and \$84,949, respectively. The full amount has been contributed for 1999 and 1998. 77 percent has been contributed for 2000 with the remainder being reported as a fund liability.

City of Belpre, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2000

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. 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. 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 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 \$45,343 and \$5,820 for the year ended December 31, 2000, \$44,151 and \$5,099 for the year ended December 31, 1999, and \$42,773 and \$4,834 for the year ended December 31, 1998. The full amount has been contributed for 1999 and 1998. 73.04 percent and 76.09 percent, respectively, have been contributed for 2000 with the remainder being reported as a fund liability.

Note 14 - Postemployment Benefits

A. Public Employees Retirement System

The Public Employees Retirement System of Ohio (PERS) provides postretirement health care coverage to age and service retirees with ten or more years of qualifying Ohio service credit. 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.

City of Belpre, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2000

The number of active contributing participants was 401,339. The City's actual contributions for 2000 which were used to fund postemployment benefits were \$34,703. 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. 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 \$26,836 for police and \$2,519 for fire. The 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.

City of Belpre, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2000

Note 15 - Jointly Governed Organizations

A. Community Action Program Corporation of Washington-Morgan Counties, Ohio

The Community Action Program Corporation of Washington-Morgan Counties, Ohio, is operated as non-profit organization formed to provide various programs in Washington and Morgan Counties. Currently, the Corporation administers the Family Service and Outreach Program; the Community Action Bus Line (CABL); the Child Development Program; the Senior Nutrition Program; Women, Infants and Childrens' Supplemental Nutrition Program; the Home Weatherization Assistance and Energy Program; the Job Training and Partnership Act Program; Housing and Urban Development Section 8 Existing Housing Voucher/Certificate Program; and various other state and federal programs. The Corporation is the direct recipient of the federal and state monies. The Corporation is governed by a fifteen member council. The council is composed of the Mayor of the City of Marietta, the Mayor of the City of Belpre, two commissioners from Washington County, one Commissioner from Morgan County, five lower income representatives, and five private sector representatives from Washington and Morgan Counties selected by outreach workers. Currently, the Corporation, by contract with the City of Belpre and Washington and Morgan Counties, provides administrative services to these governments in specific programs. During 2000, the Corporation did not receive any administrative fees from the City. These fees were received by the Corporation directly from the granting agencies. The continued existence of the Corporation is not dependent on the City's continued participation and no equity interest exists.

B. Wood, Washington, and Wirt Planning Commission

The Wood, Washington, and Wirt Planning Commission was created to fulfill the requirements governing urban transportation planning under the Federal Highway Administration and Urban Mass Transportation Administration program regulations in Wood, Washington, and Wirt Counties. The Commission was formed pursuant to West Virginia Code Sections and Ohio Revised Code Section 713.30 and serves as a form of a regional planning commission. The Commission is composed of representatives from county and city governments and a cross section of members from the community appointed by the governmental units. Currently, the Commission has eight governmental representatives and the Mayor of the City of Belpre serves on the Commission. Revenues are derived from Federal Highway and Federal Transportation Administration Grants distributed by the States of Ohio and West Virginia. Local governments contribute a ten percent local match. During 2000, the City of Belpre contributed \$1,611. The continued existence of the Commission is not dependent on the City's continued participation and no equity interest exists.

Note 16 - Contingent Liabilities

A. Litigation

The City of Belpre is a party to legal proceedings seeking damages. The City management is of the opinion that the ultimate disposition of the various claims and legal proceedings will not have a material effect, if any, on the financial condition of the City.

City of Belpre, Ohio
Notes To The Basic Financial Statements
For the Year Ended December 31, 2000

B. Federal and State Grants

The City participates in several federally assisted programs. These programs are subject to financial and compliance audits by the grantor or their representative. As of December 31, 2000, the audits of certain of these programs have not been completed. Accordingly, the City's compliance with applicable grant requirements will be established at some future date.

**Combining Statements and
Individual Fund Schedules**

Combining Statements - Nonmajor Governmental Funds

Nonmajor Special Revenue Funds

To account for the proceeds of specific revenue sources (other than amounts relating to major capital projects) that are legally restricted to expenditures for specified purposes.

Permissive Tax - To account for monies received from two \$5 taxes on motor vehicle licenses, one from Washington County and one from the City. The monies are used for the maintenance of public roads, highways, streets, and bridges within the City.

State Highway - Required by the Ohio Revised Code to account for that portion of the State gasoline tax and motor vehicle registration fees designated for maintenance of state highways within the City.

Cops - To account for federal and State grants used to establish or expand community policing programs.

Law Enforcement Block Grant - To account for federal monies to help finance police protection.

Law Enforcement Trust - Required by the Ohio Revised Code to account for monies received from Federal Law Enforcement agencies designated for law enforcement purposes.

Enforcement and Education - To account for money confiscated during drug busts that is used for future drug enforcement and for drug education programs. This fund also accounts for the Drug Abuse Resistance Education (DARE) program which accounts for donations and grant monies for education designed to prevent drug abuse.

River Front Feasibility - To account for a State grant received for a river walk study to be conducted by the Army Corp of Engineers.

Mayor's Court Computerization - To account for a fee not to exceed \$3 per case for the purpose of computerizing the court and making computer research services available to the court.

Clerk Computerization - To account for a fee not to exceed \$10 per case for the purpose of computerizing the office of the clerk of the mayor's court.

Parks and Recreation - To account for donations and rental payments used for the operation of the City parks.

Pool - To account for receipts from pool passes and rentals to operate the City's swimming pool.

(continued)

**Combining Statements - Nonmajor Governmental Funds
(continued)**

Nonmajor Capital Projects Fund

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

City Building Construction - To account for all costs associated with the construction of the new city building.

City of Belpre, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2000

	Permissive Tax	State Highway	Law Enforcement Block Grant	Law Enforcement Trust
Assets				
Equity in Pooled Cash and Cash Equivalents	\$49,567	\$20,864	\$2,377	\$969
Cash and Cash Equivalent in Segregated Accounts	0	0	0	0
Taxes Receivable	2,606	0	0	0
Due from Other Governments	0	8,357	0	0
Prepaid Items	0	0	0	0
<i>Total Assets</i>	<u>\$52,173</u>	<u>\$29,221</u>	<u>\$2,377</u>	<u>\$969</u>
Liabilities and Fund Balances				
Liabilities				
Accounts Payable	\$0	\$3,560	\$0	\$0
Accrued Wages	0	95	0	0
Due to Other Governments	0	124	0	0
Deferred Revenue	0	5,787	0	0
<i>Total Liabilities</i>	<u>0</u>	<u>9,566</u>	<u>0</u>	<u>0</u>
Fund Balances				
Reserved for Encumbrances	0	3,540	0	0
Unreserved, Undesignated, Reported in Special Revenue Funds	52,173	16,115	2,377	969
<i>Total Fund Balances</i>	<u>52,173</u>	<u>19,655</u>	<u>2,377</u>	<u>969</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$52,173</u>	<u>\$29,221</u>	<u>\$2,377</u>	<u>\$969</u>

<u>Enforcement and Education</u>	<u>Mayor's Court Computerization</u>	<u>Clerk Computerization</u>	<u>Parks and Recreation</u>	<u>Pool</u>	<u>Total Governmental Funds</u>
\$1,788	\$4,549	\$6,236	\$69,761	\$1,457	\$157,568
25	190	598	0	0	813
0	0	0	0	0	2,606
4,921	0	0	349	549	14,176
0	0	0	2,058	0	2,058
<u>\$6,734</u>	<u>\$4,739</u>	<u>\$6,834</u>	<u>\$72,168</u>	<u>\$2,006</u>	<u>\$177,221</u>
\$0	\$0	\$0	\$305	\$353	4,218
0	0	0	0	0	95
0	0	0	605	781	1,510
0	0	0	0	0	5,787
<u>0</u>	<u>0</u>	<u>0</u>	<u>910</u>	<u>1,134</u>	<u>11,610</u>
0	60	0	1,523	0	5,123
<u>6,734</u>	<u>4,679</u>	<u>6,834</u>	<u>69,735</u>	<u>872</u>	<u>160,488</u>
<u>6,734</u>	<u>4,739</u>	<u>6,834</u>	<u>71,258</u>	<u>872</u>	<u>165,611</u>
<u>\$6,734</u>	<u>\$4,739</u>	<u>\$6,834</u>	<u>\$72,168</u>	<u>\$2,006</u>	<u>\$177,221</u>

City of Belpre, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2000

	Permissive Tax	State Highway	Cops	Law Enforcement Block Grant
Revenues				
Motor Vehicle License Tax	\$35,370	\$0	\$0	\$0
Charges for Services	0	0	0	0
Fines, Licenses and Permits	0	0	0	0
Intergovernmental	0	17,303	0	2,377
Investment Earnings	0	1,106	0	0
Donations	0	0	0	0
Other	0	80	0	0
<i>Total Revenues</i>	<u>35,370</u>	<u>18,489</u>	<u>0</u>	<u>2,377</u>
Expenditures				
Current:				
General Government	0	0	0	0
Security of Persons and Property:				
Police	0	0	200	5,700
Transportation	1,350	18,392	0	0
Leisure Time Activities:				
Parks	0	0	0	0
Pool	0	0	0	0
Debt Service:				
Principal Retirement	10,118	0	0	0
Interest and Fiscal Charges	1,340	0	0	0
<i>Total Expenditures</i>	<u>12,808</u>	<u>18,392</u>	<u>200</u>	<u>5,700</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>22,562</u>	<u>97</u>	<u>(200)</u>	<u>(3,323)</u>
Other Financing Sources				
Proceeds of Loans	0	0	0	0
Transfers In	0	0	0	0
<i>Total Other Financing Sources</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	22,562	97	(200)	(3,323)
<i>Fund Balances Beginning of Year</i>	<u>29,611</u>	<u>19,558</u>	<u>200</u>	<u>5,700</u>
<i>Fund Balances End of Year</i>	<u>\$52,173</u>	<u>\$19,655</u>	<u>\$0</u>	<u>\$2,377</u>

<u>Law Enforcement Trust</u>	<u>Enforcement and Education</u>	<u>River Front Feasibility</u>	<u>Mayor's Court Computerization</u>	<u>Clerk Computerization</u>	<u>Parks and Recreation</u>
\$0	\$0	\$0	\$0	\$0	\$0
0	0	0	0	0	5,700
0	450	0	2,849	9,626	0
0	4,921	125,000	0	0	0
0	0	0	0	0	0
0	0	0	0	0	24,446
0	0	0	0	0	654
<u>0</u>	<u>5,371</u>	<u>125,000</u>	<u>2,849</u>	<u>9,626</u>	<u>30,800</u>
0	0	0	0	0	0
0	9,500	0	2,681	9,698	0
0	0	0	0	0	0
0	0	125,000	0	0	68,447
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>0</u>	<u>9,500</u>	<u>125,000</u>	<u>2,681</u>	<u>9,698</u>	<u>68,447</u>
<u>0</u>	<u>(4,129)</u>	<u>0</u>	<u>168</u>	<u>(72)</u>	<u>(37,647)</u>
0	0	0	0	0	0
0	0	0	0	0	88,295
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>88,295</u>
0	(4,129)	0	168	(72)	50,648
<u>969</u>	<u>10,863</u>	<u>0</u>	<u>4,571</u>	<u>6,906</u>	<u>20,610</u>
<u>\$969</u>	<u>\$6,734</u>	<u>\$0</u>	<u>\$4,739</u>	<u>\$6,834</u>	<u>\$71,258</u>

(continued)

City of Belpre, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds (continued)
For the Year Ended December 31, 2000

	Pool	Total Nonmajor Special Revenue Funds	Nonmajor City Building Construction Capital Projects Fund	Total Governmental Funds
Revenues				
Motor Vehicle License Tax	\$0	\$35,370	\$0	\$35,370
Charges for Services	25,752	31,452	0	31,452
Fines, Licenses and Permits	0	12,925	0	12,925
Intergovernmental	0	149,601	0	149,601
Investment Earnings	0	1,106	0	1,106
Donations	0	24,446	0	24,446
Other	866	1,600	0	1,600
<i>Total Revenues</i>	<u>26,618</u>	<u>256,500</u>	<u>0</u>	<u>256,500</u>
Expenditures				
Current:				
General Government	0	0	3,752	3,752
Security of Persons and Property:				
Police	0	27,779	1,848	29,627
Transportation	0	19,742	0	19,742
Leisure Time Activities:				
Parks	0	193,447	0	193,447
Pool	56,533	56,533	0	56,533
Debt Service:				
Principal Retirement	0	10,118	0	10,118
Interest and Fiscal Charges	0	1,340	0	1,340
<i>Total Expenditures</i>	<u>56,533</u>	<u>308,959</u>	<u>5,600</u>	<u>314,559</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(29,915)</u>	<u>(52,459)</u>	<u>(5,600)</u>	<u>(58,059)</u>
Other Financing Sources				
Proceeds of Loans	0	0	31,888	31,888
Transfers In	20,000	108,295	0	108,295
<i>Total Other Financing Sources</i>	<u>20,000</u>	<u>108,295</u>	<u>31,888</u>	<u>140,183</u>
<i>Net Change in Fund Balances</i>	(9,915)	55,836	26,288	82,124
<i>Fund Balances Beginning of Year</i>	<u>10,787</u>	<u>109,775</u>	<u>(26,288)</u>	<u>83,487</u>
<i>Fund Balances End of Year</i>	<u><u>\$872</u></u>	<u><u>\$165,611</u></u>	<u><u>\$0</u></u>	<u><u>\$165,611</u></u>

**Individual Fund Schedules of Revenues, Expenditures/Expenses
and Changes in Fund Balances - Budget (Non-GAAP Basis) and Actual**

City of Belpre, 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

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Property and Other Taxes	\$252,816	\$252,816	\$246,342	(\$6,474)
Municipal Income Tax	697,085	697,085	644,685	(52,400)
Charges for Services	76,000	76,000	68,357	(7,643)
Fines, Licenses and Permits	95,100	95,100	128,385	33,285
Intergovernmental	185,550	185,550	261,677	76,127
Investment Income	45,000	45,000	69,241	24,241
Donations	17,450	17,450	11,825	(5,625)
Other	18,450	18,450	9,467	(8,983)
<i>Total Revenues</i>	<u>1,387,451</u>	<u>1,387,451</u>	<u>1,439,979</u>	<u>52,528</u>
Expenditures				
Current:				
General Government:				
Council:				
Salaries and Wages	24,710	24,710	24,545	165
Fringe Benefits	4,970	4,395	3,968	427
Materials and Supplies	5,150	8,225	8,143	82
Capital Outlay	0	5,000	4,966	34
Total Council	<u>34,830</u>	<u>42,330</u>	<u>41,622</u>	<u>708</u>
Mayor:				
Salaries and Wages	36,000	35,000	34,000	1,000
Fringe Benefits	16,860	11,633	9,832	1,801
Materials and Supplies	1,830	1,430	1,189	241
Capital Outlay	1,400	1,700	1,681	19
Total Mayor	<u>56,090</u>	<u>49,763</u>	<u>46,702</u>	<u>3,061</u>
Auditor and Treasurer:				
Materials and Supplies	26,875	21,875	18,259	3,616
Total Auditor and Treasurer	<u>26,875</u>	<u>21,875</u>	<u>18,259</u>	<u>3,616</u>
Auditor:				
Salaries and Wages	83,822	89,689	89,628	61
Fringe Benefits	30,084	29,308	28,480	828
Materials and Supplies	10,892	7,347	6,712	635
Capital Outlay	7,500	8,043	7,862	181
Other	500	500	66	434
Total Auditor	<u>\$132,798</u>	<u>\$134,887</u>	<u>\$132,748</u>	<u>\$2,139</u>

(continued)

City of Belpre, 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

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Treasurer:				
Salaries and Wages	\$2,910	\$2,910	\$2,906	\$4
Fringe Benefits	1,045	545	477	68
Materials and Supplies	185	0	0	0
Total Treasurer	<u>4,140</u>	<u>3,455</u>	<u>3,383</u>	<u>72</u>
Law Director:				
Salaries and Wages	40,000	40,000	40,000	0
Fringe Benefits	24,096	22,845	22,815	30
Materials and Supplies	0	180	178	2
Total Law Director	<u>64,096</u>	<u>63,025</u>	<u>62,993</u>	<u>32</u>
Civil Service:				
Salaries and Wages	1,750	1,750	1,750	0
Fringe Benefits	361	361	269	92
Materials and Supplies	1,275	746	594	152
Total Civil Service	<u>3,386</u>	<u>2,857</u>	<u>2,613</u>	<u>244</u>
Inspectors:				
Salaries and Wages	2,950	4,230	3,757	473
Total Inspectors	<u>2,950</u>	<u>4,230</u>	<u>3,757</u>	<u>473</u>
City Building:				
Salaries and Wages	51,000	51,320	51,075	245
Fringe Benefits	18,325	16,005	13,888	2,117
Materials and Supplies	60,099	56,089	52,571	3,518
Total City Building	<u>129,424</u>	<u>123,414</u>	<u>117,534</u>	<u>5,880</u>
Total General Government	<u>454,589</u>	<u>445,836</u>	<u>429,611</u>	<u>16,225</u>
Security of Persons and Property:				
Police:				
Salaries and Wages	526,842	522,842	497,570	25,272
Fringe Benefits	225,453	224,453	184,334	40,119
Materials and Supplies	71,906	100,844	92,381	8,463
Capital Outlay	27,500	51,688	27,831	23,857
Total Police	<u>\$851,701</u>	<u>\$899,827</u>	<u>\$802,116</u>	<u>\$97,711</u>

(continued)

City of Belpre, 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

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Favorable (Unfavorable)
Fire:				
Salaries and Wages	\$33,592	\$35,356	\$35,218	\$138
Fringe Benefits	27,200	26,008	26,035	(27)
Materials and Supplies	41,660	55,970	54,863	1,107
Total Fire	<u>102,452</u>	<u>117,334</u>	<u>116,116</u>	<u>1,218</u>
Total Security of Persons and Property	<u>954,153</u>	<u>1,017,161</u>	<u>918,232</u>	<u>98,929</u>
Public Health Services:				
Health:				
Salaries and Wages	3,000	3,000	3,000	0
Fringe Benefits	3,445	2,445	2,312	133
Materials and Supplies	21,116	18,501	16,768	1,733
Total Public Health Services	<u>27,561</u>	<u>23,946</u>	<u>22,080</u>	<u>1,866</u>
Transportation:				
Street Lighting:				
Materials and Supplies	73,000	69,900	69,861	39
Total Transportation	<u>73,000</u>	<u>69,900</u>	<u>69,861</u>	<u>39</u>
Leisure Time Activities:				
Senior Center:				
Salaries and Wages	13,725	13,985	13,979	6
Fringe Benefits	2,780	2,320	2,287	33
Materials and Supplies	4,975	3,895	3,539	356
Total Leisure Time Activities	<u>21,480</u>	<u>20,200</u>	<u>19,805</u>	<u>395</u>
Total Expenditures	<u>1,530,783</u>	<u>1,577,043</u>	<u>1,459,589</u>	<u>117,454</u>
Excess of Revenues Under Expenditures	<u>(143,332)</u>	<u>(189,592)</u>	<u>(19,610)</u>	<u>169,982</u>
Other Financing Sources (Uses)				
Sale of Fixed Assets	200	200	0	(200)
Transfers In	85,000	112,260	76,774	(35,486)
Transfers Out	(30,000)	(36,100)	(36,100)	0
Total Other Financing Sources (Uses)	<u>55,200</u>	<u>76,360</u>	<u>40,674</u>	<u>(35,686)</u>
Net Change in Fund Balance	<u>(88,132)</u>	<u>(113,232)</u>	<u>21,064</u>	<u>134,296</u>
Fund Balance Beginning of Year	<u>349,872</u>	<u>349,872</u>	<u>349,872</u>	<u>0</u>
Prior Year Encumbrances Appropriated	<u>6,735</u>	<u>6,735</u>	<u>6,735</u>	<u>0</u>
Fund Balance End of Year	<u>\$268,475</u>	<u>\$243,375</u>	<u>\$377,671</u>	<u>\$134,296</u>

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

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
Revenues				
Charges for Services	\$5,000	\$5,000	\$9,562	\$4,562
Intergovernmental	205,000	205,000	214,773	9,773
Investment Earnings	2,800	2,800	645	(2,155)
Other	1,500	1,500	400	(1,100)
<i>Total Revenues</i>	<u>214,300</u>	<u>214,300</u>	<u>225,380</u>	<u>11,080</u>
Expenditures				
Current:				
Street:				
Transportation:				
Salaries and Wages	166,500	158,720	158,662	58
Fringe Benefits	60,405	48,158	47,810	348
Materials and Supplies	73,032	93,059	90,902	2,157
<i>Total Expenditures</i>	<u>299,937</u>	<u>299,937</u>	<u>297,374</u>	<u>2,563</u>
<i>Excess of Revenues Under Expenditures</i>	(85,637)	(85,637)	(71,994)	13,643
Other Financing Sources				
Transfers In	60,000	60,000	60,000	0
<i>Net Change in Fund Balance</i>	(25,637)	(25,637)	(11,994)	13,643
<i>Fund Balance Beginning of Year</i>	18,867	18,867	18,867	0
Prior Year Encumbrances Appropriated	7,132	7,132	7,132	0
<i>Fund Balance End of Year</i>	<u>\$362</u>	<u>\$362</u>	<u>\$14,005</u>	<u>\$13,643</u>

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Municipal Income Tax	\$250,000	\$250,000	\$250,000	\$0
Intergovernmental	35,000	35,000	0	(35,000)
<i>Total Revenues</i>	<u>285,000</u>	<u>285,000</u>	<u>250,000</u>	<u>(35,000)</u>
Expenditures				
Capital Outlay:				
Capital Outlay	110,920	128,703	93,233	35,470
Debt Service:				
Principal Retirement	339,355	343,008	342,966	42
Interest and Fiscal Charges	25,232	33,391	33,358	33
<i>Total Expenditures</i>	<u>475,507</u>	<u>505,102</u>	<u>469,557</u>	<u>35,545</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(190,507)</u>	<u>(220,102)</u>	<u>(219,557)</u>	<u>545</u>
Other Financing Sources (Uses)				
Proceeds of Loans	0	15,675	15,675	0
Transfers Out	(146,195)	(132,275)	(132,195)	80
<i>Total Other Financing Sources (Uses)</i>	<u>(146,195)</u>	<u>(116,600)</u>	<u>(116,520)</u>	<u>80</u>
<i>Net Change in Fund Balance</i>	(336,702)	(336,702)	(336,077)	625
<i>Fund Balance Beginning of Year</i>	354,512	354,512	354,512	0
Prior Year Encumbrances Appropriated	420	420	420	0
<i>Fund Balance End of Year</i>	<u>\$18,230</u>	<u>\$18,230</u>	<u>\$18,855</u>	<u>\$625</u>

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Motor Vehicle Licence Tax	\$35,900	\$35,900	\$0	(\$35,900)
Intergovernmental	31,500	31,500	35,554	4,054
<i>Total Revenues</i>	<u>67,400</u>	<u>67,400</u>	<u>35,554</u>	<u>(31,846)</u>
Expenditures				
Current:				
Street:				
Transportation:				
Capital Outlay	55,940	55,940	1,350	54,590
Debt Service:				
Principal Retirement	10,118	10,118	10,118	0
Interest and Fiscal Charges	1,340	1,340	1,340	0
<i>Total Expenditures</i>	<u>67,398</u>	<u>67,398</u>	<u>12,808</u>	<u>54,590</u>
<i>Net Change in Fund Balance</i>	2	2	22,746	22,744
<i>Fund Balance Beginning of Year</i>	<u>26,821</u>	<u>26,821</u>	<u>26,821</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$26,823</u></u>	<u><u>\$26,823</u></u>	<u><u>\$49,567</u></u>	<u><u>\$22,744</u></u>

City of Belpre, 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

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Intergovernmental	\$16,900	\$16,900	\$17,414	\$514
Investment Earnings	0	0	1,105	1,105
<i>Total Revenues</i>	16,900	16,900	18,519	1,619
Expenditures				
Current:				
State Highway:				
Transportation:				
Salaries and Wages	5,530	11,405	11,398	7
Fringe Benefits	1,723	2,648	2,510	138
Materials and Supplies	9,700	12,400	8,465	3,935
<i>Total Expenditures</i>	16,953	26,453	22,373	4,080
<i>Net Change in Fund Balance</i>	(53)	(9,553)	(3,854)	5,699
<i>Fund Balance Beginning of Year</i>	17,078	17,078	17,078	0
<i>Fund Balance End of Year</i>	\$17,025	\$7,525	\$13,224	\$5,699

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Expenditures				
Current:				
Security of Persons and Property:				
Police:				
Salaries and Wages	<u>\$200</u>	<u>\$200</u>	<u>\$200</u>	<u>\$0</u>
<i>Net Change in Fund Balance</i>	(200)	(200)	(200)	0
<i>Fund Balance Beginning of Year</i>	<u>200</u>	<u>200</u>	<u>200</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

City of Belpre, 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

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$7,500	\$7,500	\$2,377	(\$5,123)
Investment Earnings	0	0	52	52
	<u>7,500</u>	<u>7,500</u>	<u>2,429</u>	<u>(5,071)</u>
<i>Total Revenues</i>	7,500	7,500	2,429	(5,071)
Expenditures				
Current:				
Security of Persons and Property:				
Police:				
Salaries and Wages	14,500	14,500	7,052	7,448
	<u>(7,000)</u>	<u>(7,000)</u>	<u>(4,623)</u>	<u>2,377</u>
<i>Net Change in Fund Balance</i>	(7,000)	(7,000)	(4,623)	2,377
<i>Fund Balance Beginning of Year</i>	<u>7,000</u>	<u>7,000</u>	<u>7,000</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$2,377</u></u>	<u><u>\$2,377</u></u>

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Expenditures				
Current:				
Security of Persons and Property:				
Police:				
Materials and Supplies	<u>\$969</u>	<u>\$969</u>	<u>\$0</u>	<u>\$969</u>
<i>Net Change in Fund Balance</i>	(969)	(969)	0	969
<i>Fund Balance Beginning of Year</i>	<u>969</u>	<u>969</u>	<u>969</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$969</u></u>	<u><u>\$969</u></u>

City of Belpre, 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

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Fines, Licenses and Permits	\$0	\$0	\$475	\$475
Intergovernmental	9,500	9,500	9,576	76
<i>Total Revenues</i>	9,500	9,500	10,051	551
Expenditures				
Current:				
Security of Persons and Property:				
Police:				
Salaries and Wages	9,500	9,500	9,500	0
<i>Net Change in Fund Balance</i>	0	0	551	551
<i>Fund Balance Beginning of Year</i>	1,237	1,237	1,237	0
<i>Fund Balance End of Year</i>	<u>\$1,237</u>	<u>\$1,237</u>	<u>\$1,788</u>	<u>\$551</u>

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$125,000	\$125,000	\$125,000	\$0
Expenditures				
Current:				
Leisure Time Activities:				
Parks:				
Capital Outlay	<u>125,000</u>	<u>125,000</u>	<u>125,000</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	0	0	0
<i>Fund Balance Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>		
Revenues				
Fines, Licenses and Permits	\$2,800	\$2,800	\$2,833	\$33
Expenditures				
Current:				
Security of Persons and Property:				
Mayor's Court:				
Materials and Supplies	<u>6,022</u>	<u>6,022</u>	<u>2,741</u>	<u>3,281</u>
<i>Net Change in Fund Balance</i>	(3,222)	(3,222)	92	3,314
<i>Fund Balance Beginning of Year</i>	4,375	4,375	4,375	0
Prior Year Encumbrances Appropriated	<u>22</u>	<u>22</u>	<u>22</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$1,175</u></u>	<u><u>\$1,175</u></u>	<u><u>\$4,489</u></u>	<u><u>\$3,314</u></u>

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>		
Revenues				
Fines, Licenses and Permits	<u>\$8,000</u>	<u>\$8,000</u>	<u>\$9,619</u>	<u>\$1,619</u>
Expenditures				
Current:				
Security of Persons and Property:				
Clerk:				
Salaries and Wages	0	300	0	300
Materials and Supplies	<u>10,000</u>	<u>9,700</u>	<u>9,698</u>	<u>2</u>
<i>Total Expenditures</i>	<u>10,000</u>	<u>10,000</u>	<u>9,698</u>	<u>302</u>
<i>Net Change in Fund Balance</i>	(2,000)	(2,000)	(79)	1,921
<i>Fund Balance Beginning of Year</i>	<u>6,315</u>	<u>6,315</u>	<u>6,315</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$4,315</u></u>	<u><u>\$4,315</u></u>	<u><u>\$6,236</u></u>	<u><u>\$1,921</u></u>

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

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Charges for Services	\$5,425	\$5,425	\$5,700	\$275
Donations	8,000	22,000	24,446	2,446
Other	475	475	305	(170)
<i>Total Revenues</i>	13,900	27,900	30,451	2,551
Expenditures				
Current:				
Leisure Time Activities:				
Parks:				
Salaries and Wages	18,700	21,850	21,563	287
Fringe Benefits	4,195	3,795	3,699	96
Materials and Supplies	24,531	54,881	28,096	26,785
Capital Outlay	59,000	49,500	18,270	31,230
<i>Total Expenditures</i>	106,426	130,026	71,628	58,398
<i>Excess of Revenues Under Expenditures</i>	(92,526)	(102,126)	(41,177)	60,949
Other Financing Sources				
Transfers In	87,200	87,200	88,295	1,095
<i>Net Change in Fund Balance</i>	(5,326)	(14,926)	47,118	62,044
<i>Fund Balance Beginning of Year</i>	20,331	20,331	20,331	0
Prior Year Encumbrances Appropriated	181	181	181	0
<i>Fund Balance End of Year</i>	\$15,186	\$5,586	\$67,630	\$62,044

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

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Charges for Services	\$37,925	\$37,925	\$25,752	(\$12,173)
Other	0	0	317	317
<i>Total Revenues</i>	<i>37,925</i>	<i>37,925</i>	<i>26,069</i>	<i>(11,856)</i>
Expenditures				
Current:				
Leisure Time Activities:				
Pool:				
Salaries and Wages	31,000	33,500	33,297	203
Fringe Benefits	6,050	6,050	5,352	698
Materials and Supplies	25,700	23,200	18,866	4,334
<i>Total Expenditures</i>	<i>62,750</i>	<i>62,750</i>	<i>57,515</i>	<i>5,235</i>
<i>Excess of Revenues Under Expenditures</i>	<i>(24,825)</i>	<i>(24,825)</i>	<i>(31,446)</i>	<i>(6,621)</i>
Other Financing Sources				
Transfers In	29,000	29,000	20,000	(9,000)
<i>Net Change in Fund Balance</i>	<i>4,175</i>	<i>4,175</i>	<i>(11,446)</i>	<i>(15,621)</i>
<i>Fund Balance Beginning of Year</i>	<i>11,783</i>	<i>11,783</i>	<i>11,783</i>	<i>0</i>
<i>Fund Balance End of Year</i>	<i>\$15,958</i>	<i>\$15,958</i>	<i>\$337</i>	<i>(\$15,621)</i>

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

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Expenditures				
Capital Outlay:				
Capital Outlay	\$210,324	\$210,324	\$43,250	\$167,074
<i>Total Expenditures</i>	210,324	210,324	43,250	167,074
Other Financing Sources				
Sale of Fixed Assets	200,000	200,000	0	(200,000)
Proceeds of Loans	0	0	31,888	31,888
<i>Total Other Financing Sources</i>	200,000	200,000	31,888	(168,112)
<i>Net Change in Fund Balance</i>	(10,324)	(10,324)	(11,362)	(1,038)
<i>Fund Balance Beginning of Year</i>	1,038	1,038	1,038	0
Prior Year Encumbrances Appropriated	10,324	10,324	10,324	0
<i>Fund Balance End of Year</i>	\$1,038	\$1,038	\$0	(\$1,038)

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Charges for Services	\$550,200	\$550,200	\$548,221	(\$1,979)
Expenses				
Salaries and Wages	8,550	8,550	7,346	1,204
Fringe Benefits	3,365	3,365	2,821	544
Contractual Services	455,500	461,940	425,263	36,677
Materials and Supplies	10,500	7,500	3,614	3,886
<i>Total Expenses</i>	<u>477,915</u>	<u>481,355</u>	<u>439,044</u>	<u>42,311</u>
<i>Excess of Revenues Over Expenses</i>	72,285	68,845	109,177	40,332
Other Financing Uses				
Transfers Out	(85,000)	(81,560)	(76,774)	4,786
<i>Net Change in Fund Balance</i>	(12,715)	(12,715)	32,403	45,118
<i>Fund Balance Beginning of Year</i>	<u>154,153</u>	<u>154,153</u>	<u>154,153</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$141,438</u></u>	<u><u>\$141,438</u></u>	<u><u>\$186,556</u></u>	<u><u>\$45,118</u></u>

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Charges for Services	\$1,037,000	\$1,037,000	\$1,034,430	(\$2,570)
Capital Grants	200,000	200,000	161,252	(38,748)
Other Non-Operating Revenues	0	50,000	50,000	0
Proceeds of Loans	<u>1,200,000</u>	<u>1,215,675</u>	<u>334,326</u>	<u>(881,349)</u>
<i>Total Revenues</i>	<u>2,437,000</u>	<u>2,502,675</u>	<u>1,580,008</u>	<u>(922,667)</u>
Expenses				
Salaries and Wages	278,706	276,527	276,527	0
Fringe Benefits	95,806	89,629	89,472	157
Contractual Services	365,396	341,536	337,509	4,027
Materials and Supplies	24,541	29,388	30,347	(959)
Capital Outlay	1,500,000	800,075	672,957	127,118
Debt Service:				
Principal Retirement	62,472	31,390	31,396	(6)
Interest and Fiscal Charges	<u>77,830</u>	<u>18,881</u>	<u>18,870</u>	<u>11</u>
<i>Total Expenses</i>	<u>2,404,751</u>	<u>1,587,426</u>	<u>1,457,078</u>	<u>130,348</u>
<i>Net Change in Fund Balance</i>	32,249	915,249	122,930	(792,319)
<i>Fund Deficit Beginning of Year</i>	(353,239)	(353,239)	(353,239)	0
Prior Year Encumbrances Appropriated	<u>453,537</u>	<u>453,537</u>	<u>453,537</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$132,547</u>	<u>\$1,015,547</u>	<u>\$223,228</u>	<u>(\$792,319)</u>

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Charges for Services	\$616,013	\$616,013	\$642,380	\$26,367
Tap-In Fees	7,250	7,250	17,026	9,776
Capital Grants	220,000	220,000	66,900	(153,100)
Investment Earnings	716	716	0	(716)
Other Non-Operating Revenues	6,000	6,000	14,593	8,593
Proceeds of Loans	0	15,675	82,465	66,790
<i>Total Revenues</i>	<u>849,979</u>	<u>865,654</u>	<u>823,364</u>	<u>(42,290)</u>
Expenses				
Salaries and Wages	114,835	114,190	104,049	10,141
Fringe Benefits	44,750	40,695	39,700	995
Contractual Services	138,667	183,751	164,173	19,578
Materials and Supplies	114,298	163,479	146,629	16,850
Other Operating Expenses	6,500	6,500	1,791	4,709
Capital Outlay	324,366	151,851	203,119	(51,268)
Debt Service:				
Principal Retirement	104,858	104,741	90,048	14,693
Interest and Fiscal Charges	25,819	25,936	14,853	11,083
<i>Total Expenses</i>	<u>874,093</u>	<u>791,143</u>	<u>764,362</u>	<u>26,781</u>
<i>Net Change in Fund Balance</i>	(24,114)	74,511	59,002	(15,509)
<i>Fund Balance Beginning of Year</i>	241,483	241,483	241,483	0
Prior Year Encumbrances Appropriated	<u>15,806</u>	<u>15,806</u>	<u>15,806</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$233,175</u></u>	<u><u>\$331,800</u></u>	<u><u>\$316,291</u></u>	<u><u>(\$15,509)</u></u>

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STATISTICAL SECTION

Statistical Section

The following statistical tables reflect social and economic data, financial trends, and fiscal capacity of the City. The City of Belpre does not have any net general bonded debt; therefore, no ratios of net general bonded debt to assessed value and net bonded debt per capita and no ratio of annual debt service expenditures for general bonded debt to total general governmental expenditures are presented in the City's statistical tables.

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City of Belpre, Ohio
 General Governmental Revenues by Source
 and Expenses/Expenditures by Function
 Last Ten Years

	2000			
	Full Accrual	Modified Accrual	1999	1998
Program Revenues				
Charges for Services	\$300,216	N/A	N/A	N/A
Operating Grants and Contributions	385,452	N/A	N/A	N/A
Capital Grants and Contributions	2,721	N/A	N/A	N/A
General Revenues (1)				
Property and Other Taxes	247,518	246,504	229,939	198,130
Municipal Income Tax	939,501	928,753	937,217	886,784
Motor Vehicle License Tax	0	35,370	35,789	36,368
Charges for Services	0	109,371	74,310	64,423
Fines, Licenses and Permits	0	145,858	161,705	108,316
Intergovernmental	289,198	653,661	874,214	627,138
Investment Earnings	68,561	70,260	68,162	61,429
Other	26,497	66,885	41,135	80,868
Total	\$2,259,664	\$2,256,662	\$2,422,471	\$2,063,456
Expenses/Expenditures (1)				
Current				
General Government	\$443,082	\$426,545	\$403,869	\$465,875
Security of Persons and Property: (2)			903,542	866,326
Police	840,810	876,349	N/A	N/A
Fire	203,981	115,238	N/A	N/A
Public Health Services	31,433	21,735	19,910	28,112
Transportation	1,701,589	406,219	441,047	346,332
Leisure Time Activities: (2)			211,434	115,837
Senior Center	21,584	19,816	N/A	0
Parks	226,731	193,447	N/A	0
Pool	65,380	56,533	N/A	0
Capital Outlay	0	0	2,044,321	205,139
Debt Service:				
Principal Retirement	0	353,084	83,623	2,634
Interest and Fiscal Charges	34,698	34,698	23,996	20,032
Total	\$3,569,288	\$2,503,664	\$4,131,742	\$2,050,287

- (1) 1991 thru 1996 revenues and expenditures are cash basis and include General Fund only.
- (2) 2000 was the first year subcategories were identified for security of persons and property and leisure time activities.
- (3) 2000 was the first year for full accrual information. In later years, when comparisons are available, a separate table will be provided.

Source: City financial records

1997	1996	1995	1994	1993	1992	1991
N/A	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A
206,147	190,324	211,769	208,072	211,598	204,920	203,018
858,765	603,691	775,545	805,503	794,762	734,694	698,617
33,631	0	0	0	0	0	0
54,949	44,392	44,392	88,441	128,093	68,845	83,896
108,119	105,711	98,025	80,479	67,814	52,842	42,638
628,411	164,631	148,169	128,073	125,905	134,409	141,269
17,083	27,489	27,042	24,575	23,165	35,676	40,941
40,353	23,800	18,706	47,931	45,556	32,253	49,278
<u>\$1,947,458</u>	<u>\$1,160,038</u>	<u>\$1,323,648</u>	<u>\$1,383,074</u>	<u>\$1,396,893</u>	<u>\$1,263,639</u>	<u>\$1,259,657</u>
\$438,815	\$389,520	\$365,084	\$477,418	\$415,559	\$400,103	\$394,632
809,463	848,402	769,158	738,419	701,856	712,123	586,103
N/A	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A
32,259	31,789	31,772	30,602	29,430	28,851	27,932
378,273	60,321	66,640	127,961	98,858	150,150	57,269
57,334	20,148	22,188	15,370	16,929	25,290	31,648
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
161,105	0	0	0	0	0	0
633	0	0	0	0	0	0
27,351	0	0	0	0	0	0
<u>\$1,905,233</u>	<u>\$1,350,180</u>	<u>\$1,254,842</u>	<u>\$1,389,770</u>	<u>\$1,262,632</u>	<u>\$1,316,517</u>	<u>\$1,097,584</u>

City of Belpre, Ohio
Property Tax Levies and Collections
Real and Public Utility Tax(1)
Last Ten Years

<u>Year</u>	<u>Total Tax Levy</u>	<u>Current Collections(2)</u>	<u>Delinquent Collections</u>	<u>Total Collections</u>	<u>Percent of Total Collections To Tax Levy</u>	<u>Accumulated Outstanding Delinquent Taxes</u>	<u>Percent of Accumulated Delinquent Taxes to Total Tax Levy</u>
1991	\$162,028	\$174,194	\$6,932	\$181,126	111.79%	\$9,769	6.03%
1992	162,092	138,682	5,519	144,201	88.96	12,355	7.62
1993	167,203	159,665	6,354	166,019	99.29	8,081	4.83
1994	170,019	162,090	6,450	168,540	99.13	8,678	5.10
1995	170,129	160,243	7,679	167,922	98.70	8,378	4.92
1996	176,973	166,643	6,985	173,628	98.11	7,898	4.46
1997	178,043	167,726	7,967	175,693	98.68	7,762	4.36
1998	183,038	172,708	5,967	178,675	97.62	5,845	3.19
1999	220,727	202,237	5,537	207,774	94.13	6,680	3.03
2000	220,658	202,555	9,523	212,078	96.11	10,551	4.78

Source: Washington County, Ohio; County Auditor

(1) Does not include state reimbursements of homestead and rollback exemptions.

(2) Includes penalties which are not included in the total tax levy.

City of Belpre, Ohio
Property Tax Levies and Collections
Personal Property Tax
Last Ten Years

<u>Year</u>	<u>Total Tax Levy</u>	<u>Current Collections</u>	<u>Delinquent Collections</u>	<u>Total Collections</u>	<u>Percent of Total Collections To Tax Levy</u>	<u>Accumulated Outstanding Delinquent Taxes</u>	<u>Percent of Accumulated Delinquent Taxes to Total Tax Levy</u>
1991	\$15,899	\$15,349	\$475	\$15,824	99.53%	\$3,827	24.07%
1992	16,777	16,648	515	17,163	102.30	2,767	16.49
1993	15,004	13,476	417	13,893	92.60	2,871	19.13
1994	14,185	14,331	443	14,774	104.15	2,255	15.90
1995	14,766	14,956	223	15,179	102.80	2,074	14.05
1996	16,655	16,265	432	16,697	100.25	2,079	12.48
1997	17,055	17,067	531	17,598	103.18	2,408	14.12
1998	19,606	17,198	657	17,855	91.07	2,298	11.72
1999	19,209	16,994	2,889	19,883	103.51	2,353	12.25
2000	21,629	23,781	2,447	26,228	121.26	4,207	19.45

Source: Washington County, Ohio; County Auditor

City of Belpre, Ohio
Assessed Valuation and Estimated
True Values of Taxable Property
Last Ten Years

Year	Agricultural/ Residential Real Estate	Other Real Estate	Total Real Estate	Public Utility Personal	Tangible Personal	Total Assessed Value	Estimated True Value(1)	Percent of Assessed Value To Estimated True Value
1991	\$37,677,210	\$11,280,100	\$48,957,310	\$4,541,420	\$6,038,111	\$59,536,841	\$169,191,177	35%
1992	37,818,700	11,302,790	49,121,490	4,288,520	5,754,788	59,164,798	168,239,584	35
1993	37,609,900	13,387,570	50,997,470	3,963,250	5,471,465	60,432,185	172,096,610	35
1994	37,767,770	13,595,420	51,363,190	4,484,940	5,141,890	60,990,020	172,416,054	35
1995	37,991,850	13,537,230	51,529,080	4,344,050	4,874,710	60,747,840	171,661,203	35
1996	41,060,610	13,589,250	54,649,860	3,639,420	5,182,190	63,471,470	181,006,922	35
1997	41,288,970	13,660,410	54,949,380	3,591,100	5,443,110	63,983,590	182,851,464	35
1998	42,403,090	13,996,230	56,399,320	3,617,770	5,791,340	65,808,430	188,417,377	35
1999	51,397,150	16,422,850	67,820,000	3,672,170	6,464,460	77,956,630	223,802,189	35
2000	51,542,200	16,742,630	68,284,830	3,533,210	6,371,260	78,189,300	224,599,566	35

Source: Washington County, Ohio; County Auditor

(1) This amount is calculated by dividing the assessed value by the assessment percentage.

The percentages for 2000 are:

35 percent for all real estate,

88 percent for all public utility personal, and

25 percent for tangible personal.

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

<u>Year</u>	<u>City of Belpre General Fund</u>	<u>Belpre School District</u>	<u>Washington County JVS</u>	<u>Washington County</u>	<u>Total</u>
1991	\$3.40	\$31.00	\$1.80	\$7.70	\$43.90
1992	3.40	31.00	1.80	7.70	43.90
1993	3.40	31.00	1.80	7.70	43.90
1994	3.40	31.00	1.80	7.70	43.90
1995	3.40	31.00	1.80	7.70	43.90
1996	3.40	31.00	1.80	7.70	43.90
1997	3.40	31.00	1.80	7.70	43.90
1998	3.40	31.00	1.80	7.70	43.90
1999	3.40	31.00	1.80	7.70	43.90
2000	3.40	35.00	1.80	8.20	48.40

Source: Washington County, Ohio; County Auditor

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

Overall Debt Limitation		
10 1/2% of Assessed Valuation		\$8,209,877
Loans Payable	\$1,152,046	
Issue II Loans Payable	<u>139,501</u>	
Gross Indebtedness Outstanding	<u>1,291,547</u>	
Less: Debt Exempt from Limitation		
Sewer Loan	299,724	
Water Loan	82,142	
Issue II Water Loan	<u>80,103</u>	
Total	<u>461,969</u>	
Net Debt within 10 1/2% Limitation		<u>829,578</u>
Legal Debt Margin within 10 1/2% Limitation		<u><u>\$7,380,299</u></u>
 Unvoted Debt Limitation		
5 1/2% of Assessed Valuation		\$4,300,412
Gross Indebtedness Outstanding	\$1,291,547	
Less: Debt Exempt from Limitation	<u>(461,969)</u>	
Net Debt within 5 1/2% Limitation		<u>829,578</u>
Legal Debt Margin within 5 1/2% Limitation		<u><u>\$3,470,834</u></u>

Sources: Washington County, Ohio; County Auditor, and City records

City of Belpre, Ohio
 Computation of Overlapping General Obligation Bonded Debt
 December 31, 2000

<u>Jurisdiction</u>	<u>Debt Outstanding</u>	<u>Percentage Applicable to City of Belpre(1)</u>	<u>Amount Applicable to City of Belpre</u>
Washington County	\$4,495,000	7.93%	\$356,578

Source: Washington County, Ohio; County Auditor

(1) Percentage was determined by dividing the assessed valuation of the political subdivision located within the boundaries of the City by the total assessed valuation of the subdivision. The valuations used were for the 2000 collection year.

City of Belpre, Ohio
Property Value and Construction
Last Ten Years

<u>Year</u>	<u>Property Value (1)</u>	<u>Residential Construction Assessed Value</u>	<u>Commercial Construction Assessed Value</u>
1991	\$48,957,310	\$298,340	\$483,530
1992	49,121,490	222,100	51,180
1993	50,997,470	281,530	222,480
1994	51,363,190	185,560	196,000
1995	51,529,080	294,570	69,490
1996	54,649,860	344,170	103,410
1997	54,949,380	111,510	2,170
1998	56,399,320	1,042,440	294,290
1999	67,820,000	1,671,610	56,560
2000	68,284,830	243,130	251,000

Source: Washington County, Ohio; County Auditor

(1) Represents assessed value of real estate.

City of Belpre, Ohio
Principal Taxpayers - Real and Tangible Personal Property
December 31, 2000

Taxpayer	Nature of Business	2000 Assessed Valuation	Percent of Total Assessed Valuation
International Converter, Incorporated	Packaging Manufacturing	\$2,190,290	2.93%
Lee Middleton Original Dolls, Incorporated	Doll Manufacturing	1,712,240	2.29
Kroger Limited Partnership	Grocer	1,628,600	2.18
Russell L. Covey	Land Management	657,520	0.88
John O. and Linda I. Cornell	Land Management	504,250	0.68
Holder Harbour Corporation	Land Management	369,340	0.49
Cedarwood Apartments of Belpre	Apartment Rentals	349,570	0.47
Moore Enterprises	Land Management	346,360	0.46
Orion Development	Pharmacy	334,420	0.45
Laurel Estates	Land Management	306,160	0.41
		<u>\$8,398,750</u>	<u>11.24%</u>

Source: Washington County, Ohio; County Auditor

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

<u>Taxpayer</u>	<u>2000 Assessed Valuation</u>	<u>Percent of Total Assessed Valuation</u>
Ohio Bell Telephone	\$1,084,580	30.70%
East Ohio Gas Company	1,009,990	28.59
Monongahela Power Company	<u>972,100</u>	<u>27.51</u>
	<u><u>\$3,066,670</u></u>	<u><u>86.80%</u></u>

Source: Washington County, Ohio; County Auditor

City of Belpre, Ohio
 Ten Largest Employers
 December 31, 2000

Employer	Nature of Business	Number of Employees
Kroger Limited Partnership	Grocer	257
Belpre City School District	School	236
Lee Middleton Original Dolls, Incorporated	Doll Manufacturing	199
Enlow's	Food Service	179
McDonalds	Food Service	133
Hardees	Food Service	125
Wendy's	Food Service	121
Pioneer Casting	Pipe Manufacturing	118
Wal-Bon of Ohio	Food Service	105
City of Belpre	Government	92

Source: City records

City of Belpre, Ohio
Demographic Statistics
Last Ten Years

<u>Year</u>	<u>Population(1)</u>	<u>School Enrollment(2)</u>	<u>Unemployment Rate of Washington County(3)</u>
1991	6,805	1,411	6.70%
1992	6,880	1,413	8.10
1993	6,931	1,490	8.10
1994	6,964	1,545	6.60
1995	6,972	1,543	6.20
1996	6,998	1,539	6.50
1997	7,003	1,491	5.90
1998	7,016	1,425	5.50
1999	7,024	1,406	6.60
2000	6,660	1,281	5.00

2000 Census Information

Median Age	41.2 years
Average Household Size	2.18 persons
Total Households	3,058
Households 65 Years and Over	926
Owner-occupied Housing Units	2,017
Renter-Occupied Housing Units	1,041

(1) Source: U.S. Bureau of the Census; 2000

(2) Source: Belpre City School District

(3) Source: Ohio Job and Family Services

City of Belpre, Ohio
Miscellaneous Statistics
December 31, 2000

Year of Incorporation as a City	1961
Form of Government	Mayor/Council
Area	3.5 square miles
Miles of City Streets	43
Number of Street Lights	497
Number of Building Permits Issued in 2000	148
Fire Protection:	
Number of Stations	2
Number of Volunteer Firemen and Officers	44
Fire Hydrants	154
Police Protection:	
Number of Stations	1
Number of Policemen and Officers	11
Municipal Utilities:	
Miles of Water Mains	28
Miles of Sanitary Sewer	28
Number of Consumers:	
Sewer	2,860
Water	3,168
Average Monthly Consumption (per household):	
Sewer	7,000 gallons
Water	7,000 gallons
Minimum Rate:	
Sewer	\$11.82
Water	\$5.70
Education:	
Number of Teachers	88
Number of Students	1,281
Recreation and Culture:	
Number of Parks	3
Number of Libraries	1
Number of Swimming Pools	1
Number of Tennis Courts	1
Number of Baseball and Softball Diamonds	6
Number of Boat Ramps	2
Employees:	
Full-Time	57
Part-Time	1
Seasonal	34

Source: City records

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STATE OF OHIO
OFFICE OF THE AUDITOR

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CITY OF BELPRE

WASHINGTON 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
JULY 31, 2001**