

CITY OF RIVERSIDE, OHIO

General Purpose Financial Statements

December 31, 2000



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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To the City Council of the City of Riverside, Ohio

We have reviewed the Independent Auditor's Report of the City of Riverside, Montgomery County, prepared by Plattenburg & Associates, Inc., for the audit period January 1, 2000 to December 31, 2000. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

JIM PETRO
Auditor of State

July 16, 2001

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PLATTENBURG & ASSOCIATES, INC./CERTIFIED PUBLIC ACCOUNTANTS

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June 4, 2001

To The City Council of the City of Riverside, Ohio

REPORT OF INDEPENDENT ACCOUNTANTS

We have audited the accompanying general purpose financial statements of the City of Riverside, Ohio, (the City) as of and for the year ended December 31, 2000. These general purpose financial statements are the responsibility of the management of the City. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

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

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the City, as of December 31, 2000, and the results of its operations for the year then ended, in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued a report dated June 4, 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.

Plattenburg & Associates, Inc.
Certified Public Accountants

City of Riverside
Montgomery County, Ohio
Combined Balance Sheet - All Governmental Fund Types and Account Groups
As of December 31, 2000

	Governmental Fund Types			Account Groups		Total (Memorandum Only)
	General	Special Revenue	Capital Projects	General Fixed Assets	General Long-Term Obligations	
Assets and Other Debits:						
Assets:						
Equity in Pooled Cash and Cash Equivalents	\$971,856	\$1,211,864	\$848,290	\$0	\$0	\$3,032,010
Receivables:						
Taxes:						
Property	376,822	743,785	0	0	0	1,120,607
Municipal Income	493,908	0	0	0	0	493,908
Other Local	37,754	99,131	0	0	0	136,885
Accounts	575	101,058	0	0	0	101,633
Special Assessments	744,106	156,125	0	0	0	900,231
Accrued Interest	2,070	0	0	0	0	2,070
Due from Other Governments	282,752	121,790	48,449	0	0	452,991
Materials and Supplies Inventory	1,877	36,254	0	0	0	38,131
Fixed Assets	0	0	0	4,534,238	0	4,534,238
Other Debits:						
Amount to be Provided From						
General Government Resources	0	0	0	0	236,297	236,297
Total Assets and Other Debits	\$2,911,720	\$2,470,007	\$896,739	\$4,534,238	\$236,297	\$11,049,001
Liabilities, Fund Equity and Other Credits:						
Liabilities:						
Accounts Payable	\$25,368	\$94,342	\$24,524	\$0	\$0	\$144,234
Contracts Payable	0	343,271	48,449	0	0	391,720
Retainage Payable	0	0	8,655	0	0	8,655
Accrued Wages	5,708	64,982	0	0	0	70,690
Compensated Absences Payable	1,582	10,297	0	0	125,689	137,568
Due to Other Governments	36,941	303,458	606	0	81,102	422,107
Deferred Revenue	1,120,928	963,419	0	0	0	2,084,347
Accrued Interest Payable	4,230	1,915	8,009	0	0	14,154
Notes Payable	120,000	110,000	1,050,000	0	0	1,280,000
Capital Leases Payable	0	0	0	0	29,506	29,506
Total Liabilities	1,314,757	1,891,684	1,140,243	0	236,297	4,582,981
Fund Equity and Other Credits:						
Investment in General Fixed Assets	0	0	0	4,534,238	0	4,534,238
Fund Balance:						
Reserved for Encumbrances	93,249	217,149	37,511	0	0	347,909
Reserved for Materials and Supplies Inventory	1,877	36,254	0	0	0	38,131
Unreserved:						
Undesignated (Deficit)	1,501,837	324,920	(281,015)	0	0	1,545,742
Total Fund Equity (Deficit) and Other Credits	1,596,963	578,323	(243,504)	4,534,238	0	6,466,020
Total Liabilities, Fund Equity and Other Credits	\$2,911,720	\$2,470,007	\$896,739	\$4,534,238	\$236,297	\$11,049,001

See Accompanying Notes to the General Purpose Financial Statements

City of Riverside
Montgomery County, Ohio
Combined Statement of Revenues, Expenditures
and Changes in Fund Balances - All Governmental Fund Types
For the Year Ended December 31, 2000

	General	Special Revenue	Capital Projects	Total (Memorandum Only)
Revenues:				
Property Taxes	\$517,180	\$758,715	\$0	\$1,275,895
Municipal Income Taxes	3,031,582	0	0	3,031,582
Other Local Taxes	182,540	219,157	0	401,697
Intergovernmental	836,057	1,005,818	218,960	2,060,835
Charges for Services	27,806	493,937	0	521,743
Licenses and Permits	29,783	0	0	29,783
Fines and Forfeitures	7,204	48,975	0	56,179
Special Assessments	772,334	161,085	0	933,419
Interest	134,124	0	1,384	135,508
Rent	216,686	0	0	216,686
Miscellaneous	19,218	57,810	0	77,028
Total Revenues	5,774,514	2,745,497	220,344	8,740,355
Expenditures:				
Current:				
Security of Persons and Property	273,669	3,934,048	0	4,207,717
Public Health	0	44,823	0	44,823
Leisure Time Activities	20,411	0	0	20,411
Community Environment	280,427	142,486	0	422,913
Transportation	0	1,475,013	0	1,475,013
General Government	1,692,290	25,944	0	1,718,234
Capital Outlay	0	0	286,472	286,472
Debt Service:				
Principal Retirement	0	8,418	0	8,418
Interest and Fiscal Charges	6,007	4,947	24,650	35,604
Total Expenditures	2,272,804	5,635,679	311,122	8,219,605
Excess of Revenues Over (Under) Expenditures	3,501,710	(2,890,182)	(90,778)	520,750
Other Financing Sources (Uses):				
Operating Transfers - In	0	3,054,882	153,699	3,208,581
Operating Transfers - Out	(3,059,363)	(129,218)	(20,000)	(3,208,581)
Total Other Financing Sources (Uses)	(3,059,363)	2,925,664	133,699	0
Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	442,347	35,482	42,921	520,750
Fund Balances (Deficit) at Beginning of Year (Restated - Note 20)	1,154,118	570,859	(286,425)	1,438,552
Increase (Decrease) in Reserve for Inventory	498	(28,018)	0	(27,520)
Fund Balances (Deficit) at End of Year	\$1,596,963	\$578,323	(\$243,504)	\$1,931,782

See Accompanying Notes to the General Purpose Financial Statements

City of Riverside
Montgomery County, Ohio
Combined Statement of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual (Budget Basis)
All Governmental Fund Types
For the Year Ended December 31, 2000

	General Fund			Special Revenue Funds		
	Revised Budget	Actual	Variance Favorable (Unfavorable)	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues:						
Property Taxes	\$406,050	\$517,180	\$111,130	\$748,677	\$758,715	\$10,038
Municipal Income Taxes	2,966,638	2,900,748	(65,890)	0	0	0
Other Local Taxes	181,608	186,330	4,722	150,000	130,006	(19,994)
Intergovernmental	896,958	829,797	(67,161)	1,134,931	950,107	(184,824)
Charges for Services	0	27,806	27,806	545,849	509,596	(36,253)
Licenses and Permits	28,200	29,783	1,583	0	0	0
Fines and Forfeitures	7,896	7,204	(692)	63,591	52,287	(11,304)
Special Assessments	909,167	772,334	(136,833)	161,085	161,085	0
Interest	90,240	127,452	37,212	0	0	0
Rent	220,524	216,111	(4,413)	0	0	0
Miscellaneous	50,760	40,364	(10,396)	24,253	57,810	33,557
Total Revenues	5,758,041	5,655,109	(102,932)	2,828,386	2,619,606	(208,780)
Expenditures:						
Current:						
Security of Persons and Property	325,081	275,520	49,561	4,244,857	4,204,452	40,405
Public Health	0	0	0	44,523	37,180	7,343
Leisure Time Activities	37,868	33,205	4,663	0	0	0
Community Environment	382,392	337,680	44,712	148,142	142,006	6,136
Transportation	0	0	0	1,746,923	1,331,541	415,382
General Government	2,041,020	1,844,461	196,559	0	0	0
Capital Outlay	0	0	0	0	0	0
Debt Service:						
Principal Retirement	0	0	0	0	0	0
Interest and Fiscal Charges	0	0	0	0	0	0
Total Expenditures	2,786,361	2,490,866	295,495	6,184,445	5,715,179	469,266
Excess of Revenues Over (Under) Expenditures	2,971,680	3,164,243	192,563	(3,356,059)	(3,095,573)	260,486
Other Financing Sources (Uses):						
Proceeds of Notes	0	0	0	110,000	110,000	0
Proceeds of Bonds	0	0	0	0	0	0
Proceeds From Sale of Fixed Assets	0	0	0	0	0	0
Operating Transfers - In	0	0	0	2,969,282	3,054,882	85,600
Operating Transfers - Out	(3,142,736)	(3,059,363)	83,373	(169,218)	(129,218)	40,000
Total Other Financing Sources (Uses)	(3,142,736)	(3,059,363)	83,373	2,910,064	3,035,664	125,600
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(171,056)	104,880	275,936	(445,995)	(59,909)	386,086
Fund Balances at Beginning of Year	652,475	652,475	0	643,309	643,309	0
Prior Year Encumbrances Appropriated	107,879	107,879	0	129,756	129,756	0
Fund Balances at End of Year	\$589,298	\$865,234	\$275,936	\$327,070	\$713,156	\$386,086

See Accompanying Notes to the General Purpose Financial Statements

Capital Projects Funds			Total (Memorandum Only)		
Revised Budget	Actual	Variance Favorable (Unfavorable)	Revised Budget	Actual	Variance Favorable (Unfavorable)
\$0	\$0	\$0	\$1,154,727	\$1,275,895	\$121,168
0	0	0	2,966,638	2,900,748	(65,890)
0	0	0	331,608	316,336	(15,272)
470,522	170,511	(300,011)	2,502,411	1,950,415	(551,996)
0	0	0	545,849	537,402	(8,447)
0	0	0	28,200	29,783	1,583
0	0	0	71,487	59,491	(11,996)
0	0	0	1,070,252	933,419	(136,833)
0	6,348	6,348	90,240	133,800	43,560
0	0	0	220,524	216,111	(4,413)
0	0	0	75,013	98,174	23,161
470,522	176,859	(293,663)	9,056,949	8,451,574	(605,375)
0	0	0	4,569,938	4,479,972	89,966
0	0	0	44,523	37,180	7,343
0	0	0	37,868	33,205	4,663
0	0	0	530,534	479,686	50,848
0	0	0	1,746,923	1,331,541	415,382
0	0	0	2,041,020	1,844,461	196,559
897,422	257,795	639,627	897,422	257,795	639,627
520,000	520,000	0	520,000	520,000	0
23,488	23,488	0	23,488	23,488	0
1,440,910	801,283	639,627	10,411,716	9,007,328	1,404,388
(970,388)	(624,424)	345,964	(1,354,767)	(555,754)	799,013
320,000	1,170,000	850,000	430,000	1,280,000	850,000
350,000	0	(350,000)	350,000	0	(350,000)
120,000	0	(120,000)	120,000	0	(120,000)
243,339	153,699	(89,640)	3,212,621	3,208,581	(4,040)
(26,250)	(20,000)	6,250	(3,338,204)	(3,208,581)	129,623
1,007,089	1,303,699	296,610	774,417	1,280,000	505,583
36,701	679,275	642,574	(580,350)	724,246	1,304,596
90,528	90,528	0	1,386,312	1,386,312	0
32,468	32,468	0	270,103	270,103	0
\$159,697	\$802,271	\$642,574	\$1,076,065	\$2,380,661	\$1,304,596

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

NOTE 1 - REPORTING ENTITY AND BASIS OF PRESENTATION

The City of Riverside ("The City") is a statutory municipal corporation established and operating under the laws of the State of Ohio and its charter. Mad River Township and the Village of Riverside merged in 1994 to become the City of Riverside. The City operates under a Council-Manager form of government. Elected officials include seven council members, one of which is the Mayor. Legislative power is vested in this seven member Council. All council members, including the Mayor, are elected to four year terms.

The City Manager, who is appointed by the Council, is the chief executive officer for the City. The administrative activities of the City are carried out by a Department of Finance, a Department of Law, a Department of Service and a Department of Safety. All department heads are hired by the City Manager with approval from Council, except for the Director of the Department of Law, who is appointed by Council.

REPORTING ENTITY

A reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the City consists of all funds, departments, and activities which are not legally separate from the City. They provide the City's legal entity which provide various services including police protection, fire protection, health services, street maintenance and repairs, and parks and recreation. Council and the City Manager have direct responsibility for these activities.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization's resources; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to the organization; or the City is obligated for the debt of the organization. Component units also include organizations that are fiscally dependent on the City in that the City approves the organization's budget, the issuance of its debt or the levying of its taxes. The City does not have any component units included in its reporting entity.

The City is associated with four jointly governed organizations, one related organization and one risk sharing pool. A jointly governed organization is governed by representatives from each of the governments that create the organizations, but there is no ongoing financial interest or responsibility on the part of the participating governments. A related organization is an organization for which the City appoints a majority of the governing board but for which there is no potential benefit or burden and no authority to impose the will of the City. A risk sharing insurance pool is a cooperative group of governmental entities joining together to finance an exposure, liability, or risk. These organizations are presented in Notes 17, 18, and 19 to the general purpose financial statements. These organizations are:

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

NOTE 1 - REPORTING ENTITY AND BASIS OF PRESENTATION (Continued)

Jointly Governed Organizations:

The Miami Valley Regional Planning Commission (the Commission)
The Miami Valley Fire/EMS Alliance (the Alliance)
The Economic Development/Government Equity Program (ED/GE)
The Regional Income Tax Agency (RITA)

Related Organization:

The Riverside Historical Society (RHS)

Risk Sharing Pool:

The Public Entities Pool of Ohio (PEP)

BASIS OF PRESENTATION - FUND ACCOUNTING

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

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

For financial statement presentation purposes, the various funds of the City are grouped into the following generic fund types under the fund category of governmental.

GOVERNMENTAL FUND TYPES

Governmental funds are those through which most governmental functions typically are financed. The acquisition, use and balances of the City's expendable financial resources and the related current liabilities are accounted for through governmental funds. The following are the City's governmental fund types.

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

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

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

NOTE 1 - REPORTING ENTITY AND BASIS OF PRESENTATION (Continued)

Capital Projects Funds - The capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities.

ACCOUNT GROUPS

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

General Fixed Assets Account Group - The general fixed assets account group is used to account for all fixed assets of the City.

General Long-Term Obligations Account Group - The general long-term obligations account group is used to account for all unmatured long-term obligations of the City.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Riverside have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The most significant of the City's accounting policies are described below.

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

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

All governmental fund types are accounted for using the modified accrual basis of accounting. Under this basis of accounting, the City recognizes revenue when it becomes both measurable and available. "Measurable" means the amount of the transaction can be determined, and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current year. The available period for the City is 30 days after year end.

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

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

In applying the susceptible to accrual concept under the modified accrual basis, the following revenues are deemed both measurable and available: state-levied locally shared taxes (including gasoline tax), employer withheld income tax, fines and forfeitures, charges for services, and reimbursements due from federal and state funded projects for which corresponding expenditures have been made.

Other revenues, including licenses and permits, special assessments, certain charges for services, income taxes other than those withheld by employers, and miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received.

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

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are recorded when the related fund liability is incurred, if measurable. The costs of accumulated unpaid vacation and sick leave are reported as fund liabilities in the period in which they will be liquidated with available financial resources rather than in the period earned by employees. Allocation of cost, such as depreciation and amortization, are not recognized in the governmental funds.

BUDGETARY PROCESS

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

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

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Tax Budget

A tax budget of estimated revenues and expenditures for all 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 budget substantiates a need to levy the full amount of authorized property tax rates 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, which states the projected revenue of each fund. Prior to December 31, the City must revise its budget so that the total contemplated expenditures from any fund during the ensuing fiscal year will not exceed the amount stated in the certificate of estimated resources. The revised budget then serves as the basis for the appropriation ordinance.

On or about January 1, the certificate of estimated resources is amended to include unencumbered fund cash balances at December 31 of the preceding year. The certificate may be further amended during the year if the Finance Director determines that revenue to be collected will be greater than or less than the current estimates, and the budget commission finds the estimates to be reasonable. The amounts reported on the budgetary statements reflect the amounts in the final amended official certificate of estimated resources issued during 2000.

Appropriations

A temporary appropriation measure to control expenditures may be passed on or around January 1 of each year for the period January 1 to March 31. The 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 amended during the year as new information becomes available, provided that total fund appropriations do not exceed current estimated resources, as certified. The allocation of appropriations among departments and objects within a fund may be modified during the year by an ordinance of Council. During the year, several supplemental appropriation measures were passed however, none of these were significant. The budget figures which appear in the statements of budgetary comparisons represent the final appropriation amounts, including all amendments and modifications.

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

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Encumbrances

As part of formal budgetary control, purchase orders, contracts and other commitments for the expenditure of monies are encumbered and 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.

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 fiscal year and is not reappropriated.

CASH AND CASH EQUIVALENTS

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

During 2000, investments were limited to a certificate of deposit, a mutual fund, and STAR Ohio.

Investments are reported at fair value which is based on quoted market prices, with the exception of nonparticipating investment contracts such as nonnegotiable certificates of deposits, which are reported at cost. For investments in open-end mutual funds, the fair value is determined by the fund's current share price.

The City has invested funds in the State Treasury Assets Reserve of Ohio (STAR Ohio) during 2000. STAR Ohio is an investment pool, managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price which is the price the investment could be sold for on December 31, 2000.

The City Council has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue credited to the general fund during fiscal year 2000 amounted to \$134,124 which includes \$61,771 assigned from other City funds. The capital projects funds also received interest during 2000 in the amount of \$1,384.

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

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

For presentation on the combined balance sheet, investments of the cash management pool and investments with an original maturity of three months or less at the time they are purchased by the City are considered to be cash equivalents.

INTERGOVERNMENTAL REVENUES

Intergovernmental revenues, such as entitlements and grants awarded on a non-reimbursement basis, are recorded as revenues when measurable and available. Reimbursable-type grants are recorded as receivables and revenues when the related expenditures are incurred.

INVENTORY OF SUPPLIES

Inventory is valued at cost on a first-in, first-out basis. Inventory consists of expendable supplies held for consumption. The costs of inventory items are recorded as expenditures in the fund when purchased. Reported supplies inventory is equally offset by a fund balance reserve, which indicates that it does not constitute available expendable resources even though it is a component of net current assets.

FIXED ASSETS

All purchased fixed assets are valued at cost when historical records are available and estimated historical cost where no historical records exist. For certain assets, estimates were calculated by indexing estimated current costs back to the estimated year of acquisition. Donated fixed assets are valued at their estimated fair market value on the date received. The City maintains a capitalization threshold of two hundred and fifty dollars.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements which extend the useful life or increase the capacity or operating efficiency are capitalized at cost.

Public domain (“infrastructure”) general fixed assets consisting of roads, bridges, curbs, gutters, sidewalks, street lights, traffic signals, fire hydrants, and drainage systems are not capitalized as these assets are immovable and of value only to the City.

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

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

COMPENSATED ABSENCES

The City accrues a liability for compensated absences in accordance with the provisions of *GASB Statement No. 16, "Accounting for Compensated Absences."* Vacation and compensatory time benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the City will compensate the employees for the benefits through paid time off or some other means. Sick leave benefits are accrued as a liability using the termination method. An accrual for earned sick leave is made to the extent it is probable that benefits will result in termination payments. The liability is an estimate based on the City's past experience of making termination payments.

ACCRUED LIABILITIES AND LONG-TERM OBLIGATIONS

In general, governmental fund payables and accrued liabilities are reported as obligations of the funds regardless of whether they will be liquidated with current resources. However, compensated absences and contractually required pension obligations are reported as a liability in the general long-term obligations account group to the extent they will not be paid with current expendable available financial resources. Payments made more than 30 days after year-end are generally considered not to have been paid using current available financial resources. Capital leases are recognized as a liability of the general long-term obligations account group until due.

The current portion of unpaid compensated absences is the amount expected to be paid using available expendable resources and is reported as an accrued liability in the fund from which the individuals who have accumulated the unpaid compensated absences are paid.

RESERVATIONS OF FUND BALANCE

The City reserves fund balances for amounts that are legally segregated for a specific purpose or which are not available for current appropriations or expenditures because of their non-monetary nature or lack of liquidity. Unreserved fund balance indicates the portion of fund balance which is available for appropriation in future periods. Fund balance has been reserved for encumbrances and materials and supplies inventory.

INTERFUND TRANSACTIONS

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

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

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Nonrecurring and nonroutine permanent transfers of equity between funds are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

ESTIMATES

The preparation of 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.

TOTAL COLUMNS ON GENERAL PURPOSE FINANCIAL STATEMENTS

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

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE

ACCOUNTABILITY

At December 31, 2000, the police, general assessments, and DAP facility special revenue funds, and the riverside business park and general equipment replacement capital projects funds had deficit fund balances of \$77,591, \$11,944, and \$25,944, \$88,042, and \$351,862, respectively. The deficits in the special revenue funds were caused by the application of generally accepted accounting principles to the financial reporting of these funds. The deficits in the capital projects funds were the result of the requirement to report bond anticipation notes in the fund which received the note proceeds. The deficits will be alleviated when the bonds are issued or when the notes are paid. The general fund provides transfers to cover deficit balances; however, this is done when cash is needed rather than when accruals occur.

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

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE (Continued)

COMPLIANCE

The state highway special revenue fund, security of persons and property, capital expenses program had an excess of expenditures plus encumbrances over appropriations of \$8,607 for the year ended December 31, 2000.

NOTE 4 - BUDGETARY BASIS OF ACCOUNTING

While reporting financial position, results of operations, and changes in fund balance on the basis of GAAP, the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements, appropriations and encumbrances. The Combined Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual (Budget Basis), All Governmental Fund Types 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 the GAAP basis are that:

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Outstanding year-end encumbrances are treated as expenditures (budget basis) rather than as a reservation of fund balance (GAAP basis).
4. Proceeds from and principal payments on short-term note obligations are reported on the operating statement (budget basis) rather than as balance sheet transactions (GAAP basis).

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

NOTE 4 - BUDGETARY BASIS OF ACCOUNTING (Continued)

The adjustments necessary to convert the results of operations for the year on the GAAP basis to the budget basis are as follows:

	Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses All Governmental Fund Types		
	General	Special Revenue	Capital Projects
GAAP Basis	\$442,347	\$35,482	\$42,921
Adjustments:			
Revenue Accruals	(120,066)	(125,906)	(43,485)
Expenditure Accruals	(110,779)	419,223	75,858
Principal Retirement	0	0	(520,000)
Unrecorded Cash	661	15	0
Encumbrances	(107,283)	(498,723)	(46,019)
Note Proceeds	0	110,000	1,170,000
Budget Basis	\$104,880	(\$59,909)	\$679,275

NOTE 5 - DEPOSITS AND INVESTMENTS

POLICIES AND PROCEDURES

The investment and deposit of City monies are governed by the provisions of the Charter and Codified Ordinances of the City and the Ohio Revised Code. State statutes classify monies held by the City into three categories.

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

Inactive deposits are public deposits that 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.

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

NOTE 5 - DEPOSITS AND INVESTMENTS (Continued)

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 (FDIC), by eligible securities pledged by the financial institution as security for repayment, by surety company bonds deposited with the Finance Director by the financial institution or by a single collateral pool established by the financial institution to secure the repayment of all public monies deposited with the institution.

State statute permits interim monies to 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 the federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Certificates of deposit insured and/or fully collateralized purchased at local commercial banks and savings and loan associations;
4. Repurchase agreements collateralized by the United States Treasury securities and governed by a written aster repurchase agreement signed by the City and the financial institution/dealer.;
5. Bonds and other obligations of the State of Ohio;
6. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided and purchased through eligible financial institutions and broker/dealers; and

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

NOTE 5 - DEPOSITS AND INVESTMENTS (Continued)

7. The State Treasurer's investment pool (STAR Ohio).

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the City, and must be purchased with the expectation that it will be held to maturity.

Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the Finance Director or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

At year end, the city had \$275 in undeposited cash on hand which is included on the balance sheet of the City as part of "Equity in Pooled Cash and Cash Equivalents."

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

DEPOSITS

At year end, the carrying amount of the City's deposits was \$1,326,871 and the bank balance was \$1,482,541. Of the bank balance, \$194,400 was covered by federal depository insurance, and \$637,313 was uninsured and uncollateralized. Although all statutory requirements for the deposit of money had been followed, non compliance with federal requirements could potentially subject the City held to a successful claim by the FDIC.

INVESTMENTS

GASB Statement No. 3, "Deposits with Financial Institutions, Investments and Reverse Repurchase Agreements," requires that the City's investments be classified in categories of risk. Category 1 includes investments that are insured or registered or for which the securities are held by the City or its agent in the City's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the counterparty's trust department or agent in the City's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty, or by its trust department or agent but not in the City's name. The City's only investments at the fiscal year end were a mutual fund and STAR Ohio. Both STAR Ohio, an investment fund operated by the Ohio State Treasurer, and the mutual fund are unclassified investments since they are not evidenced by securities that exist in physical or book entry form. The carrying value and fair value of STAR Ohio and the mutual fund were \$1,188,842 and \$516,022, respectively.

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

NOTE 5 - DEPOSITS AND INVESTMENTS (Continued)

The classification of cash and cash equivalents, and investments on the combined financial statements is based on criteria set forth in GASB Statement No. 9, "Reporting Cash Flows of Proprietary and Non-Expendable Trust Funds and Governmental Entities that use Proprietary Fund Accounting." A reconciliation between classifications of cash and investments on the financial statements and the classifications according to GASB Statement No. 3 is as follows:

	Cash and Cash Equivalents	Investments
GASB Statement No. 9	\$3,032,010	\$0
Cash on Hand	(275)	0
Investments:		
STAR Ohio	(1,188,842)	1,188,842
Mutual Fund	(516,022)	516,022
GASB Statement No. 3	\$1,326,871	\$1,704,864

NOTE 6 - PROPERTY TAXES

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

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

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

The 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 assessed valuations.

The assessed value for the taxes collected in 2000 was \$258,294,103 of which real property represented 90 percent (\$233,330,020) of the total, public utility property represented five percent (\$12,134,460) of the total, and tangible personal property represented five percent (\$12,829,623) of the total. The full tax rate for all County operations for taxes collected in 2000, was \$6.39 per \$1,000 of assessed valuation.

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

NOTE 6 - PROPERTY TAXES (Continued)

Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31, with the remainder payable by June 20.

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 Riverside. The County Auditor periodically remits to the City its portion of the taxes. Property taxes receivable represent real and tangible personal property taxes, public utility and outstanding delinquencies which are measurable as of December 31, 2000. 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 are they intended to finance 2000 operations. The receivable is offset by deferred revenue.

NOTE 7 - MUNICIPAL INCOME TAX

Prior to July 1 2000, the City levied a municipal income tax of one percent on substantially all income earned within the City. Effective July 1, 2000, the City increased the tax rate to one and a half percent. In addition, the residents of the City are required to pay income tax on income earned outside of the City; however, the City allows a credit for income taxes paid to another municipality up to 100 percent of the City's current tax rate.

If a resident does not file their income tax within ten days after the filing deadline, interest of three percent will be charged. After ten days, in addition to the interest, a penalty of one half of one percent or the lesser of ten percent will also be charged. The City has the right to waive the interest and penalty.

The City employs the Regional Income Tax Agency (RITA), a third party, to collect the income tax for the City. RITA withholds a retainer of two and one half percent of the taxes collected and submits monthly statements to the City of the amount of taxes collected, the retainer for the period and the net collection amount. The statements are remitted one month behind; therefore, December's collections will be remitted to the City in January.

Revenue received from income tax is recorded into the general fund. Income tax revenue for 2000 was \$3,031,582.

NOTE 8 - RECEIVABLES

Receivables at December 31, 2000, consisted primarily of taxes, intergovernmental receivables arising from grants, entitlements and shared revenues, special assessments and rental income. All receivables are considered fully collectible. A summary of intergovernmental receivables follows:

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

NOTE 8 - RECEIVABLES (Continued)

General Fund:	
Local Government	\$47,282
Workers' Compensation Refund	175,462
County Estate Taxes	<u>60,008</u>
Total General Fund	<u>282,752</u>
Special Revenue Funds:	
Fire Fund	
EMS Grant	2,345
Total Fire Fund	<u>2,345</u>
Street Fund	
Reimbursement for Workers' Compensation	2,290
Gasoline Tax	34,264
Motor Vehicle License	<u>33,459</u>
Total Street Fund	<u>70,013</u>
Police Fund	
Ordinance fees	2,516
Reimbursement for Workers' Compensation	1,607
Drug Fines	25
DARE Grant	11,359
DUI Enforcement and Education	<u>196</u>
Total Police Fund	<u>15,703</u>
State Highway Fund	
Gasoline Tax	2,778
Motor Vehicle License	<u>2,713</u>
Total State Highway Fund	<u>5,491</u>
Federal Grants	
Federal Grants for School Resource	
Officers	4,541
Youth Investment Program	8,942
Artemis Grant	8,537
VAWA Grant	<u>2,551</u>
Total Federal Grants	<u>24,571</u>
NEP Grant	
NEP Grant	<u>3,667</u>
Total NEP Grant	<u>3,667</u>
Total Special Revenue Funds	<u>\$121,790</u>

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

NOTE 8 - RECEIVABLES (Continued)

Capital Projects Funds	
Riverside Business Park Fund	
ED/GE Grant Reimbursement	\$48,449
Total Capital Projects Funds	48,449
Total All Funds	\$452,991

NOTE 9 - FIXED ASSETS

A summary of changes in general fixed assets during the year ended December 31, 2000, were as follows:

	Balance December 31, 1999	Increase	Decrease	Balance December 31, 2000
Land	\$1,460,487	\$58,156	\$0	\$1,518,643
Building	381,802	147,174	0	528,976
Furniture, Fixtures and Equipment	1,075,764	73,640	7,733	1,141,671
Vehicles	1,301,920	43,028	0	1,344,948
Total Fixed Assets	\$4,219,973	\$321,998	\$7,733	\$4,534,238

NOTE 10 - DEFINED BENEFIT PENSION PLANS

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.

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

NOTE 10 - DEFINED BENEFIT PENSION PLANS (Continued)

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 \$105,691, \$176,807, and \$216,761, respectively. The full amount has been contributed for 1999 and 1998. 93 percent has been contributed for 2000 with the remainder being reported as a liability in the general long-term obligations account group.

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 \$109,232 and \$109,763 for the year ended December 31, 2000, \$111,062 and \$113,666 for the year ended December 31, 1999, \$146,114 and \$238,668 for the year ended December 31, 1998. The full amount has been contributed for 1999 and 1998. 74.44 percent and 76.13 percent, respectively, have been contributed for 2000 with the remainder being reported as a liability in the general long-term obligations account group.

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

NOTE 11 - POSTEMPLOYMENT BENEFITS

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.

The number of active contributing participants was 401,339. The City's actual contributions for 2000 which were used to fund postemployment benefits were \$58,693. 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.

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.

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

NOTE 11 - POSTEMPLOYMENT BENEFITS (Continued)

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 \$65,557 for police and \$50,364 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.

NOTE 12 - OTHER EMPLOYEE BENEFITS

DEFERRED COMPENSATION

Employees of the City may participate in the Ohio Public Employees Deferred Compensation Plan or Aetna created in accordance with Internal Revenue Code Section 457. Participation is on a voluntary payroll deduction basis. The plan permits deferral of compensation until future years. According to the plans, the deferred compensation is not available until termination, retirement, death or an unforeseeable emergency.

COMPENSATED ABSENCES

City employees earn vacation leave at varying rates based upon length of service. Upon departure from City employment, an employee (or their estate) will be paid for unused vacation leave.

City employees earn sick leave at varying rates based upon length of service. In the case of death or retirement, employees will be paid varying portions of their accumulated sick leave, based on the union agreements and the city personnel policy.

City employees can also earn compensatory time. Compensatory time is paid at one and one-half times an employees regular rate. Employees with time remaining upon termination of their employment will be paid for any unused compensatory time.

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

NOTE 12 - OTHER EMPLOYEE BENEFITS (Continued)

INSURANCE

Full-time City employees have the option to choose from two insurance providers for medical/surgical and vision benefits. These providers are Anthem Community and United Healthcare of Ohio. The City pays 90 percent of the monthly premiums for the employees. The premium varies with each employee depending on the plan and coverage selected. Life insurance is provided through Jefferson Pilot Life. Department heads and administrative staff receive one times their annual salary in life insurance; the City Manager receives two times his annual salary; police and fire receive \$20,000 in coverage; and street employees receive \$30,000 in coverage.

NOTE 13 - CAPITAL LEASES - LESSEE DISCLOSURE

The City has entered into capitalized leases for equipment. Each lease meet 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. The lease payments will be reflected as debt service expenditures in the combined financial statements in the general and special revenue funds. These expenditures are reported as function expenditures on the budgetary statements.

General fixed assets consisting of equipment have been capitalized in the general fixed assets account group in the amount of \$142,006. This amount represents the present value of the minimum lease payments at the time of acquisition. A corresponding liability was recorded in the general long-term obligations account group. Principal payments in fiscal year 2000 totaled \$8,418 in the special revenue funds. The following is a schedule of the future long-term minimum lease payments required under the capital leases and the present value of the minimum lease payments as of December 31, 2000:

Year Ending December 31,	GLTOAG
2001	\$11,450
2002	11,450
2003	11,750
Total	34,650
Less: Amount Representing Interest	(5,144)
Present Value of Minimum Lease Payments	\$29,506

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

NOTE 14 - 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 participated in the Public Entities Pool of Ohio (PEP), a risk sharing pool. The purpose of the PEP is to enable the subscribing political subdivisions to pool risk for property, liability and public official liability. PEP is a corporation governed by a seven member board of directors, consisting of representatives elected by the participating local governments.

Political subdivisions joining the PEP may withdraw at the end of any coverage period upon 60 days prior written notice to PEP. Under agreement, members who terminate participation in the PEP as well as current members, are subject to a supplemental assessment or a refund at the discretion of the board of directors, depending on the ultimate loss experience of all the entities it insures for each coverage year. To date, there have been no assessments or refunds, due to the limited period of time that PEP has been in existence and the nature of the coverage that is afforded to the participants.

The City pays an annual “premium” to PEP for the coverage they are provided, based on rates established by PEP, using anticipated and actual results of operation for the various coverages provided. Participants are also charged for a “surplus contribution” that is used to fund the activities of PEP. During 2000, the City of Riverside made contributions of \$89,677 to PEP. There was no required surplus contribution in 2000.

The agreement provides that the PEP will be self-sustaining through member premiums. The types of coverages and deductibles per occurrence are as follows:

Type of Coverage	Coverage	Deductible
Municipal General Liability	\$2,000,000	\$0
Public Official	2,000,000	5,000
Municipal Automobile Liability	2,000,000	500
Municipal Automobile Physical Damage	2,000,000	500 - 1,000
Police Professional Liability	2,000,000	5,000

The Pool retains general, automobile, police professional and public official’s liability risks up to \$250,000 per claim. Claims exceeding \$250,000 are reinsured in an amount not to exceed \$1,750,000 per claim and \$2,000,000 in aggregate per year.

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

NOTE 14 - RISK MANAGEMENT (Continued)

Automobile physical damage risks are retained by the Pool up to \$25,000 for each accident and location. Reinsurance coverage is provided at different levels depending on the type of vehicle.

All property risks, which include physical damage coverage on specialized-use vehicles (fire trucks and emergency vehicles), are fully reinsured. Property risks up to \$25,000 are reinsured on an individual-member basis.

Settled claims have not exceeded this commercial coverage in any of the past three years. There have been no significant changes in coverage from last year.

Professional liability is protected by the Ohio Casualty Insurance Company. Performance bonds for employees range from \$10,000 to \$50,000 with specific bonds for the Finance Director.

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

NOTE 15 - LONG-TERM OBLIGATIONS

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

	Balance December 31, 1999	Increase	Decrease	Balance December 31, 2000
Compensated Absences Payable	\$137,225	\$0	\$11,536	\$125,689
Due to Other Governments	87,097	81,102	87,097	81,102
Capital Leases Payable	37,924	0	8,418	29,506
Total - General Long-Term Obligations	<u>\$262,246</u>	<u>\$81,102</u>	<u>\$107,051</u>	<u>\$236,297</u>

Compensated absences and the due to other governments will be paid from the fund from which the employees' salaries are paid. Capital lease obligations will be paid from the street and police special revenue funds.

The City's overall legal debt margin was \$27,108,353 at December 31, 2000.

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

NOTE 16 - NOTE OBLIGATIONS

A summary of the note transactions for the year ended December 31, 2000, follows:

Fund	Balance December 31, 1999	Increase	Decrease	Balance December 31, 2000
<u>General Fund:</u>				
Real Estate Note - 4.08%	\$120,000	\$120,000	\$120,000	\$120,000
<u>Special Revenue Funds:</u>				
2000 Sidewalk Special Assessment Notes - 5.45%	0	110,000	0	110,000
<u>Capital Projects Funds:</u>				
2000 Business Park Infrastructure Notes - 4.79%	0	700,000	0	700,000
General Equipment Replacement - 4.58%	400,000	350,000	400,000	350,000
Total Capital Projects Funds	400,000	1,050,000	400,000	1,050,000
Total	<u>\$520,000</u>	<u>\$1,280,000</u>	<u>\$520,000</u>	<u>\$1,280,000</u>

All of the notes are bond anticipation notes, are backed by the full faith and credit of the City, and are payable from special assessments and governmental funds. The note liabilities are reflected in the funds which received the proceeds. In the event the property owners fail to make their special assessment payments, the City is responsible for providing the resources to meet the annual principal and interest payments.

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

NOTE 17 - JOINTLY GOVERNED ORGANIZATIONS

The Miami Valley Regional Planning Commission (the Commission) is a jointly governed organization between Preble, Clark, Clinton, Darke, Greene, Miami and Montgomery Counties, the City of Riverside, the City of Huber Heights and the City of Dayton. The Commission prepares plans, including studies, maps, recommendations, and reports concerning the physical, environmental, social, economic, and governmental characteristics, functions, and services of the region. These reports show recommendations for systems of transportation, highways, parks and recreational facilities, water supply, sewage disposal, garbage disposal, civic centers, and other public improvements and land uses which affect the development of the region. The degree of control exercised by any participating government is limited to its representation on the Board. Members of the Board are as follows: the officers of the Commission (elected by member representatives), the immediate past Chair of the Commission, the Commission member representing the City of Dayton, the Commission member representing each of the respective member counties, the representatives selected by each county caucus, a nongovernmental member, and two at-large representatives. Payments to the Commission are made from the general fund. The City contributed \$11,614 for the operation of the Commission during 2000. Financial information may be obtained by writing to Nora Lake, Executive Director, 40 West Fourth Street, Dayton, Ohio 45402.

The Miami Valley Fire/EMS Alliance (the Alliance) is a jointly governed organization between municipal corporations and townships in Montgomery, Greene and Warren Counties. The purpose of the Alliance is to foster cooperation among the political subdivisions by promoting programs and recommending matters which will result in more efficient methods of delivering fire and emergency medical services in the region. The Board of the Alliance is made up of a representative appointed by the City of Dayton, a representative appointed by the members who are provided Fire/EMS Services by volunteers, two representatives appointed by the members who are provided Fire/EMS Services by a combination of full time employees and volunteers, and a representative appointed by the members who are provided Fire/EMS Services by full time employees. Payments to the Alliance are made from the Fire fund. The City contributed \$7,147 for the operation of the Alliance during 2000. Financial information may be obtained by writing to Mike Hoverland, Director, at 444 West Third Street, Suite 13-204, Dayton, Ohio, 45402.

The Economic Development/Government Equity Program (ED/GE) was established pursuant to Ohio Revised Code Chapter 307 for the purpose of developing and promoting plans and programs designed to assure that County resources are efficiently used, economic growth is properly balanced, and that county economic development is coordinated with that of the State of Ohio and other local governments. Members include villages, townships, and cities within Montgomery County, and Montgomery County itself. Cooperation and coordination between the members is intended to promote economic health and improve the economic opportunities of the people in Montgomery County by assisting in the establishment or expansion within the County of industrial, commercial or research facilities and by creating and preserving job and employment opportunities for the people of the County.

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

NOTE 17 - JOINTLY GOVERNED ORGANIZATIONS (Continued)

The ED/GE Advisory Committee, made up alternating member entities' representatives, decides which proposed projects will be granted each year. Sales tax revenues, set aside by Montgomery County, are used to fund the projects. Members annually contribute to or receive benefits based on an elaborate zero-based formula designed to distribute growth in contributing communities to those communities experiencing less economic growth. The City has agreed to be a member for nine years, ending December 31, 2001. Any member in default of paying its contributions will be liable for the amount of the contribution, any interest accrued, and penalties. During this time, the member will not be entitled to any allocations from ED/GE. Payments to ED/GE are made from the general fund. The City contributed \$92,315 for the operation of ED/GE during 2000. Financial information may be obtained by writing to Linda Gum, Administrative Assistant, 451 West Third Street, Dayton, Ohio, 45402.

The Regional Income Tax Agency (RITA) was established pursuant to Ohio Revised Code Chapter 167 to collect the income taxes for the various municipalities that are members. Each participating member has one voting representative on the Council of Governments, who is appointed by the Chief Executive with the approval of City Council. Participating members provide a fee to RITA for the service by applying a formula that takes into consideration the number of transactions and total receipts for the City. The City of Riverside does not have an equity interest, or a financial responsibility to RITA. Complete financial statements can be obtained by writing Jeff Christman at Post Office Box 6600, Cleveland, OH 44101-2004.

NOTE 18 - RELATED ORGANIZATION

The Riverside Historical Society (RHS) is a related organization that was created by Ordinance No. 96-0-79 on November 7, 1996 by the City of Riverside. RHS is governed by seven members which are appointed by City Council. RHS was established to provide a society which is interested and qualified to undertake such programs that will promote the historical and cultural heritage of the City, to protect existing historical landmarks in the City, and to promote the use of and protect historical sites within the City. The City is not able to impose its will on the RHS and no financial benefit and/or burden relationship exists. During 2000, the City donated \$2,100 to the operation of the RHS.

NOTE 19 - RISK SHARING POOL

The Public Entities Pool of Ohio (the "PEP") is a statutory entity created pursuant to section 2744.081, of the Ohio Revised Code, by the execution of an intergovernmental contract ("Participation Agreements"). PEP enables the subscribing subdivisions to pool risk for property, liability and public official liability.

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

NOTE 19 - RISK SHARING POOL (Continued)

PEP has no employees, rather it is administered through contracts with various professionals. Pursuant to a contract, the firm of Accordia of Ohio administers PEP. PEP is a separate legal entity. PEP subcontracts certain self-insurance, administrative and claims functions to a "Pool Operator," currently Pottering Insurance. PEP has executed contracts with various professionals for actuary services, as independent auditors, as loss control representatives, as litigation management and defense law firms, as counsel to the PEP and others as required.

PEP is governed by a seven member Board of Trustees elected by mail ball by the members of PEP. The City makes an annual contribution to PEP for the coverage it is provided, based on rates established by PEP. Financial information may be obtained by writing to the Public Entity Risk Pool of Ohio, 229 Riverside Drive, Dayton, Ohio, 45402.

NOTE 20 - RESTATEMENT OF FUND BALANCE

The City has restated beginning fund balance for due from other governments, materials and supplies inventory, and due to other governments. The effect of these changes on opening fund balance and the effect on the excess of revenues and other financing sources over expenditures and other financing uses follows:

	Governmental Fund Types	
	General	Special Revenue
Fund Balance at December 31, 1999	\$958,112	\$769,750
Restatements:		
Due From Other Governments	196,608	0
Materials and Supplies Inventory	(602)	(2,283)
Due to Other Governments	0	(196,608)
Fund Balance at January 1, 2000	\$1,154,118	\$570,859

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

NOTE 20 - RESTATEMENT OF FUND BALANCE (Continued)

	Governmental Fund Types	
	General	Special Revenue
Excess Over (Under) as previously Recorded	(\$13,431)	\$376,967
Restatements:		
Due From Other Governments	196,608	0
Due to Other Governments	0	(196,608)
Restated Amounts for the year ended December 31, 1999	\$183,177	\$180,359

NOTE 21 - CONTINGENT LIABILITIES

FEDERAL AND STATE GRANTS

For the period January 1, 2000, to December 31, 2000, the City received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies or their designees. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. Based on prior experience, the City believes such disallowance, if any, would be immaterial.

LITIGATION

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

PLATTENBURG & ASSOCIATES, INC./CERTIFIED PUBLIC ACCOUNTANTS

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2211 SOUTH DIXIE AVENUE/ DAYTON, OH 45409 • (937) 294-1505 • FAX (937) 294-1507

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

June 4, 2001

To The City Council of the City of Riverside, Ohio

We have audited the general purpose financial statements of the City of Riverside, Ohio (the City), as of and for the year ended December 31, 2000, and have issued our report thereon dated June 4, 2001. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

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

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.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be

material weaknesses. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

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

Plattenburg & Associates, Inc.
Certified Public Accountants

PLATTENBURG & ASSOCIATES, INC./CERTIFIED PUBLIC ACCOUNTANTS

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

June 4, 2001

To The City Council of the City of Riverside, Ohio

Compliance

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

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

In our opinion, the City complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended December 31, 2000.

Internal Control Over Compliance

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

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

Schedule of Federal Awards Expenditures

We have audited the general purpose financial statements of the City as of and for the year ended December 31, 2000, and have issued our report thereon dated June 4, 2001. Our audit was made for the purpose of forming an opinion on the general purpose financial statements of the City taken as a whole. The accompanying schedule of federal awards expenditures is presented for purposes of additional analysis as required by *OMB Circular A-133* and is not a required part of the general purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as a whole.

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

Plattensburg & Associates, Inc.
Certified Public Accountants

**CITY OF RIVERSIDE, OHIO
December 31, 2000**

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

1. SUMMARY OF AUDITOR'S RESULTS

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

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

None Noted

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None Noted

CITY OF RIVERSIDE, OHIO

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

Federal Grantor/Pass - Through Grantor, Program Title	Pass Through Entity Number	CFDA	Disbursements
<hr/>			
United States Department of Justice			
<hr/>			
Direct Receipt			
COPS Fast	95-CFWX-2338	16.710	\$150,033
COPS More	97-CMWX-0085	16.710	2,319
COPS School Resource	99-SHWX-0278	16.710	36,263
Local Law Enforcement Block	99-LELEB-3224	16.592	2,620
Passed Through Miami Valley Regional Planning Commission			
Violence Against Women Act	97-WF-VA7-8907	16.588	41,576
Byrne Memorial Grant	97-DG-DO1-7551	16.579	47,956
Byrne "Sunshine" Grant	99-DB-BOI-7568	16.579	34,006
Passed Through State Attorney General's Office			
Victims of Crime Act	98-VA-GENN-335N	16.575	42,005
Total U.S. Department of Justice			<hr/> 356,778
<hr/>			
United States Department of Housing and Urban Development			
<hr/>			
Passed Through Montgomery County			
Neighborhood Empowerment Program-CDBG	B-94-UC-39-0004	14.228	142,005
Floral Park-CDBG	B-98-UC-39-0004	14.228	11,435
Total U.S. Department of Housing and Urban Development			<hr/> 153,440
<hr/>			
United States Department of Transportation			
Highway Planning and Construction	(1)	20.205	4,136
Total U.S. Department of Transportation			<hr/> 4,136
TOTALS			<hr/> <hr/> \$514,354

NOTES TO THE FEDERAL AWARDS EXPENDITURES

The accompanying schedule of federal awards expenditures is a summary of the activity of the City's federal award programs. The schedule has been prepared on the cash basis of accounting.

(1) Information not available

**CITY OF RIVERSIDE, OHIO
DECEMBER 31, 2000**

**SCHEDULE OF PRIOR AUDIT AND QUESTIONED COSTS
*OMB CIRCULAR A-133***

The City had no prior audit findings or questioned costs.



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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CITY OF RIVERSIDE

MONTGOMERY 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**