



**JIM PETRO**  
**AUDITOR OF STATE**  

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**STATE OF OHIO**



CITY OF BELPRE  
WASHINGTON COUNTY

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**STATE OF OHIO  
OFFICE OF THE AUDITOR**

JIM PETRO, AUDITOR OF STATE

743 East State Street  
Athens Mall, Suite B  
Athens, Ohio 45701  
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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 financial statements of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of the City of Belpre, Washington County, Ohio (the City), as of and for the year ended December 31, 2001, which collectively comprise the City's basic financial statements and have issued our report thereon dated May 20, 2002, wherein we noted the City adopted Governmental Accounting Standards Board Statements 37 and 38. 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 assurances about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*. However, we noted certain immaterial instances of noncompliance that we have reported to the management of the City in a separate letter dated May 20, 2002.

**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 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 May 20, 2002.

This report is intended solely 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.

A handwritten signature in black ink, appearing to read "Jim Petro". The signature is stylized with a large, sweeping initial "J" and a long, horizontal stroke extending to the right.

**Jim Petro**  
Auditor of State

May 20, 2002

# **CITY OF BELPRE, OHIO**

**Comprehensive Annual Financial Report  
For The Year Ended December 31, 2001**

City of Belpre, Ohio

# **Comprehensive Annual Financial Report**

For The Year Ended December 31, 2001

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



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# **INTRODUCTORY SECTION**

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*Comprehensive Annual Financial Report*  
*For the Year Ended December 31, 2001*  
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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**

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May 20, 2002

City Council and  
Citizens of Belpre:  
Belpre, Ohio 45714

We are pleased to submit to you the City of Belpre's third Comprehensive Annual Financial Report (CAFR). This CAFR was prepared by the City Auditor's Office. 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 "Belleprairie" 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-one 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, 2004      | 15                |

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 traditionally negotiate for three-year contract terms. The new AFSCME contract will cover the period from January 1, 2002, through December 31, 2004. 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 2001 drew to a close, economic conditions remained stable in Belpre despite national economic problems. 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. Several new business start-ups occurred in the City during 2001, which include Riverview Financial Services, Auto Mart, WWT Electric, Dollar General Store, Estabrook Corporation, Belpre Motors, and Global Mortgage Group. Local businesses, including Family Dollar and Worthington Center, expanded to meet demand.

We expect our tax base to grow in 2002 as local businesses, including Wal Bon Corporation and Specialty Diagnostic Center, have expansion plans to meet demand for their services and products.

The municipal government also continued efforts to stimulate economic growth in the City during 2001. It concentrated on the cleanup and development of the former salvage yard in the center of the City.

**MAJOR INITIATIVES**

Ambitious infrastructure improvements highlighted the City's year. A \$211,343 grant from the Ohio Public Works Commission, along with \$76,212 in local funds, made possible the paving of portions of over 30 City streets. 9,550 liner feet of water lines, mostly under streets that were to be paved, were replaced at a cost of \$269,643. Funds for the water project were borrowed from Peoples Banking & Trust Company and will be repaid from water utility revenue.

Equipment upgrades were also a priority in 2001. This included a new emergency siren in Howes Grove Park and pumps, wiring, and lighting at various lift stations and the wastewater treatment plant.

A major upgrade of the wastewater treatment plant, costing in excess of \$1.4 million has been planned for several years. The first phase of the project is completed and is presented as construction in progress. Engineering is now complete for the second phase and the project is expected to begin in 2002. It will be funded by grants and low interest loans from the Ohio Public Works Commission and the Washington County Commissioners, along with matching local funds from the Sewer Fund. Also during 2002, bids are to be solicited for a new water storage tank on the north side 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 second 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 reporting model, management is responsible for preparing a Management Discussion and Analysis of the City. This discussion is presented at the beginning of the financial section of this report, providing an assessment of the City finances for 2001.



## 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 on a modified accrual basis of accounting in the governmental funds for the past ten years:

| <u>Year</u> | <u>Amount</u> | <u>Year</u> | <u>Amount</u> |
|-------------|---------------|-------------|---------------|
| 2001        | \$45,130      | 1996        | \$23,800      |
| 2000        | 70,260        | 1995        | 18,706        |
| 1999        | 69,311        | 1994        | 47,391        |
| 1998        | 61,429        | 1993        | 45,556        |
| 1997        | 30,805        | 1992        | 32,253        |

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 market value of which is at least 105% 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 Anthem Blue Cross and Blue Shield 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, 2001, the City contributed \$225,093 to the two plans.

Information regarding the operations and funded status of both plans is 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, 2000. This was the City of Belpre's second 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.

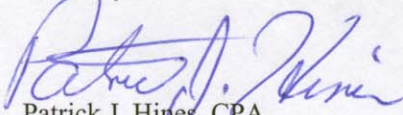
A Certificate of Achievement is valid for a period of one year only. We believe our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

**TREE CITY USA** - The City received its sixth Tree City USA Award for the year ended December 31, 2001. 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, 2000

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.



*Thomas A. Drew*  
President

*Jeffrey L. Esler*  
Executive Director

City of Belpre, Ohio  
Principal Officials  
December 31, 2001

Mayor ..... William R. McAfee  
President of Council ..... Don McCullough  
Council - 1<sup>st</sup> Ward ..... Kevin Mayle  
Council - 2<sup>nd</sup> Ward ..... Ola Boise  
Council - 3<sup>rd</sup> Ward ..... David Ferguson  
Council - 4<sup>th</sup> Ward ..... Dewey Robinson  
Council - at Large ..... John Baker  
Council - at Large ..... Robert Frank  
Council - at Large ..... Will Neff  
Clerk of Council ..... Kimberly Meredith  
Law Director ..... James McCauley

Finance

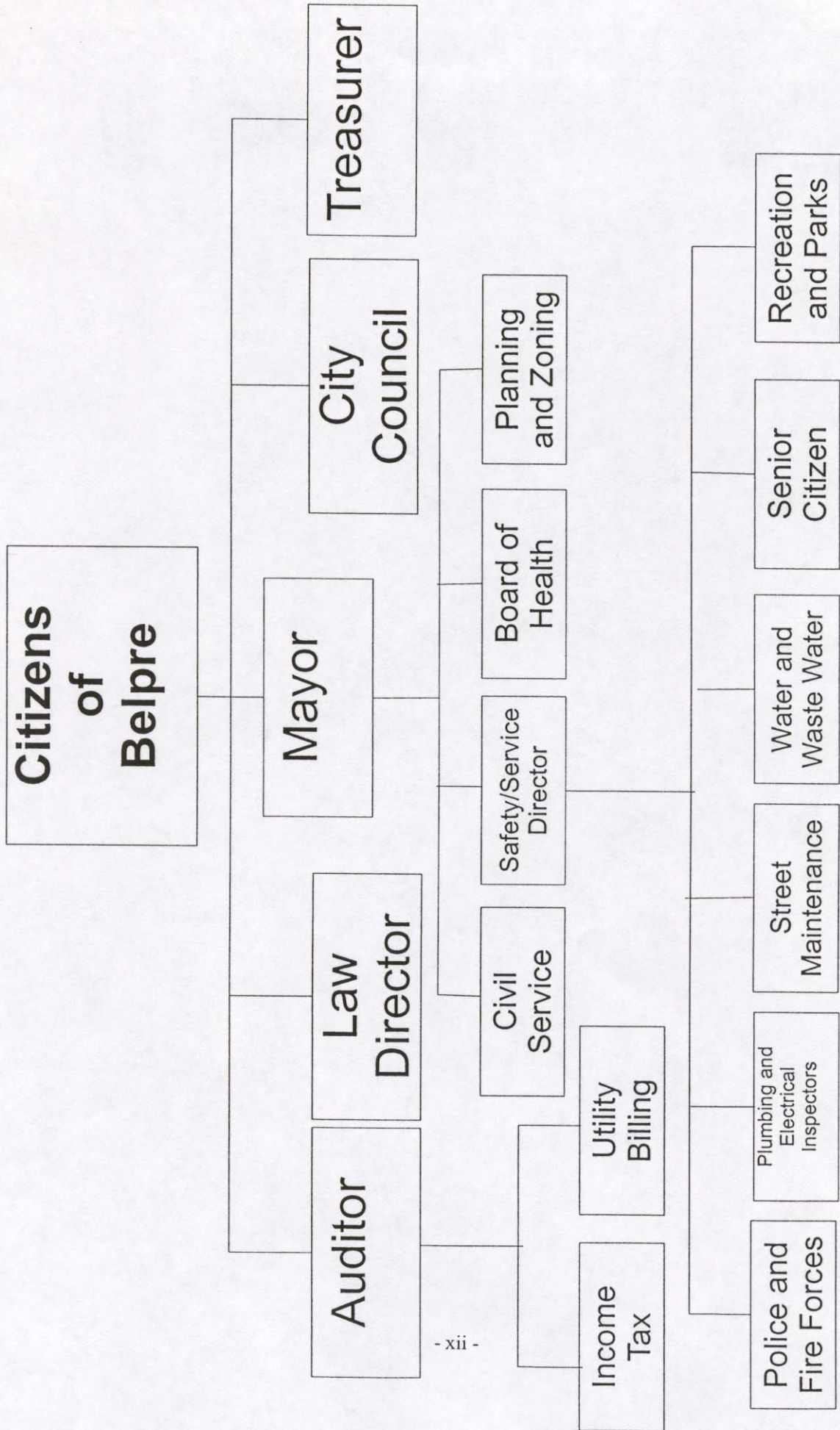
Auditor ..... Patrick J. Hines, CPA  
Deputy Auditor ..... Sharon McVey  
Deputy Office Administrator ..... Lisa Rankin  
Treasurer ..... Larry Lorentz  
Income Tax Commissioner ..... Leonard Wiggins, II

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



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# **FINANCIAL SECTION**

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STATE OF OHIO  
OFFICE OF THE AUDITOR  

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JIM PETRO, AUDITOR OF STATE

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Athens, Ohio 45701  
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800-441-1389  
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 financial statements of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of the City of Belpre, Washington County, Ohio (the City), as of and for the year ended December 31, 2001, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund and aggregate remaining fund information of the City of Belpre, Washington County, as of December 31, 2001, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 4, during the year ended December 31, 2001, the City adopted Governmental Accounting Standards Board Statements 37 and 38.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 20, 2002, 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 principally 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 opinions on the financial statements that collectively comprise the City's basic financial statements. The combining statements and individual nonmajor fund statements and 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. In our opinion, this information is fairly presented, in all material respects, in relation to the basic financial statements taken a whole.

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

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

**Jim Petro**  
Auditor of State

May 20, 2002

**City of Belpre**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2001*  
*Unaudited*

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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, 2001. 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 2001 are as follows:

- ◆ In total, net assets decreased \$710,933. Net assets of governmental activities decreased \$1,136,745 or 13 percent from 2000. Net assets of business-type activities increased \$425,812, which represents an 8 percent increase from 2000.
- ◆ In total, cash and cash equivalents increased \$216,121 or 14 percent. Total cash and cash equivalents of governmental activities only increased \$14,935, while cash and cash equivalents in our business-type activities increased \$201,186 or 28 percent.
- ◆ Overall, the book value of capital assets decreased \$955,207. Total capital assets from governmental activities decreased \$1,167,495 or 14 percent. Capital assets of business-type activities increased \$212,288 or 4 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*  
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*Unaudited*

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***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 2001?" 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, Permissive Tax, 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.

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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 2001 compared to 2000.

(Table 1)  
 Net Assets

|   | Governmental Activities |                    | Business-Type Activities |                    | Total               |                     |
|---|-------------------------|--------------------|--------------------------|--------------------|---------------------|---------------------|
|   | 2001                    | 2000               | 2001                     | 2000               | 2001                | 2000                |
| <b>Assets</b>                                   |                         |                    |                          |                    |                     |                     |
| Current and Other Assets                        | \$1,539,419             | \$1,383,619        | \$1,160,088              | \$1,031,229        | \$2,699,507         | \$2,414,848         |
| Capital Assets, Net                             | 7,292,929               | 8,460,424          | 5,582,110                | 5,369,822          | 12,875,039          | 13,830,246          |
| <i>Total Assets</i>                             | <u>8,832,348</u>        | <u>9,844,043</u>   | <u>6,742,198</u>         | <u>6,401,051</u>   | <u>15,574,546</u>   | <u>16,245,094</u>   |
| <b>Liabilities</b>                              |                         |                    |                          |                    |                     |                     |
| Current and Other Liabilities                   | 576,427                 | 343,436            | 178,953                  | 155,512            | 755,380             | 498,948             |
| Long-Term Liabilities:                          |                         |                    |                          |                    |                     |                     |
| Due Within One Year                             | 109,883                 | 111,972            | 189,497                  | 244,809            | 299,380             | 356,781             |
| Due in More Than One Year                       | 301,974                 | 407,826            | 546,400                  | 599,194            | 848,374             | 1,007,020           |
| <i>Total Liabilities</i>                        | <u>988,284</u>          | <u>863,234</u>     | <u>914,850</u>           | <u>999,515</u>     | <u>1,903,134</u>    | <u>1,862,749</u>    |
| <b>Net Assets</b>                               |                         |                    |                          |                    |                     |                     |
| Invested in Capital Assets, Net of Related Debt | 6,933,807               | 7,994,300          | 4,860,591                | 4,544,399          | 11,794,398          | 12,538,699          |
| Restricted:                                     |                         |                    |                          |                    |                     |                     |
| Capital Projects                                | 171,384                 | 82,755             | 0                        | 0                  | 171,384             | 82,755              |
| Other Purposes                                  | 247,144                 | 283,089            | 0                        | 0                  | 247,144             | 283,089             |
| Unrestricted                                    | 491,729                 | 620,665            | 966,757                  | 857,137            | 1,458,486           | 1,477,802           |
| <i>Total Net Assets</i>                         | <u>\$7,844,064</u>      | <u>\$8,980,809</u> | <u>\$5,827,348</u>       | <u>\$5,401,536</u> | <u>\$13,671,412</u> | <u>\$14,382,345</u> |

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Total assets decreased \$670,548. Even though total cash and cash equivalents increased \$216,121, the book value of governmental activities' capital assets decreased \$1,167,495. The decrease in governmental activities is due to depreciation expense on capital assets which exceeded current year acquisitions of capital assets. An increase in capital assets in business activities is due to increased capital acquisitions, mostly for the water line replacement project, that exceeded current year depreciation.

Net assets of the City's governmental activities decreased \$1,136,745. 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 decreased \$128,936 or 21 percent. Most of this decrease is due to decreased receivables from other governments for estate tax and state shared revenues.

Total governmental activities liabilities increased \$125,050. Current liabilities increased \$232,991. \$211,343 of this increase represents an account payable to the contractor for the a paving project, which is offset by an intergovernmental receivable from the Ohio Public Works Commission. Long-term liabilities decreased \$107,941 as the City made required loan payments while not issuing any new debt in 2001.

The net assets of the City's business type activities increased \$425,812, with investment in capital assets and unrestricted net assets representing \$316,192 and \$109,620 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 continued to invest heavily in our sewer treatment facility. The treatment facility upgrade began in 2000 and will continue in 2002. Total amounts to be expended on this upgrade are contracted at \$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 twenty years. Since the City's sewer infrastructure had 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, 2001.

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(Table 2)  
**Changes in Net Assets**

|   | Governmental<br>Activities<br>2001 | Business-<br>Type<br>Activities<br>2001 | Total<br>2001      | Governmental<br>Activities<br>2000 | Business-<br>Type<br>Activities<br>2000 | Total<br>2000      |
|---|------------------------------------|---|--------------------|------------------------------------|---|--------------------|
| <b>Revenues</b>                                   |                                    |   |                    |                                    |   |                    |
| <b>Program Revenues</b>                           |                                    |   |                    |                                    |   |                    |
| Charges for Services                              | \$313,270                          | \$2,311,020                             | \$2,624,290        | \$300,216                          | \$2,267,550                             | \$2,567,766        |
| Operating Grants,<br>Contributions and Interest   | 539,600                            | 0                                       | 539,600            | 385,452                            | 0                                       | 385,452            |
| Capital Grants and Contributions                  | 24,635                             | 22,621                                  | 47,256             | 2,721                              | 305,799                                 | 308,520            |
| <b>Total Program Revenues</b>                     | <b>877,505</b>                     | <b>2,333,641</b>                        | <b>3,211,146</b>   | <b>688,389</b>                     | <b>2,573,349</b>                        | <b>3,261,738</b>   |
| <b>General Revenues</b>                           |                                    |   |                    |                                    |   |                    |
| Property Taxes                                    | 242,764                            | 0                                       | 242,764            | 247,518                            | 0                                       | 247,518            |
| Income Taxes                                      | 879,622                            | 0                                       | 879,622            | 939,501                            | 0                                       | 939,501            |
| Grants and Entitlements                           | 223,043                            | 0                                       | 223,043            | 289,198                            | 0                                       | 289,198            |
| Interest  | 47,657                             | 0                                       | 47,657             | 68,561                             | 0                                       | 68,561             |
| Other   | 10,202                             | 9,501                                   | 19,703             | 26,497                             | 6,859                                   | 33,356             |
| <b>Total General Revenues</b>                     | <b>1,403,288</b>                   | <b>9,501</b>                            | <b>1,412,789</b>   | <b>1,571,275</b>                   | <b>6,859</b>                            | <b>1,578,134</b>   |
| <b>Total Revenues</b>                             | <b>2,280,793</b>                   | <b>2,343,142</b>                        | <b>4,623,935</b>   | <b>2,259,664</b>                   | <b>2,580,208</b>                        | <b>4,839,872</b>   |
| <b>Program Expenses</b>                           |                                    |   |                    |                                    |   |                    |
| General Government                                | 456,662                            | 0                                       | 456,662            | 443,082                            | 0                                       | 443,082            |
| Security of Persons and Property:                 |                                    |   |                    |                                    |   |                    |
| Police  | 849,506                            | 0                                       | 849,506            | 840,810                            | 0                                       | 840,810            |
| Fire  | 187,481                            | 0                                       | 187,481            | 203,981                            | 0                                       | 203,981            |
| Public Health Services                            | 21,978                             | 0                                       | 21,978             | 31,433                             | 0                                       | 31,433             |
| Transportation                                    | 1,724,203                          | 0                                       | 1,724,203          | 1,701,589                          | 0                                       | 1,701,589          |
| Leisure Time Activities:                          |                                    |   |                    |                                    |   |                    |
| Senior Services                                   | 23,814                             | 0                                       | 23,814             | 21,584                             | 0                                       | 21,584             |
| Parks   | 126,524                            | 0                                       | 126,524            | 226,731                            | 0                                       | 226,731            |
| Pool  | 71,370                             | 0                                       | 71,370             | 65,380                             | 0                                       | 65,380             |
| Intergovernmental                                 | 20,466                             | 0                                       | 20,466             | 0                                  | 0                                       | 0                  |
| Interest and Fiscal Charges                       | 20,534                             | 0                                       | 20,534             | 34,698                             | 0                                       | 34,698             |
| Sanitation  | 0                                  | 439,430                                 | 439,430            | 0                                  | 438,346                                 | 438,346            |
| Sewer   | 0                                  | 884,971                                 | 884,971            | 0                                  | 828,501                                 | 828,501            |
| Water   | 0                                  | 507,929                                 | 507,929            | 0                                  | 529,920                                 | 529,920            |
| <b>Total Program Expenses</b>                     | <b>3,502,538</b>                   | <b>1,832,330</b>                        | <b>5,334,868</b>   | <b>3,569,288</b>                   | <b>1,796,767</b>                        | <b>5,366,055</b>   |
| <b>Increase (Deficiency)<br/>Before Transfers</b> | <b>(1,221,745)</b>                 | <b>510,812</b>                          | <b>(710,933)</b>   | <b>(1,309,624)</b>                 | <b>783,441</b>                          | <b>(526,183)</b>   |
| Transfers   | 85,000                             | (85,000)                                | 0                  | 76,774                             | (76,774)                                | 0                  |
| <b>Increase (Decrease) in Net Assets</b>          | <b>(\$1,136,745)</b>               | <b>\$425,812</b>                        | <b>(\$710,933)</b> | <b>(\$1,232,850)</b>               | <b>\$706,667</b>                        | <b>(\$526,183)</b> |

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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. 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 represent 73 percent of all revenues in the governmental activities.

Despite a general slowdown in the national economy in 2001, income tax collections experienced a small decline of \$59,879. This decline is due in part to a higher amount of delinquent accounts being deemed uncollectible than in the prior year. 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 is 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 City Management's ability to keep costs in line.

Security of persons and property is a major activity of the City, generating 30% of the governmental expenses. During 2001, expenses for police and fire operations amounted to \$849,506 and \$187,481, 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 \$18,761 Law Enforcement Block Grant and the \$4,921 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 49% of the governmental expenses. Street patching and street lighting expenses during 2001 amounted to \$363,942, with most of the remaining transportation expenses representing depreciation in the amount of \$1,333,922.

***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 purchase capital assets for the City's general government activities. During 2001, program revenues exceeded expenses by \$501,311.

The City's water and sewer departments continued to operate with low rates. The minimum water rate is \$5.70 for the first 3,000 gallons of water. Water rates for two neighboring water associations are \$16.30 and \$19.80 for the first 3,000 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. The new City water wells are now complete and the major upgrade to the sewer treatment plant is now underway and will be completed in 2002 or 2003.



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**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 \$2,289,385 and expenditures of \$2,436,014. The only significant change in governmental funds was the reduction in park expenditures, as 2000 numbers reflected a \$125,000 grant used for feasibility studies for park expansion.

The fund balance of the General Fund decreased \$108,471. Expenditures exceeded revenues by \$99,257. An \$85,000 transfer was received from the Sanitation Enterprise Fund. The General Fund's Unreserved Fund Balance of \$436,064 represented 29% of current year expenditures. Most of these funds remain in the City's treasury and are invested.

During 2001, the Water Fund had operating revenues of \$680,342 and operating expenses of \$491,128. The Sewer Fund had operating revenues of \$1,067,848 and operating expenses of \$862,255. Utility rates did not increase during 2001 and operating revenues and expenses were not significantly different from the prior year.

***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 2001, the City amended its General Fund budget several times, none significant. All recommendations for a budget change came 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 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. 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, an increase of \$2,795 was made to the original budgeted revenues. Final budgeted expenditures increased \$37,112 over the original amount. The City of Belpre's ending unencumbered cash balance in the General Fund was \$155,598 above the final budgeted amount.

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**Capital Assets and Debt Administration**

***Capital Assets***

(Table 3)  
 Capital Assets at December 31, 2001

|                            | <u>Governmental Activities</u> |                    | <u>Business-Type Activities</u> |                    | <u>Total</u>        |                     |
|----------------------------|--------------------------------|--------------------|---------------------------------|--------------------|---------------------|---------------------|
|                            | <u>2001</u>                    | <u>2000</u>        | <u>2001</u>                     | <u>2000</u>        | <u>2001</u>         | <u>2000</u>         |
| Land                       | \$2,024,318                    | \$2,024,318        | \$250,754                       | \$250,754          | \$2,275,072         | \$2,275,072         |
| Buildings and Improvements | 1,653,820                      | 1,715,705          | 643,079                         | 636,952            | 2,296,899           | 2,352,657           |
| Machinery and Equipment    | 392,506                        | 405,199            | 536,898                         | 541,539            | 929,404             | 946,738             |
| Vehicles                   | 265,241                        | 355,209            | 77,147                          | 84,682             | 342,388             | 439,891             |
| Infrastructure             |                                |                    |                                 |                    |                     |                     |
| U.S. and State Roads       | 813,358                        | 1,220,036          | 0                               | 0                  | 813,358             | 1,220,036           |
| City Streets               | 2,049,990                      | 2,622,836          | 0                               | 0                  | 2,049,990           | 2,622,836           |
| Street Signals             | 93,696                         | 117,121            | 0                               | 0                  | 93,696              | 117,121             |
| Sewer System               | 0                              | 0                  | 1,359,049                       | 1,366,555          | 1,359,049           | 1,366,555           |
| Water System               | 0                              | 0                  | 2,150,836                       | 1,931,255          | 2,150,836           | 1,931,255           |
| Construction in Progress   | 0                              | 0                  | 564,347                         | 558,085            | 564,347             | 558,085             |
| Totals                     | <u>\$7,292,929</u>             | <u>\$8,460,424</u> | <u>\$5,582,110</u>              | <u>\$5,369,822</u> | <u>\$12,875,039</u> | <u>\$13,830,246</u> |

The assets of the City are reported at historical cost, net of depreciation. The primary increases occurred in the Water Fund, in part due to the water line replacement project.

***Debt***

The City had no bond issues outstanding but did have various loans payable at December 31, 2001, totaling \$1,080,641 of which \$299,057 is due within one year. The City has two Ohio Public Works Issue II loans outstanding, one for water well replacement and one for paving. The City has seven additional loans outstanding, one for property, one for the city building, one for three emergency vehicles, one for water wells, one for water lines, one for a backhoe, and one for the sewer treatment facility.

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(Table 4)  
 Outstanding Debt at Year End

|                            | Governmental Activities |                  | Business-Type Activities |                  | Total              |                    |
|----------------------------|-------------------------|------------------|--------------------------|------------------|--------------------|--------------------|
|                            | 2001                    | 2000             | 2001                     | 2000             | 2001               | 2000               |
| City Building Loan         | \$114,958               | \$125,602        | \$229,918                | \$251,205        | \$344,876          | \$376,807          |
| Property Loan              | 34,079                  | 42,484           | 68,158                   | 84,969           | 102,237            | 127,453            |
| Backhoe Loan               | 11,009                  | 13,640           | 22,018                   | 27,280           | 33,027             | 40,920             |
| Issue II Water Well        | 0                       | 0                | 80,103                   | 80,103           | 80,103             | 80,103             |
| Water Well Loan            | 0                       | 0                | 120,394                  | 82,142           | 120,394            | 82,142             |
| Water Lines Loan           | 0                       | 0                | 6,734                    | 0                | 6,734              | 0                  |
| Sewer Treatment Plant Loan | 0                       | 0                | 194,194                  | 299,724          | 194,194            | 299,724            |
| Fire Truck Loan            | 150,000                 | 225,000          | 0                        | 0                | 150,000            | 225,000            |
| Issue II Paving Loan       | 49,076                  | 59,398           | 0                        | 0                | 49,076             | 59,398             |
| Police Pension             | 23,168                  | 23,477           | 0                        | 0                | 23,168             | 23,477             |
| <b>Total</b>               | <b>\$382,290</b>        | <b>\$489,601</b> | <b>\$721,519</b>         | <b>\$825,423</b> | <b>\$1,103,809</b> | <b>\$1,315,024</b> |

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 \$7,884,093 at December 31, 2001.

**Current Finance Related Activities**

The City of Belpre continued to be in a strong financial position. Infrastructure upgrades continued to be a major priority for the City. Final costs for the sewer treatment plant upgrade will 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.

In conclusion, the City of Belpre has committed itself to financial excellence for many years. The City received, for the second time, the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting in 2000. The City of Belpre was 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.

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I 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, 2001*

|  | <u>Governmental</u><br><u>Activities</u> | <u>Business-Type</u><br><u>Activities</u> | <u>Total</u>        |
|--|--|---|---------------------|
| <b>Assets</b>                                    |  |   |                     |
| Equity in Pooled Cash and Cash Equivalents       | \$625,785                                | \$918,287                                 | \$1,544,072         |
| Cash and Cash Equivalents in Segregated Accounts | 6,919                                    | 0   | 6,919               |
| Investments                                      | 0  | 50,000                                    | 50,000              |
| Accounts Receivable                              | 14,261                                   | 177,623                                   | 191,884             |
| Accrued Interest Receivable                      | 530                                      | 0   | 530                 |
| Due from Other Governments                       | 441,682                                  | 2,152                                     | 443,834             |
| Taxes Receivable                                 | 415,932                                  | 0   | 415,932             |
| Materials and Supplies Inventory                 | 7,064                                    | 4,312                                     | 11,376              |
| Prepaid Items                                    | 27,246                                   | 7,714                                     | 34,960              |
| Non-Depreciable Capital Assets                   | 2,024,318                                | 815,101                                   | 2,839,419           |
| Depreciable Capital Assets, Net                  | <u>5,268,611</u>                         | <u>4,767,009</u>                          | <u>10,035,620</u>   |
| <i>Total Assets</i>                              | <u>8,832,348</u>                         | <u>6,742,198</u>                          | <u>15,574,546</u>   |
| <b>Liabilities</b>                               |  |   |                     |
| Accounts Payable                                 | 233,441                                  | 33,959                                    | 267,400             |
| Accrued Wages                                    | 20,650                                   | 9,894                                     | 30,544              |
| Due to Other Governments                         | 11,591                                   | 7,718                                     | 19,309              |
| Deferred Revenue                                 | 269,667                                  | 0   | 269,667             |
| Accrued Interest Payable                         | 1,999                                    | 743                                       | 2,742               |
| Vacation Benefits Payable                        | 38,879                                   | 31,351                                    | 70,230              |
| Deposits Held and Due to Others                  | 200                                      | 0   | 200                 |
| Customer Deposits Payable                        | 0  | 95,288                                    | 95,288              |
| Long-Term Liabilities:                           |  |   |                     |
| Due Within One Year                              | 109,883                                  | 189,497                                   | 299,380             |
| Due In More Than One Year                        | <u>301,974</u>                           | <u>546,400</u>                            | <u>848,374</u>      |
| <i>Total Liabilities</i>                         | <u>988,284</u>                           | <u>914,850</u>                            | <u>1,903,134</u>    |
| <b>Net Assets</b>                                |  |   |                     |
| Invested in Capital Assets, Net of Related Debt  | 6,933,807                                | 4,860,591                                 | 11,794,398          |
| Restricted for:                                  |  |   |                     |
| Capital Projects                                 | 171,384                                  | 0   | 171,384             |
| Other Purposes                                   | 247,144                                  | 0   | 247,144             |
| Unrestricted                                     | <u>491,729</u>                           | <u>966,757</u>                            | <u>1,458,486</u>    |
| <i>Total Net Assets</i>                          | <u>\$7,844,064</u>                       | <u>\$5,827,348</u>                        | <u>\$13,671,412</u> |

See accompanying notes to the basic financial statements

**City of Belpre, Ohio**  
*Statement of Activities*  
For the Year Ended December 31, 2001

|                                       | Program Revenues          |                           |  |                                     |
|---------------------------------------|---------------------------|---------------------------|--|-------------------------------------|
|                                       | Expenses                  | Charges<br>for Services   | Operating Grants,<br>Contributions<br>and Interest | Capital Grants<br>and Contributions |
| <b>Governmental Activities</b>        |                           |                           |  |                                     |
| General Government                    | \$456,662                 | \$107,334                 | \$0  | \$1,400                             |
| Security of Persons and Property:     |                           |                           |  |                                     |
| Police                                | 849,506                   | 106,557                   | 23,313   | 2,795                               |
| Fire                                  | 187,481                   | 0                         | 2,150  | 440                                 |
| Public Health Services                | 21,978                    | 14,497                    | 2,357  | 0                                   |
| Transportation                        | 1,724,203                 | 43,751                    | 499,039  | 20,000                              |
| Leisure Time Activities:              |                           |                           |  |                                     |
| Senior Center                         | 23,814                    | 0                         | 4,045  | 0                                   |
| Parks                                 | 126,524                   | 5,452                     | 8,696  | 0                                   |
| Pool                                  | 71,370                    | 35,679                    | 0  | 0                                   |
| Intergovernmental                     | 20,466                    | 0                         | 0  | 0                                   |
| Interest and Fiscal Charges           | 20,534                    | 0                         | 0  | 0                                   |
| <i>Total Governmental Activities</i>  | <u>3,502,538</u>          | <u>313,270</u>            | <u>539,600</u>                                     | <u>24,635</u>                       |
| <b>Business-Type Activities</b>       |                           |                           |  |                                     |
| Sanitation                            | 439,430                   | 563,366                   | 0  | 0                                   |
| Sewer                                 | 884,971                   | 1,067,677                 | 0  | 0                                   |
| Water                                 | 507,929                   | 679,977                   | 0  | 22,621                              |
| <i>Total Business-Type Activities</i> | <u>1,832,330</u>          | <u>2,311,020</u>          | <u>0</u>   | <u>22,621</u>                       |
| <i>Total</i>                          | <u><u>\$5,334,868</u></u> | <u><u>\$2,624,290</u></u> | <u><u>\$539,600</u></u>                            | <u><u>\$47,256</u></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  
Gain on Sale of Capital Assets  
Other

*Total General Revenues*

Transfers

Change in Net Assets

*Net Assets Beginning of Year*

*Net Assets End of Year*

See accompanying notes to the basic financial statements

Net (Expense) Revenue  
and Changes in Net Assets

| Governmental<br>Activities | Business-Type<br>Activities | Total               |
|----------------------------|-----------------------------|---------------------|
| (\$347,928)                | \$0                         | (\$347,928)         |
| (716,841)                  | 0                           | (716,841)           |
| (184,891)                  | 0                           | (184,891)           |
| (5,124)                    | 0                           | (5,124)             |
| (1,161,413)                | 0                           | (1,161,413)         |
| (19,769)                   | 0                           | (19,769)            |
| (112,376)                  | 0                           | (112,376)           |
| (35,691)                   | 0                           | (35,691)            |
| (20,466)                   | 0                           | (20,466)            |
| (20,534)                   | 0                           | (20,534)            |
| <u>(2,625,033)</u>         | <u>0</u>                    | <u>(2,625,033)</u>  |
| 0                          | 123,936                     | 123,936             |
| 0                          | 182,706                     | 182,706             |
| 0                          | 194,669                     | 194,669             |
| <u>0</u>                   | <u>501,311</u>              | <u>501,311</u>      |
| <u>(2,625,033)</u>         | <u>501,311</u>              | <u>(2,123,722)</u>  |
| 242,764                    | 0                           | 242,764             |
| 640,334                    | 0                           | 640,334             |
| 239,288                    | 0                           | 239,288             |
| 223,043                    | 0                           | 223,043             |
| 47,657                     | 0                           | 47,657              |
| 880                        | 6,810                       | 7,690               |
| 9,322                      | 2,691                       | 12,013              |
| <u>1,403,288</u>           | <u>9,501</u>                | <u>1,412,789</u>    |
| <u>85,000</u>              | <u>(85,000)</u>             | <u>0</u>            |
| (1,136,745)                | 425,812                     | (710,933)           |
| <u>8,980,809</u>           | <u>5,401,536</u>            | <u>14,382,345</u>   |
| <u>\$7,844,064</u>         | <u>\$5,827,348</u>          | <u>\$13,671,412</u> |

**City of Belpre, Ohio**

*Balance Sheet*

*Governmental Funds*

*December 31, 2001*

|   | <u>General</u>   | <u>Street</u>    | <u>Permissive<br/>Tax</u> | <u>Capital<br/>Improvement</u> |
|---|------------------|------------------|---------------------------|--------------------------------|
| <b>Assets</b>                                       |                  |                  |                           |                                |
| Equity in Pooled Cash and<br>Cash Equivalents       | \$372,267        | \$19,542         | \$45,823                  | \$118,529                      |
| Cash and Cash Equivalents in<br>Segregated Accounts | 6,138            | 0                | 0                         | 0                              |
| Receivables:  |                  |                  |                           |                                |
| Taxes   | 360,634          | 0                | 2,443                     | 52,855                         |
| Accounts  | 14,261           | 0                | 0                         | 0                              |
| Accrued Interest                                    | 530              | 0                | 0                         | 0                              |
| Due from Other Governments                          | 104,541          | 112,155          | 211,343                   | 0                              |
| Materials and Supplies Inventory                    | 1,576            | 5,488            | 0                         | 0                              |
| Prepaid Items                                       | 21,472           | 2,997            | 0                         | 0                              |
| <i>Total Assets</i>                                 | <u>\$881,419</u> | <u>\$140,182</u> | <u>\$259,609</u>          | <u>\$171,384</u>               |
| <b>Liabilities and Fund Balances</b>                |                  |                  |                           |                                |
| <b>Liabilities</b>                                  |                  |                  |                           |                                |
| Accounts Payable                                    | \$17,363         | \$2,846          | \$211,343                 | \$0                            |
| Accrued Wages                                       | 17,005           | 3,645            | 0                         | 0                              |
| Due to Other Governments                            | 9,974            | 1,296            | 0                         | 0                              |
| Deferred Revenue                                    | 379,335          | 82,493           | 0                         | 15,414                         |
| Deposits Held and Due to Others                     | 200              | 0                | 0                         | 0                              |
| <i>Total Liabilities</i>                            | <u>423,877</u>   | <u>90,280</u>    | <u>211,343</u>            | <u>15,414</u>                  |
| <b>Fund Balances</b>                                |                  |                  |                           |                                |
| Reserved for Encumbrances                           | 17,092           | 362              | 0                         | 1,067                          |
| Reserved for Inventory                              | 1,576            | 5,488            | 0                         | 0                              |
| Reserved for Unclaimed Monies                       | 2,810            | 0                | 0                         | 0                              |
| Unreserved, Undesignated, Reported in:              |                  |                  |                           |                                |
| General Fund  | 436,064          | 0                | 0                         | 0                              |
| Special Revenue Funds                               | 0                | 44,052           | 48,266                    | 0                              |
| Capital Projects Funds                              | 0                | 0                | 0                         | 154,903                        |
| <i>Total Fund Balances</i>                          | <u>457,542</u>   | <u>49,902</u>    | <u>48,266</u>             | <u>155,970</u>                 |
| <i>Total Liabilities and Fund Balances</i>          | <u>\$881,419</u> | <u>\$140,182</u> | <u>\$259,609</u>          | <u>\$171,384</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, 2001*

| Other<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |  |                    |
|--------------------------------|--------------------------------|--|--------------------|
|                                |                                | <b>Total Governmental Funds Balances</b>   | <b>\$789,608</b>   |
|                                |                                | <i>Amounts reported for governmental activities in the<br/>statement of net assets are different because</i>                 |                    |
| \$69,624                       | \$625,785                      | Capital assets used in governmental activities are not financial<br>resources and therefore are not reported in the funds.   | 7,292,929          |
| 781                            | 6,919                          |  |                    |
| 0                              | 415,932                        | Other long-term assets are not available to pay for current-<br>period expenditures and therefore are deferred in the funds: |                    |
| 0                              | 14,261                         | Investment Earnings  | 3,004              |
| 0                              | 530                            | Property Taxes   | 11,599             |
| 13,643                         | 441,682                        | Municipal Income Taxes   | 38,536             |
| 0                              | 7,064                          | Intergovernmental Revenues   | 154,123            |
| 2,777                          | 27,246                         | Fines, Licenses, and Permits   | 7,000              |
|                                |                                | Total  | 214,262            |
| <u>\$86,825</u>                | <u>\$1,539,419</u>             | Long-term liabilities are not due and payable in the current<br>period and therefore are not reported in the funds:          |                    |
| \$1,889                        | \$233,441                      | Police Pension Payable   | (23,168)           |
| 0                              | 20,650                         | Accrued Interest Payable   | (1,999)            |
| 321                            | 11,591                         | Loans Payable  | (359,122)          |
| 6,687                          | 483,929                        | Compensated Absences Payable   | (29,567)           |
| 0                              | 200                            | Vacation Benefits Payable  | (38,879)           |
|                                |                                | Total  | (452,735)          |
| <u>8,897</u>                   | <u>749,811</u>                 | <b>Net Assets of Governmental Activities</b>   | <b>\$7,844,064</b> |
| 5,851                          | 24,372                         |  |                    |
| 0                              | 7,064                          |  |                    |
| 0                              | 2,810                          |  |                    |
| 0                              | 436,064                        |  |                    |
| 72,077                         | 164,395                        |  |                    |
| 0                              | 154,903                        |  |                    |
| <u>77,928</u>                  | <u>789,608</u>                 |  |                    |
| <u>\$86,825</u>                | <u>\$1,539,419</u>             |  |                    |

**City of Belpre, Ohio**  
*Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Governmental Funds*  
*For the Year Ended December 31, 2001*

|   | General          | Street          | Permissive<br>Tax | Capital<br>Improvement |
|---|------------------|-----------------|-------------------|------------------------|
| <b>Revenues</b>                                     |                  |                 |                   |                        |
| Property and Other Taxes                            | \$241,033        | \$0             | \$0               | \$0                    |
| Municipal Income Tax                                | 647,679          | 0               | 0                 | 244,185                |
| Motor Vehicle License Tax                           | 0                | 0               | 35,421            | 0                      |
| Charges for Services                                | 79,359           | 0               | 0                 | 0                      |
| Fines, Licenses and Permits                         | 129,466          | 8,330           | 0                 | 0                      |
| Intergovernmental                                   | 221,559          | 206,128         | 284,682           | 20,000                 |
| Investment Earnings                                 | 44,653           | 72              | 0                 | 0                      |
| Donations   | 7,595            | 0               | 0                 | 0                      |
| Other   | 13,512           | 1,035           | 0                 | 1,000                  |
| <i>Total Revenues</i>                               | <u>1,384,856</u> | <u>215,565</u>  | <u>320,103</u>    | <u>265,185</u>         |
| <b>Expenditures</b>                                 |                  |                 |                   |                        |
| Current:  |                  |                 |                   |                        |
| General Government                                  | 449,910          | 0               | 0                 | 50                     |
| Security of Persons and Property:                   |                  |                 |                   |                        |
| Police  | 799,024          | 0               | 0                 | 0                      |
| Fire  | 113,201          | 0               | 0                 | 0                      |
| Public Health Services                              | 21,978           | 0               | 0                 | 0                      |
| Transportation                                      | 77,954           | 297,046         | 292,085           | 20,000                 |
| Leisure Time Activities:                            |                  |                 |                   |                        |
| Senior Center                                       | 22,046           | 0               | 0                 | 2,406                  |
| Parks   | 0                | 0               | 0                 | 0                      |
| Pool  | 0                | 0               | 0                 | 0                      |
| Intergovernmental                                   | 0                | 0               | 20,466            | 0                      |
| Debt Service:                                       |                  |                 |                   |                        |
| Principal Retirement                                | 0                | 0               | 10,322            | 96,680                 |
| Interest and Fiscal Charges                         | 0                | 0               | 1,137             | 17,523                 |
| <i>Total Expenditures</i>                           | <u>1,484,113</u> | <u>297,046</u>  | <u>324,010</u>    | <u>136,659</u>         |
| <i>Excess of Revenues Over (Under) Expenditures</i> | <u>(99,257)</u>  | <u>(81,481)</u> | <u>(3,907)</u>    | <u>128,526</u>         |
| <b>Other Financing Sources (Uses)</b>               |                  |                 |                   |                        |
| Sale of Capital Assets                              | 100              | 780             | 0                 | 0                      |
| Transfers In  | 85,000           | 75,000          | 0                 | 0                      |
| Transfers Out                                       | (95,000)         | 0               | 0                 | (35,000)               |
| <i>Total Other Financing Sources (Uses)</i>         | <u>(9,900)</u>   | <u>75,780</u>   | <u>0</u>          | <u>(35,000)</u>        |
| <i>Net Change in Fund Balances</i>                  | (109,157)        | (5,701)         | (3,907)           | 93,526                 |
| <i>Fund Balances Beginning of Year</i>              | 566,013          | 55,956          | 52,173            | 62,444                 |
| Increase (Decrease) in Reserve for Inventory        | 686              | (353)           | 0                 | 0                      |
| <i>Fund Balances End of Year</i>                    | <u>\$457,542</u> | <u>\$49,902</u> | <u>\$48,266</u>   | <u>\$155,970</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, 2001*

| Other<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |
|--------------------------------|--------------------------------|
| \$0                            | \$241,033                      |
| 0                              | 891,864                        |
| 0                              | 35,421                         |
| 40,627                         | 119,986                        |
| 12,363                         | 150,159                        |
| 42,606                         | 774,975                        |
| 405                            | 45,130                         |
| 6,196                          | 13,791                         |
| 1,479                          | 17,026                         |
| <u>103,676</u>                 | <u>2,289,385</u>               |
| 0                              | 449,960                        |
| 31,254                         | 830,278                        |
| 0                              | 113,201                        |
| 0                              | 21,978                         |
| 10,324                         | 697,409                        |
| 0                              | 24,452                         |
| 90,086                         | 90,086                         |
| 62,522                         | 62,522                         |
| 0                              | 20,466                         |
| 0                              | 107,002                        |
| 0                              | 18,660                         |
| <u>194,186</u>                 | <u>2,436,014</u>               |
| <u>(90,510)</u>                | <u>(146,629)</u>               |
| 0                              | 880                            |
| 55,000                         | 215,000                        |
| 0                              | (130,000)                      |
| <u>55,000</u>                  | <u>85,880</u>                  |
| <u>(35,510)</u>                | <u>(60,749)</u>                |
| 113,438                        | 850,024                        |
| 0                              | 333                            |
| <u>\$77,928</u>                | <u>\$789,608</u>               |

**Net Change in Fund Balances - Total Governmental Funds** (\$60,749)

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

Governmental funds report capital outlays as expenditures.

However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:

|  |                    |             |
|--|--------------------|-------------|
| Capital Outlay                                     | 374,154            |             |
| Depreciation                                       | <u>(1,535,098)</u> |             |
| Excess of Capital Outlay over Depreciation Expense |                    | (1,160,944) |

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.

(6,549)

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

|                          |               |         |
|--------------------------|---------------|---------|
| Interest                 | 3,004         |         |
| Property and Other Taxes | 1,731         |         |
| Municipal Income Taxes   | (12,242)      |         |
| Estate Taxes             | (16,190)      |         |
| Grants                   | (2,461)       |         |
| State Shared Revenues    | <u>16,686</u> |         |
| Total                    |               | (9,472) |

In the statement of activities, interest is accrued on outstanding loans, whereas in governmental funds, an interest expenditure is reported when due.

(1,874)

Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.

107,002

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:

|                                     |            |                |
|-------------------------------------|------------|----------------|
| Inventory                           | 333        |                |
| Vacation Benefits Payable           | (5,431)    |                |
| Compensated Absences Payable - Sick | 630        |                |
| Police Pension Payable              | <u>309</u> |                |
| Total                               |            | <u>(4,159)</u> |

***Change in Net Assets of Governmental Activities***

(\$1,136,745)

**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, 2001*

|  | Budgeted Amounts |           | Actual    | Variance with<br>Final Budget<br>Over<br>(Under) |
|--|------------------|-----------|-----------|--|
|  | Original         | Final     |           | (Under)  |
| <b>Revenues</b>                              |                  |           |           |  |
| Property and Other Taxes                     | \$240,632        | \$240,632 | \$241,110 | \$478  |
| Municipal Income Tax                         | 725,490          | 725,490   | 656,402   | (69,088)   |
| Charges for Services                         | 78,720           | 78,720    | 79,359    | 639  |
| Fines, Licenses and Permits                  | 96,700           | 96,700    | 131,978   | 35,278   |
| Intergovernmental                            | 190,150          | 192,945   | 271,148   | 78,203   |
| Investment Earnings                          | 52,000           | 52,000    | 47,916    | (4,084)  |
| Donations                                    | 6,400            | 6,400     | 7,595     | 1,195  |
| Other  | 12,102           | 12,102    | 16,951    | 4,849  |
| <i>Total Revenues</i>                        | 1,402,194        | 1,404,989 | 1,452,459 | 47,470   |
| <b>Expenditures</b>                          |                  |           |           |  |
| Current:                                     |                  |           |           |  |
| General Government                           | 479,391          | 490,386   | 450,318   | 40,068   |
| Security of Persons and Property:            |                  |           |           |  |
| Police                                       | 843,483          | 853,065   | 799,235   | 53,830   |
| Fire   | 105,077          | 120,382   | 117,797   | 2,585  |
| Public Health Services                       | 27,409           | 27,409    | 24,934    | 2,475  |
| Transportation                               | 75,569           | 75,569    | 71,926    | 3,643  |
| Leisure Time Activities - Senior Center      | 22,260           | 23,490    | 23,933    | (443)  |
| <i>Total Expenditures</i>                    | 1,553,189        | 1,590,301 | 1,488,143 | 102,158  |
| <i>Excess of Revenues Under Expenditures</i> | (150,995)        | (185,312) | (35,684)  | 149,628  |
| <b>Other Financing Sources (Uses)</b>        |                  |           |           |  |
| Sale of Capital Assets                       | 0                | 0         | 100       | 100  |
| Transfers In                                 | 85,000           | 85,000    | 85,000    | 0  |
| Transfers Out                                | (115,000)        | (100,870) | (95,000)  | 5,870  |
| <i>Total Other Financing Sources (Uses)</i>  | (30,000)         | (15,870)  | (9,900)   | 5,970  |
| <i>Net Change in Fund Balance</i>            | (180,995)        | (201,182) | (45,584)  | 155,598  |
| <i>Fund Balance Beginning of Year</i>        | 377,671          | 377,671   | 377,671   | 0  |
| Prior Year Encumbrances Appropriated         | 16,044           | 16,044    | 16,044    | 0  |
| <i>Fund Balance End of Year</i>              | \$212,720        | \$192,533 | \$348,131 | \$155,598  |

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, 2001*

|  | Budgeted Amounts |                 | Actual          | Variance with<br>Final Budget<br>Over<br>(Under) |
|--|------------------|-----------------|-----------------|--|
|  | Original         | Final           |                 |  |
| <b>Revenues</b>                              |                  |                 |                 |  |
| Charges for Services                         | \$7,400          | \$7,400         | \$8,330         | \$930  |
| Intergovernmental                            | 215,600          | 215,600         | 208,171         | (7,429)  |
| Interest                                     | 800              | 800             | 100             | (700)  |
| Other  | 1,500            | 1,500           | 1,035           | (465)  |
| <i>Total Revenues</i>                        | <u>225,300</u>   | <u>225,300</u>  | <u>217,636</u>  | <u>(7,664)</u>                                   |
| <b>Expenditures</b>                          |                  |                 |                 |  |
| Current:                                     |                  |                 |                 |  |
| Transportation                               | 317,351          | 317,351         | 294,405         | 22,946   |
| <i>Excess of Revenues Under Expenditures</i> | <u>(92,051)</u>  | <u>(92,051)</u> | <u>(76,769)</u> | <u>15,282</u>                                    |
| <b>Other Financing Sources</b>               |                  |                 |                 |  |
| Sale of Capital Assets                       | 0                | 0               | 780             | 780  |
| Transfers In                                 | 89,500           | 89,500          | 75,000          | (14,500)   |
| <i>Total Other Financing Sources</i>         | <u>89,500</u>    | <u>89,500</u>   | <u>75,780</u>   | <u>(13,720)</u>                                  |
| <i>Net Change in Fund Balance</i>            | (2,551)          | (2,551)         | (989)           | 1,562  |
| <i>Fund Balance Beginning of Year</i>        | 14,005           | 14,005          | 14,005          | 0  |
| Prior Year Encumbrances Appropriated         | 6,001            | 6,001           | 6,001           | 0  |
| <i>Fund Balance End of Year</i>              | <u>\$17,455</u>  | <u>\$17,455</u> | <u>\$19,017</u> | <u>\$1,562</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*  
*Permissive Tax Fund*  
*For the Year Ended December 31, 2001*

|                                       | Budgeted Amounts |          | Actual   | Variance with<br>Final Budget<br>Over<br>(Under) |
|---------------------------------------|------------------|----------|----------|--|
|                                       | Original         | Final    |          |  |
| <b>Revenues</b>                       |                  |          |          |  |
| Motor Vehicle License Tax             | \$35,700         | \$35,700 | \$35,584 | (\$116)  |
| Intergovernmental                     | 266,632          | 291,632  | 73,339   | (218,293)  |
| <i>Total Revenues</i>                 | 302,332          | 327,332  | 108,923  | (218,409)  |
| <b>Expenditures</b>                   |                  |          |          |  |
| Current:                              |                  |          |          |  |
| Transportation                        | 288,816          | 288,816  | 80,742   | 208,074  |
| Intergovernmental                     | 0                | 25,000   | 20,466   | 4,534  |
| Debt Service:                         |                  |          |          |  |
| Principal Retirement                  | 10,220           | 10,322   | 10,322   | 0  |
| Interest and Fiscal Charges           | 1,239            | 1,137    | 1,137    | 0  |
| <i>Total Expenditures</i>             | 300,275          | 325,275  | 112,667  | 212,608  |
| <i>Net Change in Fund Balance</i>     | 2,057            | 2,057    | (3,744)  | (5,801)  |
| <i>Fund Balance Beginning of Year</i> | 49,567           | 49,567   | 49,567   | 0  |
| <i>Fund Balance End of Year</i>       | \$51,624         | \$51,624 | \$45,823 | (\$5,801)  |

See accompanying notes to the basic financial statements

**City of Belpre, Ohio**  
*Statement of Fund Net Assets*  
*Enterprise Funds*  
*December 31, 2001*

|   | Sanitation       | Sewer              | Water              | Total<br>Enterprise<br>Funds |
|---|------------------|--------------------|--------------------|------------------------------|
| <b>Assets</b>                                   |                  |                    |                    |                              |
| Current:  |                  |                    |                    |                              |
| Equity in Pooled Cash and Cash Equivalents      | \$253,544        | \$329,576          | \$289,879          | \$872,999                    |
| Accounts Receivable                             | 44,719           | 87,263             | 45,641             | 177,623                      |
| Due from Other Governments                      | 0                | 2,152              | 0                  | 2,152                        |
| Materials and Supplies Inventory                | 0                | 717                | 3,595              | 4,312                        |
| Prepaid Items                                   | 366              | 3,787              | 3,561              | 7,714                        |
|   | <u>298,629</u>   | <u>423,495</u>     | <u>342,676</u>     | <u>1,064,800</u>             |
| <i>Total Current Assets</i>                     |                  |                    |                    |                              |
| Noncurrent:                                     |                  |                    |                    |                              |
| Restricted Assets:                              |                  |                    |                    |                              |
| Equity in Pooled Cash and Cash Equivalents      | 0                | 0                  | 45,288             | 45,288                       |
| Investments                                     | 0                | 0                  | 50,000             | 50,000                       |
| Non-Depreciable Capital Assets                  | 0                | 643,152            | 171,949            | 815,101                      |
| Depreciable Capital Assets, Net                 | 0                | 2,146,038          | 2,620,971          | 4,767,009                    |
|   | <u>0</u>         | <u>2,789,190</u>   | <u>2,888,208</u>   | <u>5,677,398</u>             |
| <i>Total Noncurrent Assets</i>                  |                  |                    |                    |                              |
|   | <u>298,629</u>   | <u>3,212,685</u>   | <u>3,230,884</u>   | <u>6,742,198</u>             |
| <i>Total Assets</i>                             |                  |                    |                    |                              |
| <b>Liabilities</b>                              |                  |                    |                    |                              |
| Current:  |                  |                    |                    |                              |
| Accounts Payable                                | 21,110           | 8,690              | 4,159              | 33,959                       |
| Accrued Interest Payable                        | 0                | 507                | 236                | 743                          |
| Accrued Wages                                   | 149              | 6,876              | 2,869              | 9,894                        |
| Vacation Benefits Payable                       | 852              | 20,991             | 9,508              | 31,351                       |
| Due to Other Governments                        | 2,110            | 3,525              | 2,083              | 7,718                        |
| Loans Payable                                   | 0                | 147,345            | 42,152             | 189,497                      |
|   | <u>24,221</u>    | <u>187,934</u>     | <u>61,007</u>      | <u>273,162</u>               |
| <i>Total Current Liabilities</i>                |                  |                    |                    |                              |
| Long-Term:                                      |                  |                    |                    |                              |
| Payable from Restricted Assets:                 |                  |                    |                    |                              |
| Customer Deposits                               | 0                | 0                  | 95,288             | 95,288                       |
| Compensated Absences Payable                    | 373              | 11,771             | 2,234              | 14,378                       |
| Issue II Loans Payable                          | 0                | 0                  | 78,464             | 78,464                       |
| Loans Payable                                   | 0                | 206,896            | 246,662            | 453,558                      |
|   | <u>373</u>       | <u>218,667</u>     | <u>422,648</u>     | <u>641,688</u>               |
| <i>Total Long-Term Liabilities</i>              |                  |                    |                    |                              |
|   | <u>24,594</u>    | <u>406,601</u>     | <u>483,655</u>     | <u>914,850</u>               |
| <i>Total Liabilities</i>                        |                  |                    |                    |                              |
| <b>Net Assets</b>                               |                  |                    |                    |                              |
| Invested in Capital Assets, Net of Related Debt | 0                | 2,434,949          | 2,425,642          | 4,860,591                    |
| Unrestricted                                    | 274,035          | 371,135            | 321,587            | 966,757                      |
|   | <u>\$274,035</u> | <u>\$2,806,084</u> | <u>\$2,747,229</u> | <u>\$5,827,348</u>           |
| <i>Total Net Assets</i>                         |                  |                    |                    |                              |

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, 2001*

|  | Sanitation       | Sewer              | Water              | Total<br>Enterprise<br>Funds |
|--|------------------|--------------------|--------------------|------------------------------|
| <b>Operating Revenues</b>                        |                  |                    |                    |                              |
| Charges for Services                             | \$563,366        | \$1,067,677        | \$679,977          | \$2,311,020                  |
| Other Operating Revenues                         | 3                | 171                | 365                | 539                          |
| <i>Total Operating Revenues</i>                  | <u>563,369</u>   | <u>1,067,848</u>   | <u>680,342</u>     | <u>2,311,559</u>             |
| <b>Operating Expenses</b>                        |                  |                    |                    |                              |
| Salaries and Wages                               | 6,665            | 254,193            | 100,739            | 361,597                      |
| Fringe Benefits                                  | 2,442            | 85,009             | 39,295             | 126,746                      |
| Contractual Services                             | 426,843          | 354,567            | 135,932            | 917,342                      |
| Materials and Supplies                           | 3,480            | 53,337             | 134,019            | 190,836                      |
| Depreciation                                     | 0                | 115,149            | 81,143             | 196,292                      |
| <i>Total Operating Expenses</i>                  | <u>439,430</u>   | <u>862,255</u>     | <u>491,128</u>     | <u>1,792,813</u>             |
| <i>Operating Income</i>                          | <u>123,939</u>   | <u>205,593</u>     | <u>189,214</u>     | <u>518,746</u>               |
| <b>Non Operating Revenues (Expenses)</b>         |                  |                    |                    |                              |
| Other Non-Operating Revenues                     | 0                | 2,152              | 0                  | 2,152                        |
| Gain on Disposal of Capital Assets               | 0                | 6,500              | 310                | 6,810                        |
| Interest and Fiscal Charges                      | 0                | (22,716)           | (16,801)           | (39,517)                     |
| <i>Total Non Operating Revenues (Expenses)</i>   | <u>0</u>         | <u>(14,064)</u>    | <u>(16,491)</u>    | <u>(30,555)</u>              |
| <i>Income Before Contributions and Transfers</i> | 123,939          | 191,529            | 172,723            | 488,191                      |
| Capital Contributions                            | 0                | 0                  | 22,621             | 22,621                       |
| Transfers  | (85,000)         | 0                  | 0                  | (85,000)                     |
| <i>Change in Net Assets</i>                      | 38,939           | 191,529            | 195,344            | 425,812                      |
| <i>Net Assets Beginning of Year</i>              | <u>235,096</u>   | <u>2,614,555</u>   | <u>2,551,885</u>   | <u>5,401,536</u>             |
| <i>Net Assets End of Year</i>                    | <u>\$274,035</u> | <u>\$2,806,084</u> | <u>\$2,747,229</u> | <u>\$5,827,348</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, 2001

|   | Sanitation              | Sewer                   | Water                   | Total<br>Enterprise<br>Funds |
|---|-------------------------|-------------------------|-------------------------|------------------------------|
| <b><i>Increase (Decrease) In Cash and Cash Equivalents</i></b>                          |                         |                         |                         |                              |
| <b>Cash Flows from Operating Activities:</b>  |                         |                         |                         |                              |
| Cash Received from Customers  | \$570,257               | \$1,086,833             | \$715,660               | \$2,372,750                  |
| Cash Payments for Employee Services and Benefits  | (8,842)                 | (342,189)               | (136,029)               | (487,060)                    |
| Cash Payments to Suppliers for Goods and Services                                       | (409,601)               | (411,192)               | (274,490)               | (1,095,283)                  |
| Other Operating Revenues  | 3                       | 171                     | 365                     | 539                          |
| Customer Deposits Received  | 0                       | 0                       | 11,630                  | 11,630                       |
| Customer Deposits Returned  | 0                       | 0                       | (2,834)                 | (2,834)                      |
| <i>Net Cash Provided by Operating Activities</i>  | <u>151,817</u>          | <u>333,623</u>          | <u>314,302</u>          | <u>799,742</u>               |
| <b>Cash Flows from Noncapital Financing Activities:</b>                                 |                         |                         |                         |                              |
| Repayment of Loan Receivable  | 0                       | 0                       | 8,271                   | 8,271                        |
| Transfers Out   | (85,000)                | 0                       | 0                       | (85,000)                     |
| <i>Net Cash Provided by (Used for) Noncapital Financing Activities</i>                  | <u>(85,000)</u>         | <u>0</u>                | <u>8,271</u>            | <u>(76,729)</u>              |
| <b>Cash Flows from Capital and Related Financing Activities:</b>                        |                         |                         |                         |                              |
| Acquisition of Capital Assets   | 0                       | (109,982)               | (298,598)               | (408,580)                    |
| Proceeds on Sale of Capital Assets  | 0                       | 6,500                   | 310                     | 6,810                        |
| Proceeds of Loans   | 0                       | 2,000                   | 125,000                 | 127,000                      |
| Principal Paid on Debt  | 0                       | (129,210)               | (101,694)               | (230,904)                    |
| Interest Paid on Debt   | 0                       | (22,209)                | (16,565)                | (38,774)                     |
| Contributed Capital   | 0                       | 0                       | 22,621                  | 22,621                       |
| <i>Net Cash Used for Capital and Related Financing Activities</i>                       | <u>0</u>                | <u>(252,901)</u>        | <u>(268,926)</u>        | <u>(521,827)</u>             |
| <i>Net Increase In Cash and Cash Equivalents</i>  | 66,817                  | 80,722                  | 53,647                  | 201,186                      |
| <i>Cash and Cash Equivalents Beginning of Year</i>                                      | <u>186,727</u>          | <u>248,854</u>          | <u>281,520</u>          | <u>717,101</u>               |
| <i>Cash and Cash Equivalents End of Year</i>  | <u><u>\$253,544</u></u> | <u><u>\$329,576</u></u> | <u><u>\$335,167</u></u> | <u><u>\$918,287</u></u>      |
| <b>Reconciliation of Operating Income to Net Cash Provided by Operating Activities:</b> |                         |                         |                         |                              |
| <i>Operating Income</i>   | \$123,939               | \$205,593               | \$189,214               | \$518,746                    |
| Adjustments:  |                         |                         |                         |                              |
| Depreciation  | 0                       | 115,149                 | 81,143                  | 196,292                      |
| (Increase)/Decrease in Assets:  |                         |                         |                         |                              |
| Accounts Receivable   | 6,891                   | 8,535                   | 35,683                  | 51,109                       |
| Due from Other Governments  | 140                     | 15,073                  | 1,674                   | 16,887                       |
| Materials and Supplies Inventory  | 0                       | 848                     | 125                     | 973                          |
| Prepaid Items   | (366)                   | (1,314)                 | (1,081)                 | (2,761)                      |
| Increase/(Decrease) in Liabilities:   |                         |                         |                         |                              |
| Accounts Payable  | 20,871                  | (1,731)                 | (4,405)                 | 14,735                       |
| Contracts Payable   | 0                       | (2,041)                 | 0                       | (2,041)                      |
| Accrued Wages   | 26                      | 688                     | 943                     | 1,657                        |
| Compensated Absences Payable  | 8                       | (4,334)                 | 124                     | (4,202)                      |
| Customer Deposits   | 0                       | 0                       | 8,796                   | 8,796                        |
| Vacation Benefits Payable   | 204                     | 1,160                   | 3,098                   | 4,462                        |
| Due to Other Governments  | 104                     | (4,003)                 | (1,012)                 | (4,911)                      |
| <i>Net Cash Provided by Operating Activities</i>  | <u><u>\$151,817</u></u> | <u><u>\$333,623</u></u> | <u><u>\$314,302</u></u> | <u><u>\$799,742</u></u>      |

See accompanying notes to the basic financial statements

**City of Belpre, Ohio**  
*Statement of Fiduciary Assets and Liabilities*  
*Agency Funds*  
*December 31, 2001*

|  |                        |
|--|------------------------|
| <b>Assets</b>                                    |                        |
| Equity Pooled in Cash and Cash Equivalents       | \$80,043               |
| Cash and Cash Equivalents in Segregated Accounts | <u>2,428</u>           |
| <i>Total Assets</i>                              | <u><u>\$82,471</u></u> |
| <br><b>Liabilities</b>                           |                        |
| Due to Other Governments                         | \$80,043               |
| Deposits Held and Due to Others                  | <u>2,428</u>           |
| <i>Total Liabilities</i>                         | <u><u>\$82,471</u></u> |

See accompanying notes to the basic financial statements

**City of Belpre, Ohio**  
*Notes To The Basic Financial Statements*  
*For the Year Ended December 31, 2001*

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**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. There are no component units included as part of this report.

The City participates in 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, 2001*

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**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 governmental program or business activity 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 of the City 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 Fund** The Street 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.

**Permissive Tax Fund** - The Permissive Tax Fund is used to account for monies received from two additional \$5 motor vehicle licenses fees, one imposed by Washington County and one by the City. This fund also accounts for the Issue II paving activity. The monies are used for the maintenance of public roads, highways, streets, and bridges within the City.

**City of Belpre, Ohio**  
*Notes To The Basic Financial Statements*  
*For the Year Ended December 31, 2001*

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

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. Proprietary funds are classified as either enterprise or internal service. The City's proprietary funds are all classified as enterprise funds. Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. All of the City's enterprise funds are major funds.

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

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

**Water Fund** The Water 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. There are four categories of fiduciary funds; 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. The City's agency funds account for grant money passed through for a scenic route project, payroll activity, and mayor's court collections that are distributed to various local governments.

**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. Therefore, governmental fund financial statements include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

**City of Belpre, Ohio**  
*Notes To The Basic Financial Statements*  
*For the Year Ended December 31, 2001*

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Like the government-wide statements, all proprietary funds are accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the statement of fund net assets. The statement of changes in revenues, expenses, and 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.

***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; proprietary and fiduciary funds also use the accrual basis of accounting. Governmental funds use the modified 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 a nonexchange transaction 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: municipal income taxes, hotel taxes, charges for services, state-levied locally shared taxes (including gasoline tax and motor vehicle license fees), interest, grants, fees, and rentals.

***Deferred Revenue*** Deferred revenues arise when assets are recognized before revenue recognition criteria have been satisfied.

Property taxes for which there is an enforceable legal claim as of December 31, 2001, but which were levied to finance year 2002 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements were met also have been recorded as deferred revenue.

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

**City of Belpre, Ohio**  
*Notes To The Basic Financial Statements*  
*For the Year Ended December 31, 2001*

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**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.

***E. Budget Process***

All funds, except agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount Council may appropriate. The appropriations resolution is Council's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by Council. The legal level of control has been established by Council at the fund level for all funds. The City Auditor has been authorized to allocate appropriations to the function and object level within each fund.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the City Auditor. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the final amended certificate of estimated resources issued during 2001.

The appropriation resolution is subject to amendment throughout the year with the restriction that appropriations cannot exceed estimated resources. The amounts reported as the original budgeted amounts in the budgetary statements reflect the first appropriation resolution for that fund that covered the entire year, including amounts automatically carried forward from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by Council during the year.

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

The City has a segregated bank account for monies held separate from the City's central bank account. This depository account is presented 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.

During 2001, investments were limited to certificates of deposit and repurchase agreements. At year end, investments were limited to certificates of deposit, which are reported at cost.

Following the Codified Ordinances of the City as well as Ohio statues, the City has, by resolution, specified the funds to receive an allocation of interest earnings. Interest is distributed to the General Fund and Street and State Highway Special Revenue Funds. Interest revenue credited to the General Fund during 2001 amounted to \$44,653, which includes \$34,645 assigned from other City funds.

**City of Belpre, Ohio**  
*Notes To The Basic Financial Statements*  
*For the Year Ended December 31, 2001*

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Investments with an original maturity of three months or less at the time of purchase and investments of the cash management pool are presented on the financial statements as 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. The cost of inventory items is recorded as an expenditure in the governmental fund types when purchased. Inventories of the proprietary funds are expensed when used.

Inventory consists of expendable supplies held for consumption.

***H. Prepaid Items***

Payments made to vendors for services that will benefit periods beyond December 31, 2001, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount at the time of purchase and reflecting the expenditure/expense in the year in which the services are consumed.

***I. Restricted Assets***

Assets are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors, or laws of other governments, or are imposed by law through constitutional provisions or enabling legislation. Restricted assets in the enterprise funds represent cash and cash equivalents and investments set aside for repayment of deposits to utility customers.

***J. Capital Assets***

General capital assets are capital assets which are associated with and generally arise from governmental activities. They generally result from expenditures in the governmental funds. General capital 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 value as of the date received. The City maintains a capitalization threshold of one thousand dollars. The City's infrastructure consists of U.S. and State roads, City 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 phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.



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

| Description                | Governmental<br>Activities<br>Estimated Lives | Business-Type<br>Activities<br>Estimated Lives |
|----------------------------|---|--|
| 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***

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". 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 City records a liability for accumulated unused sick leave for all employees after ten year years of service.

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

All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements. 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. Long-term loans are recognized as a liability on the governmental 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. Fund balance reserves have been established for encumbrances, inventories, and unclaimed monies.

**City of Belpre, Ohio**  
*Notes To The Basic Financial Statements*  
*For the Year Ended December 31, 2001*

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***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 constitutional provisions or enabling legislation 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, sewer, and water utility services. Operating expenses are necessary costs that have been incurred in order to provide the good or service that is the primary activity of the fund.

***P. Contributions of Capital***

Contributions of capital in the proprietary fund financial statements arise from outside contributions of capital 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. 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.

**City of Belpre, Ohio**  
*Notes To The Basic Financial Statements*  
*For the Year Ended December 31, 2001*

**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 the General Fund and each major special revenue 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 are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).
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 statement to the budgetary basis statement for the General Fund and Street and Permissive Tax Special Revenue Funds.

Net Change in Fund Balance

|   | General     | Street    | Permissive<br>Tax |
|---|-------------|-----------|-------------------|
| GAAP Basis                              | (\$109,157) | (\$5,701) | (\$3,907)         |
| Net Adjustment for Revenue Accruals     | 64,701      | 2,043     | (211,180)         |
| Unrecorded Cash                         | 2,724       | 28        | 0                 |
| Prepaid Items                           | 10,983      | 719       | 0                 |
| Net Adjustment for Expenditure Accruals | 4,013       | 2,422     | 211,343           |
| Segregated Accounts                     | 178         | 0         | 0                 |
| Encumbrances                            | (19,026)    | (500)     | 0                 |
| Budget Basis                            | (\$45,584)  | (\$989)   | (\$3,744)         |

**City of Belpre, Ohio**  
*Notes To The Basic Financial Statements*  
*For the Year Ended December 31, 2001*

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**Note 4 - Change in Accounting Principles**

For 2001, the City has implemented GASB Statement No. 37, "Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments: Omnibus" and GASB Statement No. 38, "Certain Financial Statement Note Disclosures."

GASB Statement No. 37 clarifies certain provisions of Statement No. 34, including the required content of the MD&A, the classification of program revenues, and the criteria for determining major funds. GASB Statement No. 38 modifies, establishes, and rescinds certain financial statement note disclosures.

**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;
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.

**City of Belpre, Ohio**  
*Notes To The Basic Financial Statements*  
*For the Year Ended December 31, 2001*

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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 (STAROhio).

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."

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 \$1,683,262 and the bank balance was \$1,895,450. Of the bank balance:

1. \$459,632 was covered by federal depository insurance.
2. \$1,435,818 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*  
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**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. The City had no investments outstanding at year end.

The classification of cash and cash equivalents and investments on the basic financial statements is based on criteria set forth in GASB Statement 9. 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<br>Cash Equivalents | Investments |
|------------------------|------------------------------|-------------|
| GASB Statement 9       | \$1,633,462                  | \$50,000    |
| Petty Cash             | (200)                        | 0           |
| Certificate of Deposit | 50,000                       | (50,000)    |
| GASB Statement 3       | \$1,683,262                  | \$0         |

**Note 6 - Receivables**

Receivables at December 31, 2001, consisted primarily of municipal income taxes, property and other taxes, accounts (billings for user charged services including unbilled utility services), intergovernmental receivables arising from entitlements and shared revenues, and accrued interest on investments.

No allowance for doubtful accounts has been recorded because uncollectible amounts are expected to be insignificant. All receivables are expected to be collected within one year.

**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 2001 for real and public utility property taxes represents collections of the 2000 taxes. Property tax payments received during 2001 for tangible personal property (other than public utility property) are for 2001 taxes.

2001 real property taxes are levied after October 1, 2001, on the assessed value as of January 1, 2001, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2001 real property taxes are collected in and intended to finance 2002.

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. 2001 public utility property taxes became a lien December 31, 2000, are levied after October 1, 2001, and are collected in 2002 with real property taxes.

2001 tangible personal property taxes are levied after October 1, 2000, on the value as of December 31, 2000. Collections are made in 2001. Tangible personal property assessments are 25 percent of true value.

**City of Belpre, Ohio**  
*Notes To The Basic Financial Statements*  
*For the Year Ended December 31, 2001*

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The full tax rate for all City operations for the year ended December 31, 2001, was \$3.40 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2001 property tax receipts were based are as follows:

|                            |                            |
|----------------------------|----------------------------|
| Real Property              | \$70,169,070               |
| Public Utility Property    | 3,500,510                  |
| Tangible Personal Property | <u>7,885,740</u>           |
| Total Valuation            | <u><u>\$81,555,320</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. Property taxes receivable represent real and tangible personal property taxes, public utility taxes, and outstanding delinquencies which are measurable as of December 31, 2001, and for which there is an enforceable legal claim. In the governmental funds, the entire receivable has been offset by deferred revenue since the current taxes were not levied to finance 2001 operations and the collection of delinquent taxes during the available period is not subject to reasonable estimation. On a full accrual basis, delinquent property taxes have been recorded as revenue, while the remainder of the receivable has been deferred.

***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;
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.

**City of Belpre, Ohio**  
*Notes To The Basic Financial Statements*  
*For the Year Ended December 31, 2001*

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**C. Intergovernmental Receivables**

A summary of intergovernmental receivables follows:

|                                     | <u>Amounts</u>          |
|-------------------------------------|-------------------------|
| <b>Governmental Activities</b>      |                         |
| Issue II                            | \$211,343               |
| Local Government                    | 80,800                  |
| Motor Vehicle License Tax           | 52,055                  |
| Gasoline Tax                        | 45,937                  |
| Excise Tax                          | 23,254                  |
| Rollback and Homestead              | 13,029                  |
| Estate Tax                          | 9,534                   |
| DARE                                | 4,552                   |
| State Health Subsidy                | <u>1,178</u>            |
| Total Governmental Activities       | <u>441,682</u>          |
| <b>Business-Type Activities</b>     |                         |
| Workers' Compensation Refund        | <u>2,152</u>            |
| Total Intergovernmental Receivables | <u><u>\$443,834</u></u> |

**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 2001, 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*  
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| Type of Coverage   | Limit                    | Aggregate   | Deductible |
|--|--------------------------|-------------|------------|
| <b>Property:</b>   |                          |             |            |
| Building and Contents  | \$11,062,769             |             | \$1,000    |
| Earthquake   | 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          |
| <b>Liability:</b>  |                          |             |            |
| Umbrella   | 1,000,000 per Occurrence | \$1,000,000 | 10,000     |
| 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          |
| <b>Vehicle:</b>  |                          |             |            |
| Liability  | 1,000,000                |             | 0          |
| Medical Expense  | 5,000                    |             | 0          |
| Uninsured/Underinsured   | 1,000,000                |             | 0          |
| Hired Car Physical Damage  | 35,000                   |             |            |
| Comprehensive; Collision   |                          |             | 100;250    |
| Employee or Volunteer Auto Personal Effects - Comprehensive; Collision | 500                      |             | 100;250    |
| <b>Crime:</b>  |                          |             |            |
| Inside/Outside   | 10,000                   |             | 250        |
| Employee Dishonesty Blanket  | 50,000                   |             | 250        |
| Forgery and Alterations  | 50,000                   |             | 250        |
| Optional Tax   | 20,000                   |             | 250        |
| <b>Inland Marine:</b>  |                          |             |            |
| Property not Licensed for Highway Use                                  | 1,447,048                |             | 500        |
| Borrowed, Leased, or Rental Equipment                                  | 100,000                  |             | 0          |
| Miscellaneous Equipment  | 126,460                  |             | 0          |
| Emergency Portable Equipment   | 130,000                  |             | 500        |

**City of Belpre, Ohio**  
*Notes To The Basic Financial Statements*  
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There were no significant reductions in coverage 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.

**Note 8 - Capital Assets**

Capital asset activity for the year ended December 31, 2001, was as follows:

|   | Balance<br>12/31/00 | Increases     | Decreases | Balance<br>12/31/01 |
|---|---------------------|---------------|-----------|---------------------|
| <b>Governmental Activities:</b>             |                     |               |           |                     |
| Capital Assets not being Depreciated:       |                     |               |           |                     |
| Land  | \$2,024,318         | \$0           | \$0       | \$2,024,318         |
| Capital Assets being Depreciated:           |                     |               |           |                     |
| Buildings and Improvements                  | 2,660,262           | 9,468         | 0         | 2,669,730           |
| Machinery and Equipment                     | 1,058,263           | 57,126        | 13,316    | 1,102,073           |
| Vehicles                                    | 1,259,899           | 0             | 21,274    | 1,238,625           |
| Roads                                       | 6,100,176           | 0             | 0         | 6,100,176           |
| Streets                                     | 13,114,183          | 307,560       | 0         | 13,421,743          |
| Street Signals                              | 468,496             | 0             | 0         | 468,496             |
| Total Capital Assets being Depreciated      | 24,661,279          | 374,154       | 34,590    | 25,000,843          |
| Less Accumulated Depreciation:              |                     |               |           |                     |
| Buildings and Improvements                  | (944,557)           | (71,353)      | 0         | (1,015,910)         |
| Machinery and Equipment                     | (653,064)           | (63,268)      | 6,765     | (709,567)           |
| Vehicles                                    | (904,690)           | (89,968)      | 21,274    | (973,384)           |
| U.S. and State Roads                        | (4,880,140)         | (406,678)     | 0         | (5,286,818)         |
| City Streets                                | (10,491,347)        | (880,406)     | 0         | (11,371,753)        |
| Street Signals                              | (351,375)           | (23,425)      | 0         | (374,800)           |
| Total Accumulated Depreciation              | (18,225,173)        | (1,535,098)*  | 28,039    | (19,732,232)        |
| Total Capital Assets being Depreciated, Net | 6,436,106           | (1,160,944)   | 6,551     | 5,268,611           |
| Governmental Activities Capital Assets, Net | \$8,460,424         | (\$1,160,944) | \$6,551   | \$7,292,929         |

**City of Belpre, Ohio**  
*Notes To The Basic Financial Statements*  
*For the Year Ended December 31, 2001*

|  | Balance<br>12/31/00 | Increases        | Decreases  | Balance<br>12/31/01 |
|--|---------------------|------------------|------------|---------------------|
| <b>Business-Type Activities</b>              |                     |                  |            |                     |
| Capital Assets not being Depreciated:        |                     |                  |            |                     |
| Land   | \$250,754           | \$0              | \$0        | \$250,754           |
| Construction in Progress                     | 558,085             | 6,262            | 0          | 564,347             |
| Total Capital Assets not being Depreciated   | 808,839             | 6,262            | 0          | 815,101             |
| Capital Assets being Depreciated:            |                     |                  |            |                     |
| Buildings and Improvements                   | 740,525             | 21,450           | 0          | 761,975             |
| Machinery and Equipment                      | 1,406,435           | 45,625           | 0          | 1,452,060           |
| Vehicles                                     | 332,728             | 8,506            | 174,872    | 166,362             |
| Infrastructure                               | 5,653,156           | 326,737          | 0          | 5,979,893           |
| Total Capital Assets being Depreciated       | 8,132,844           | 402,318          | 174,872    | 8,360,290           |
| Less Accumulated Depreciation:               |                     |                  |            |                     |
| Building and Improvements                    | (103,573)           | (15,323)         | 0          | (118,896)           |
| Machinery and Equipment                      | (864,896)           | (50,266)         | 0          | (915,162)           |
| Vehicles                                     | (248,046)           | (16,041)         | (174,872)  | (89,215)            |
| Infrastructure                               | (2,355,346)         | (114,662)        | 0          | (2,470,008)         |
| Total Accumulated Depreciation               | (3,571,861)         | (196,292)        | (174,872)  | (3,593,281)         |
| Total Capital Assets being Depreciated, Net  | 4,560,983           | 206,026          | 0          | 4,767,009           |
| Business-Type Activities Capital Assets, Net | <u>\$5,369,822</u>  | <u>\$212,288</u> | <u>\$0</u> | <u>\$5,582,110</u>  |

\* Depreciation expense was charged to governmental functions as follows:

|                                   |                    |
|-----------------------------------|--------------------|
| General Government                | \$17,082           |
| Security of Persons and Property: |                    |
| Police                            | 41,538             |
| Fire                              | 88,017             |
| Transportation                    | 1,333,922          |
| Leisure Time Activities:          |                    |
| Senior Center                     | 1,768              |
| Parks                             | 43,923             |
| Swimming Pool                     | 8,848              |
| Total Depreciation Expense        | <u>\$1,535,098</u> |

**City of Belpre, Ohio**  
*Notes To The Basic Financial Statements*  
*For the Year Ended December 31, 2001*

**Note 9 - 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, other than police, through Anthem Blue Cross and Blue Shield and for police through the United Food & Commercial Worker's Union. 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.

**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 for the current year and not previously taken.

**Note 10 - Long-Term Debt**

A schedule of changes in long-term obligations of the City during 2001, follows:

|                                      | Principal<br>Outstanding<br>12/31/00 | Additions       | Deletions        | Principal<br>Outstanding<br>12/31/01 | Amounts<br>Due in<br>One Year |
|--------------------------------------|--------------------------------------|-----------------|------------------|--------------------------------------|-------------------------------|
| <b>Governmental Activities</b>       |                                      |                 |                  |                                      |                               |
| Backhoe Loan - 6.75%                 | \$13,640                             | \$0             | \$2,631          | \$11,009                             | \$3,062                       |
| Property Loan - 6.00%                | 42,484                               | 0               | 8,405            | 34,079                               | 9,680                         |
| City Building Loan - 5.42%           | 125,602                              | 0               | 10,644           | 114,958                              | 11,289                        |
| Fire Trucks Loan - 4.8%              | 225,000                              | 0               | 75,000           | 150,000                              | 75,000                        |
| Issue II Paving Loan - 2.0%          | 59,398                               | 0               | 10,322           | 49,076                               | 10,529                        |
| Total Loans                          | <u>466,124</u>                       | <u>0</u>        | <u>107,002</u>   | <u>359,122</u>                       | <u>109,560</u>                |
| Police Pension                       | 23,477                               | 0               | 309              | 23,168                               | 323                           |
| Compensated Absences - Sick          | <u>30,197</u>                        | <u>11,740</u>   | <u>12,370</u>    | <u>29,567</u>                        | <u>0</u>                      |
| <i>Total Governmental Activities</i> | <u>\$519,798</u>                     | <u>\$11,740</u> | <u>\$119,681</u> | <u>\$411,857</u>                     | <u>\$109,883</u>              |

**City of Belpre, Ohio**  
*Notes To The Basic Financial Statements*  
*For the Year Ended December 31, 2001*

|                                       | Principal<br>Outstanding<br>12/31/00 | Additions               | Deletions               | Principal<br>Outstanding<br>12/31/01 | Amounts<br>Due in<br>One Year |
|---------------------------------------|--------------------------------------|-------------------------|-------------------------|--------------------------------------|-------------------------------|
| <b>Business Type Activities</b>       |                                      |                         |                         |                                      |                               |
| Property Loan - 6.00%                 | \$84,969                             | \$0                     | \$16,811                | \$68,158                             | \$19,360                      |
| City Building Loan - 5.42%            | 251,205                              | 0                       | 21,287                  | 229,918                              | 22,578                        |
| Backhoe Loan - 6.75%                  | 27,280                               | 0                       | 5,262                   | 22,018                               | 6,124                         |
| Issue II Water Well Loan - 2.00%      | 80,103                               | 0                       | 0                       | 80,103                               | 1,639                         |
| Water Well Loan - 5.71%               | 82,142                               | 0                       | 75,408                  | 6,734                                | 6,734                         |
| Water Lines Loan - 6.04%              | 0                                    | 125,000                 | 4,606                   | 120,394                              | 9,748                         |
| Sewer Plant Loan - 5.65%              | 299,724                              | 2,000                   | 107,530                 | 194,194                              | 123,314                       |
| Total Loans                           | <u>825,423</u>                       | <u>127,000</u>          | <u>230,904</u>          | <u>721,519</u>                       | <u>189,497</u>                |
| Compensated Absences - Sick           | <u>18,580</u>                        | <u>8,430</u>            | <u>12,632</u>           | <u>14,378</u>                        | <u>0</u>                      |
| <i>Total Business Type Activities</i> | <u><u>\$844,003</u></u>              | <u><u>\$135,430</u></u> | <u><u>\$243,536</u></u> | <u><u>\$735,897</u></u>              | <u><u>\$189,497</u></u>       |

The police pension is paid from general property tax revenues from the General Fund. The police pension liability payments are reflected as program expenditures. 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 Capital Improvement Capital Projects Fund received the fire trucks, backhoe, and property loan proceeds. The fire trucks, backhoe, and property loans were issued on December 29, 1999, for \$700,000, on April 18, 2000, for \$47,025, and on December 15, 1999, for \$400,000, respectively. The City Building Construction Capital Projects Fund received the city building loan proceeds, which were issued on August 10, 1999, for \$400,000. 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, issued on March 23, 1998, for \$74,500, will be repaid from motor vehicle license revenue of the Permissive Tax Special Revenue Fund. This paving project resurfaced and improved Blennerhassett Avenue and George Street Extension.

The final draw on the Issue II water well loan was received on September 18, 2000. The full amount of the loan was \$80,103 and was used for improvements to the water well. In 1999, the City issued notes for \$233,000 for its portion of the Issue II water well project. Charges for services in the Water Enterprise Fund will repay these obligations.

On June 26, 2001, the City issued notes for \$125,000 for the replacement of water lines and installations of fire hydrants. Charges for services in the Water Enterprise Fund will repay this obligation.

On November 18, 1999, the City was approved for a \$1,000,000 loan for improvements to the sewer treatment plant. As of the year ended December 31, 2001, \$320,651 had been drawn by the City on this loan and \$126,457 has been repaid.

**City of Belpre, Ohio**  
*Notes To The Basic Financial Statements*  
*For the Year Ended December 31, 2001*

The City's overall legal debt margin was \$7,884,093 at December 31, 2001.

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, 2001, are as follows:

| Year      | Backhoe Loan    |                | Property Loan    |                 | City Building Loan |                 | Total            |                 |
|-----------|-----------------|----------------|------------------|-----------------|--------------------|-----------------|------------------|-----------------|
|           | Principal       | Interest       | Principal        | Interest        | Principal          | Interest        | Principal        | Interest        |
| 2002      | \$9,186         | \$1,950        | \$29,040         | \$5,348         | \$33,867           | \$17,850        | \$72,093         | \$25,148        |
| 2003      | 9,825           | 1,308          | 30,831           | 3,557           | 35,751             | 15,969          | 76,407           | 20,834          |
| 2004      | 10,509          | 624            | 32,730           | 1,658           | 37,737             | 13,983          | 80,976           | 16,265          |
| 2005      | 3,507           | 48             | 9,636            | 190             | 39,834             | 11,886          | 52,977           | 12,124          |
| 2006      | 0               | 0              | 0                | 0               | 42,045             | 9,672           | 42,045           | 9,672           |
| 2007-2010 | 0               | 0              | 0                | 0               | 155,642            | 14,471          | 155,642          | 14,471          |
|           | <u>\$33,027</u> | <u>\$3,930</u> | <u>\$102,237</u> | <u>\$10,753</u> | <u>\$344,876</u>   | <u>\$83,831</u> | <u>\$480,140</u> | <u>\$98,514</u> |

Principal and interest requirements to retire the fire truck loans at December 31, 2001, are as follows:

| Year | Principal        | Interest       | Total            |
|------|------------------|----------------|------------------|
| 2002 | \$75,000         | \$6,310        | \$81,310         |
| 2003 | 75,000           | 2,700          | 77,700           |
|      | <u>\$150,000</u> | <u>\$9,010</u> | <u>\$159,010</u> |

Principal and interest requirements to retire the Issue II paving loan at December 31, 2001, are as follows:

| Year | Principal       | Interest       | Total           |
|------|-----------------|----------------|-----------------|
| 2002 | \$10,529        | \$929          | \$11,458        |
| 2003 | 10,741          | 717            | 11,458          |
| 2004 | 10,957          | 502            | 11,459          |
| 2005 | 11,177          | 281            | 11,458          |
| 2006 | 5,672           | 57             | 5,729           |
|      | <u>\$49,076</u> | <u>\$2,486</u> | <u>\$51,562</u> |

**City of Belpre, Ohio**  
*Notes To The Basic Financial Statements*  
*For the Year Ended December 31, 2001*

Principal and interest requirements to retire the police pension liability at December 31, 2001, are as follows:

| Year      | Principal       | Interest        | Total           |
|-----------|-----------------|-----------------|-----------------|
| 2002      | \$323           | \$981           | \$1,304         |
| 2003      | 337             | 967             | 1,304           |
| 2004      | 351             | 953             | 1,304           |
| 2005      | 366             | 938             | 1,304           |
| 2006      | 382             | 922             | 1,304           |
| 2007-2035 | 21,409          | 15,696          | 37,105          |
|           | <u>\$23,168</u> | <u>\$20,457</u> | <u>\$43,625</u> |

Principal and interest requirements to retire the Issue II water well loan at December 31, 2001, are as follows:

| Year      | Principal       | Interest        | Total           |
|-----------|-----------------|-----------------|-----------------|
| 2002      | \$1,639         | \$801           | \$2,440         |
| 2003      | 3,326           | 1,553           | 4,879           |
| 2004      | 3,393           | 1,486           | 4,879           |
| 2005      | 3,462           | 1,417           | 4,879           |
| 2006      | 3,531           | 1,348           | 4,879           |
| 2007-2011 | 18,748          | 5,648           | 24,396          |
| 2012-2016 | 20,711          | 3,685           | 24,396          |
| 2017-2022 | 25,293          | 1,542           | 26,835          |
|           | <u>\$80,103</u> | <u>\$17,480</u> | <u>\$97,583</u> |

Principal and interest requirements to retire the water well loan at December 31, 2001, are as follows:

| Year | Principal | Interest | Total   |
|------|-----------|----------|---------|
| 2002 | \$6,734   | \$4      | \$6,738 |

**City of Belpre, Ohio**  
*Notes To The Basic Financial Statements*  
*For the Year Ended December 31, 2001*

Principal and interest requirements to retire the water lines loan at December 31, 2001, are as follows:

| Year      | Principal        | Interest        | Total            |
|-----------|------------------|-----------------|------------------|
| 2002      | \$9,748          | \$7,002         | \$16,750         |
| 2003      | 10,354           | 6,396           | 16,750           |
| 2004      | 10,997           | 5,753           | 16,750           |
| 2005      | 11,679           | 5,071           | 16,750           |
| 2006      | 12,405           | 4,345           | 16,750           |
| 2007-2011 | 65,211           | 9,251           | 74,462           |
|           | <u>\$120,394</u> | <u>\$37,818</u> | <u>\$158,212</u> |

Principal and interest requirements to retire the sewer plant loan at December 31, 2001, are as follows:

| Year | Principal        | Interest       | Total            |
|------|------------------|----------------|------------------|
| 2002 | \$123,314        | \$7,811        | \$131,125        |
| 2003 | 70,880           | 1,280          | 72,160           |
|      | <u>\$194,194</u> | <u>\$9,091</u> | <u>\$203,285</u> |

**Note 11 - Interfund Transfers**

Interfund transfers for the year ended December 31, 2001, consisted of the following:

| Transfer to              | Transfers from  |                 |                 | Total            |
|--------------------------|-----------------|-----------------|-----------------|------------------|
|                          | General         | Improvement     | Sanitation      |                  |
| General                  | \$0             | \$0             | \$85,000        | \$85,000         |
| Street                   | 75,000          | 0               | 0               | 75,000           |
| Other Governmental Funds | <u>20,000</u>   | <u>35,000</u>   | <u>0</u>        | <u>55,000</u>    |
| Total                    | <u>\$95,000</u> | <u>\$35,000</u> | <u>\$85,000</u> | <u>\$215,000</u> |

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them; to move unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations; and to segregate money for anticipated capital projects.



**City of Belpre, Ohio**  
*Notes To The Basic Financial Statements*  
*For the Year Ended December 31, 2001*

After making all required expenses from the Sanitation Enterprise Fund, the City made its yearly transfer to the General Fund for \$85,000 during the year ended December 31, 2001.

**Note 12 - Contractual Commitments**

As of December 31, 2001, the City had a contractual commitment for the following project:

|                                       | Contractual<br>Commitment | Expended  | Balance<br>Remaining |
|---------------------------------------|---------------------------|-----------|----------------------|
| Sewer Treatment Plant<br>Improvements | \$1,402,000               | \$564,347 | \$837,653            |

**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 2001 employer pension contribution rate for the City was 9.25 percent of covered payroll, increased from 6.54 percent in 2000. For 2000, PERS instituted a temporary employer rate rollback for state and local governments. 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, 2001, 2000, and 1999, were \$100,281, \$52,781, and \$90,979, respectively. The full amount has been contributed for 2000 and 1999. 79 percent has been contributed for 2001, with the remainder being presented as "due to other governments" within the funds.

***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.

**City of Belpre, Ohio**  
*Notes To The Basic Financial Statements*  
*For the Year Ended December 31, 2001*

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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 percent for police and 16.5 percent for firefighters. For 2000, the City contributions were 12.25 percent for police and 16.75 percent for firefighters. Contributions are authorized by State statute. The City's contributions to the OP&F for police and firefighters were \$43,075 and \$5,636 for the year ended December 31, 2001, \$45,343 and \$5,820 for the year ended December 31, 2000, and \$44,151 and \$5,099 for the year ended December 31, 1999. The full amount has been contributed for 2000 and 1999. 73 percent and 77 percent, respectively, have been contributed for 2001 with the remainder being presented as "due to other governments" within the funds.

In addition to current contributions, the City pays installments on the accrued liability incurred when the State of Ohio established the statewide pension system for police and fire fighters in 1967. As of December 31, 2001, the unfunded police liability of the City was \$23,168 payable in semi-annual payments through the year 2035. This is an accounting liability of the City which will not vary.

#### **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 2001 employer contribution rate was 13.55 percent of covered payroll; 4.30 percent was the portion that was used to fund health care for 2001. For 2000, the contribution rate was 10.84 percent of covered payroll; 4.30 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, 2000, 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 411,076. The City's actual contributions for 2001 which were used to fund postemployment benefits were \$46,617. The actual contribution and the actuarially required contribution amounts are the same. PERS's net assets available for payment of benefits at December 31, 2000, (the latest information available) were \$11,735.9 million. The actuarially accrued liability and the unfunded actuarial accrued liability were \$14,364.6 million and \$2,628.7 million, respectively.

**City of Belpre, Ohio**  
*Notes To The Basic Financial Statements*  
*For the Year Ended December 31, 2001*

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***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 7.5 percent of covered payroll was applied to the postemployment health care program during 2001. For 2000 the percent used to fund healthcare was 7.25 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 2001 that were used to fund postemployment benefits were \$26,922 for police and \$2,562 for fire. The OP&F's total health care expenses for the year ended December 31, 2000, (the latest information available) were \$106,160,054, which was net of member contributions of \$5,657,431. The number of OP&F participants eligible to receive health care benefits as of December 31, 2000, was 12,853 for police and 10,037 for firefighters.

**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 a 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 Children's 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 2001, 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 the City does not have an equity interest in the Corporation.

**City of Belpre, Ohio**  
*Notes To The Basic Financial Statements*  
*For the Year Ended December 31, 2001*

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***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 including the Mayor of the City of Belpre. 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 2001, the City of Belpre contributed \$3,682. The continued existence of the Commission is not dependent on the City's continued participation and the City does not have an equity interest in the Commission.

**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.

***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, 2001, 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.

*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.

*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.

*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.

**City of Belpre, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Governmental Funds*  
*December 31, 2001*

|  | State<br>Highway | Law<br>Enforcement<br>Trust | Enforcement<br>and<br>Education | Mayor's<br>Court<br>Computerization |
|--|------------------|-----------------------------|---------------------------------|-------------------------------------|
| <b>Assets</b>  |                  |                             |                                 |                                     |
| Equity in Pooled Cash and<br>Cash Equivalents                  | \$24,127         | \$969                       | \$225                           | \$6,184                             |
| Cash and Cash Equivalent in<br>Segregated Accounts             | 0                | 0                           | 50                              | 181                                 |
| Due from Other Governments                                     | 9,091            | 0                           | 4,552                           | 0                                   |
| Prepaid Items  | 0                | 0                           | 0                               | 0                                   |
| <i>Total Assets</i>  | <u>\$33,218</u>  | <u>\$969</u>                | <u>\$4,827</u>                  | <u>\$6,365</u>                      |
| <b>Liabilities and Fund Balances</b>                           |                  |                             |                                 |                                     |
| <b>Liabilities</b>   |                  |                             |                                 |                                     |
| Accounts Payable   | \$0              | \$0                         | \$0                             | \$0                                 |
| Due to Other Governments                                       | 0                | 0                           | 0                               | 0                                   |
| Deferred Revenue   | 6,687            | 0                           | 0                               | 0                                   |
| <i>Total Liabilities</i>                                       | <u>6,687</u>     | <u>0</u>                    | <u>0</u>                        | <u>0</u>                            |
| <b>Fund Balances</b>   |                  |                             |                                 |                                     |
| Reserved for Encumbrances                                      | 230              | 0                           | 0                               | 60                                  |
| Unreserved, Undesignated, Reported in<br>Special Revenue Funds | 26,301           | 969                         | 4,827                           | 6,305                               |
| <i>Total Fund Balances</i>                                     | <u>26,531</u>    | <u>969</u>                  | <u>4,827</u>                    | <u>6,365</u>                        |
| <i>Total Liabilities and Fund Balances</i>                     | <u>\$33,218</u>  | <u>\$969</u>                | <u>\$4,827</u>                  | <u>\$6,365</u>                      |

| <u>Clerk<br/>Computerization</u> | <u>Parks<br/>and<br/>Recreation</u> | <u>Pool</u>    | <u>Total Nonmajor<br/>Governmental<br/>Funds</u> |
|----------------------------------|-------------------------------------|----------------|--|
| \$13,364                         | \$19,362                            | \$5,393        | \$69,624   |
| 550                              | 0                                   | 0              | 781  |
| 0                                | 0                                   | 0              | 13,643   |
| 0                                | 2,777                               | 0              | 2,777  |
| <u>\$13,914</u>                  | <u>\$22,139</u>                     | <u>\$5,393</u> | <u>\$86,825</u>                                  |
| \$0                              | \$1,338                             | \$551          | 1,889  |
| 0                                | 130                                 | 191            | 321  |
| 0                                | 0                                   | 0              | 6,687  |
| <u>0</u>                         | <u>1,468</u>                        | <u>742</u>     | <u>8,897</u>                                     |
| 0                                | 4,554                               | 1,007          | 5,851  |
| <u>13,914</u>                    | <u>16,117</u>                       | <u>3,644</u>   | <u>72,077</u>                                    |
| <u>13,914</u>                    | <u>20,671</u>                       | <u>4,651</u>   | <u>77,928</u>                                    |
| <u>\$13,914</u>                  | <u>\$22,139</u>                     | <u>\$5,393</u> | <u>\$86,825</u>                                  |

**City of Belpre, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Governmental Funds*  
*For the Year Ended December 31, 2001*

|   | State<br>Highway       | Law<br>Enforcement<br>Block<br>Grant | Law<br>Enforcement<br>Trust | Enforcement<br>and<br>Education |
|---|------------------------|--------------------------------------|-----------------------------|---------------------------------|
| <b>Revenues</b>                                     |                        |                                      |                             |                                 |
| Charges for Services                                | \$0                    | \$0                                  | \$0                         | \$0                             |
| Fines, Licenses and Permits                         | 0                      | 0                                    | 0                           | 375                             |
| Intergovernmental                                   | 16,793                 | 18,761                               | 0                           | 4,552                           |
| Investment Earnings                                 | 405                    | 0                                    | 0                           | 0                               |
| Donations   | 0                      | 0                                    | 0                           | 0                               |
| Other   | 2                      | 0                                    | 0                           | 0                               |
| <i>Total Revenues</i>                               | <u>17,200</u>          | <u>18,761</u>                        | <u>0</u>                    | <u>4,927</u>                    |
| <b>Expenditures</b>                                 |                        |                                      |                             |                                 |
| Current:  |                        |                                      |                             |                                 |
| Security of Persons and Property - Police           | 0                      | 21,138                               | 0                           | 6,834                           |
| Transportation                                      | 10,324                 | 0                                    | 0                           | 0                               |
| Leisure Time Activities:                            |                        |                                      |                             |                                 |
| Parks   | 0                      | 0                                    | 0                           | 0                               |
| Pool  | 0                      | 0                                    | 0                           | 0                               |
| <i>Total Expenditures</i>                           | <u>10,324</u>          | <u>21,138</u>                        | <u>0</u>                    | <u>6,834</u>                    |
| <i>Excess of Revenues Over (Under) Expenditures</i> | 6,876                  | (2,377)                              | 0                           | (1,907)                         |
| <b>Other Financing Sources</b>                      |                        |                                      |                             |                                 |
| Transfers In  | <u>0</u>               | <u>0</u>                             | <u>0</u>                    | <u>0</u>                        |
| <i>Net Change in Fund Balances</i>                  | 6,876                  | (2,377)                              | 0                           | (1,907)                         |
| <i>Fund Balances Beginning of Year</i>              | <u>19,655</u>          | <u>2,377</u>                         | <u>969</u>                  | <u>6,734</u>                    |
| <i>Fund Balances End of Year</i>                    | <u><u>\$26,531</u></u> | <u><u>\$0</u></u>                    | <u><u>\$969</u></u>         | <u><u>\$4,827</u></u>           |



| <u>Mayor's<br/>Court<br/>Computerization</u> | <u>Clerk<br/>Computerization</u> | <u>Parks<br/>and<br/>Recreation</u> | <u>Pool</u>    | <u>Total Nonmajor<br/>Governmental<br/>Funds</u> |
|--|----------------------------------|-------------------------------------|----------------|--|
| \$0  | \$0                              | \$5,452                             | \$35,175       | \$40,627   |
| 2,690  | 9,298                            | 0                                   | 0              | 12,363   |
| 0  | 0                                | 2,500                               | 0              | 42,606   |
| 0  | 0                                | 0                                   | 0              | 405  |
| 0  | 0                                | 6,196                               | 0              | 6,196  |
| 0  | 0                                | 351                                 | 1,126          | 1,479  |
| <u>2,690</u>                                 | <u>9,298</u>                     | <u>14,499</u>                       | <u>36,301</u>  | <u>103,676</u>                                   |
| 1,064  | 2,218                            | 0                                   | 0              | 31,254   |
| 0  | 0                                | 0                                   | 0              | 10,324   |
| 0  | 0                                | 90,086                              | 0              | 90,086   |
| 0  | 0                                | 0                                   | 62,522         | 62,522   |
| <u>1,064</u>                                 | <u>2,218</u>                     | <u>90,086</u>                       | <u>62,522</u>  | <u>194,186</u>                                   |
| 1,626  | 7,080                            | (75,587)                            | (26,221)       | (90,510)   |
| 0  | 0                                | 25,000                              | 30,000         | 55,000   |
| 1,626  | 7,080                            | (50,587)                            | 3,779          | (35,510)   |
| 4,739  | 6,834                            | 71,258                              | 872            | 113,438  |
| <u>\$6,365</u>                               | <u>\$13,914</u>                  | <u>\$20,671</u>                     | <u>\$4,651</u> | <u>\$77,928</u>                                  |

## **Combining Statements - Agency Funds**

### *Agency Funds*

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

*Ohio River Scenic Route* - To account for grants from the Ohio Department of Transportation which is passed through to Ohio River Trails, Inc. for a scenic route project along the Ohio River.

*Payroll* - To account for the payroll cleaning account of the City.

*Mayor's Court* -To account for the activities within the mayor's court that is not reflected within the City's accounting system.

**City of Belpre, Ohio**  
*Combining Statement of Changes in Assets and Liabilities*  
*Agency Funds*  
*For the Year Ended December 31, 2001*

|  | <u>Balance</u><br><u>12/31/00</u> | <u>Additions</u>   | <u>Deductions</u>  | <u>Balance</u><br><u>12/31/01</u> |
|--|-----------------------------------|--------------------|--------------------|-----------------------------------|
| <b>Ohio River Scenic Route:</b>                  |                                   |                    |                    |                                   |
| <b>Assets</b>                                    |                                   |                    |                    |                                   |
| Equity in Pooled Cash and Cash Equivalents       | \$0                               | \$112,000          | \$112,000          | \$0                               |
| <b>Liabilities</b>                               |                                   |                    |                    |                                   |
| Due to Others                                    | \$0                               | \$112,000          | \$112,000          | \$0                               |
| <br>   |                                   |                    |                    |                                   |
| <b>Payroll:</b>                                  |                                   |                    |                    |                                   |
| <b>Assets</b>                                    |                                   |                    |                    |                                   |
| Equity in Pooled Cash and Cash Equivalents       | \$44,239                          | \$1,639,972        | \$1,604,168        | \$80,043                          |
| <b>Liabilities</b>                               |                                   |                    |                    |                                   |
| Intergovernmental Payable                        | \$44,239                          | \$1,639,972        | \$1,604,168        | \$80,043                          |
| <br>   |                                   |                    |                    |                                   |
| <b>Mayor's Court:</b>                            |                                   |                    |                    |                                   |
| <b>Assets</b>                                    |                                   |                    |                    |                                   |
| Cash and Cash Equivalents in Segregated Accounts | \$3,442                           | \$2,428            | \$3,442            | \$2,428                           |
| <b>Liabilities</b>                               |                                   |                    |                    |                                   |
| Due to Others                                    | \$3,442                           | \$2,428            | \$3,442            | \$2,428                           |
| <br>   |                                   |                    |                    |                                   |
| <b>Total All Agency Funds:</b>                   |                                   |                    |                    |                                   |
| <b>Assets</b>                                    |                                   |                    |                    |                                   |
| Equity in Pooled Cash and Cash Equivalents       | \$44,239                          | \$1,751,972        | \$1,716,168        | \$80,043                          |
| Cash and Cash Equivalents in Segregated Accounts | 3,442                             | 2,428              | 3,442              | 2,428                             |
| <i>Total Assets</i>                              | <u>\$47,681</u>                   | <u>\$1,754,400</u> | <u>\$1,719,610</u> | <u>\$82,471</u>                   |
| <b>Liabilities</b>                               |                                   |                    |                    |                                   |
| Intergovernmental Payable                        | \$44,239                          | \$1,639,972        | \$1,604,168        | \$80,043                          |
| Due to Others                                    | 3,442                             | 114,428            | 115,442            | 2,428                             |
| <i>Total Liabilities</i>                         | <u>\$47,681</u>                   | <u>\$1,754,400</u> | <u>\$1,719,610</u> | <u>\$82,471</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, 2001*

|                             | <u>Budgeted Amounts</u> |                  | <u>Actual</u>    | <u>Variance with</u> |
|-----------------------------|-------------------------|------------------|------------------|----------------------|
|                             | <u>Original</u>         | <u>Final</u>     |                  | <u>Final Budget</u>  |
|                             |                         |                  |                  | <u>Over</u>          |
|                             |                         |                  |                  | <u>(Under)</u>       |
| <b>Revenues</b>             |                         |                  |                  |                      |
| Property and Other Taxes    | \$240,632               | \$240,632        | \$241,110        | \$478                |
| Municipal Income Tax        | 725,490                 | 725,490          | 656,402          | (69,088)             |
| Charges for Services        | 78,720                  | 78,720           | 79,359           | 639                  |
| Fines, Licenses and Permits | 96,700                  | 96,700           | 131,978          | 35,278               |
| Intergovernmental           | 190,150                 | 192,945          | 271,148          | 78,203               |
| Investment Income           | 52,000                  | 52,000           | 47,916           | (4,084)              |
| Donations                   | 6,400                   | 6,400            | 7,595            | 1,195                |
| Other                       | 12,102                  | 12,102           | 16,951           | 4,849                |
| <i>Total Revenues</i>       | <u>1,402,194</u>        | <u>1,404,989</u> | <u>1,452,459</u> | <u>47,470</u>        |
| <b>Expenditures</b>         |                         |                  |                  |                      |
| Current:                    |                         |                  |                  |                      |
| General Government:         |                         |                  |                  |                      |
| Council:                    |                         |                  |                  |                      |
| Salaries and Wages          | 24,710                  | 25,170           | 25,151           | 19                   |
| Fringe Benefits             | 4,970                   | 4,510            | 3,947            | 563                  |
| Materials and Supplies      | 5,300                   | 7,750            | 6,567            | 1,183                |
| Capital Outlay              | 4,966                   | 10,016           | 4,966            | 5,050                |
| Total Council               | <u>39,946</u>           | <u>47,446</u>    | <u>40,631</u>    | <u>6,815</u>         |
| Mayor:                      |                         |                  |                  |                      |
| Salaries and Wages          | 37,700                  | 35,700           | 34,680           | 1,020                |
| Fringe Benefits             | 18,250                  | 12,945           | 9,927            | 3,018                |
| Materials and Supplies      | 1,800                   | 1,800            | 981              | 819                  |
| Capital Outlay              | 1,400                   | 1,400            | 614              | 786                  |
| Total Mayor                 | <u>59,150</u>           | <u>51,845</u>    | <u>46,202</u>    | <u>5,643</u>         |
| Auditor and Treasurer:      |                         |                  |                  |                      |
| Materials and Supplies      | 25,875                  | 18,375           | 15,254           | 3,121                |
| Total Auditor and Treasurer | <u>25,875</u>           | <u>18,375</u>    | <u>15,254</u>    | <u>3,121</u>         |
| Auditor:                    |                         |                  |                  |                      |
| Salaries and Wages          | 86,625                  | 98,106           | 96,776           | 1,330                |
| Fringe Benefits             | 30,711                  | 31,611           | 29,906           | 1,705                |
| Materials and Supplies      | 16,282                  | 10,551           | 6,334            | 4,217                |
| Capital Outlay              | 7,750                   | 1,100            | 956              | 144                  |
| Total Auditor               | <u>\$141,368</u>        | <u>\$141,368</u> | <u>\$133,972</u> | <u>\$7,396</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, 2001*

|                                   | <u>Budgeted Amounts</u> |                  | <u>Actual</u>    | <u>Variance with</u> |
|-----------------------------------|-------------------------|------------------|------------------|----------------------|
|                                   | <u>Original</u>         | <u>Final</u>     |                  | <u>Final Budget</u>  |
|                                   |                         |                  |                  | <u>Over</u>          |
|                                   |                         |                  |                  | <u>(Under)</u>       |
| Treasurer:                        |                         |                  |                  |                      |
| Salaries and Wages                | \$2,925                 | \$2,965          | \$2,965          | \$0                  |
| Fringe Benefits                   | 750                     | 710              | 462              | 248                  |
| Materials and Supplies            | 190                     | 190              | 0                | 190                  |
|                                   | <u>3,865</u>            | <u>3,865</u>     | <u>3,427</u>     | <u>438</u>           |
| Total Treasurer                   |                         |                  |                  |                      |
| Law Director:                     |                         |                  |                  |                      |
| Salaries and Wages                | 44,900                  | 44,900           | 42,077           | 2,823                |
| Fringe Benefits                   | 28,284                  | 33,584           | 27,390           | 6,194                |
|                                   | <u>73,184</u>           | <u>78,484</u>    | <u>69,467</u>    | <u>9,017</u>         |
| Total Law Director                |                         |                  |                  |                      |
| Civil Service:                    |                         |                  |                  |                      |
| Salaries and Wages                | 1,750                   | 1,750            | 1,750            | 0                    |
| Fringe Benefits                   | 362                     | 362              | 256              | 106                  |
| Materials and Supplies            | 1,325                   | 1,325            | 387              | 938                  |
|                                   | <u>3,437</u>            | <u>3,437</u>     | <u>2,393</u>     | <u>1,044</u>         |
| Total Civil Service               |                         |                  |                  |                      |
| Inspectors:                       |                         |                  |                  |                      |
| Salaries and Wages                | 3,750                   | 2,520            | 1,426            | 1,094                |
|                                   | <u>3,750</u>            | <u>2,520</u>     | <u>1,426</u>     | <u>1,094</u>         |
| Total Inspectors                  |                         |                  |                  |                      |
| City Building:                    |                         |                  |                  |                      |
| Salaries and Wages                | 51,650                  | 45,100           | 45,091           | 9                    |
| Fringe Benefits                   | 20,832                  | 19,557           | 17,661           | 1,896                |
| Materials and Supplies            | 56,334                  | 78,289           | 74,794           | 3,495                |
| Capital Outlay                    | 0                       | 100              | 0                | 100                  |
|                                   | <u>128,816</u>          | <u>143,046</u>   | <u>137,546</u>   | <u>5,500</u>         |
| Total City Building               |                         |                  |                  |                      |
| Total General Government          | <u>479,391</u>          | <u>490,386</u>   | <u>450,318</u>   | <u>40,068</u>        |
| Security of Persons and Property: |                         |                  |                  |                      |
| Police:                           |                         |                  |                  |                      |
| Salaries and Wages                | 533,615                 | 517,940          | 500,479          | 17,461               |
| Fringe Benefits                   | 228,292                 | 210,169          | 192,959          | 17,210               |
| Materials and Supplies            | 81,278                  | 120,326          | 102,043          | 18,283               |
| Capital Outlay                    | 298                     | 4,630            | 3,754            | 876                  |
|                                   | <u>\$843,483</u>        | <u>\$853,065</u> | <u>\$799,235</u> | <u>\$53,830</u>      |
| Total Police                      |                         |                  |                  |                      |

(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, 2001*

|  | <u>Budgeted Amounts</u> |                  | <u>Actual</u>    | <u>Variance with</u> |
|--|-------------------------|------------------|------------------|----------------------|
|  | <u>Original</u>         | <u>Final</u>     |                  | <u>Final Budget</u>  |
|  |                         |                  |                  | <u>(Under)</u>       |
| Fire:  |                         |                  |                  |                      |
| Salaries and Wages                           | \$31,175                | \$34,675         | \$34,606         | \$69                 |
| Fringe Benefits                              | 25,955                  | 22,330           | 21,910           | 420                  |
| Materials and Supplies                       | 47,947                  | 53,177           | 51,104           | 2,073                |
| Capital Outlay                               | 0                       | 10,200           | 10,177           | 23                   |
|  | <u>105,077</u>          | <u>120,382</u>   | <u>117,797</u>   | <u>2,585</u>         |
| Total Fire                                   |                         |                  |                  |                      |
|  | <u>105,077</u>          | <u>120,382</u>   | <u>117,797</u>   | <u>2,585</u>         |
| Total Security of Persons and Property       | <u>948,560</u>          | <u>973,447</u>   | <u>917,032</u>   | <u>56,415</u>        |
| Public Health Services:                      |                         |                  |                  |                      |
| Health:                                      |                         |                  |                  |                      |
| Salaries and Wages                           | 20,700                  | 19,200           | 18,734           | 466                  |
| Fringe Benefits                              | 2,787                   | 4,287            | 3,825            | 462                  |
| Materials and Supplies                       | 3,922                   | 3,922            | 2,375            | 1,547                |
|  | <u>27,409</u>           | <u>27,409</u>    | <u>24,934</u>    | <u>2,475</u>         |
| Total Public Health Services                 | <u>27,409</u>           | <u>27,409</u>    | <u>24,934</u>    | <u>2,475</u>         |
| Transportation:                              |                         |                  |                  |                      |
| Street Lighting:                             |                         |                  |                  |                      |
| Materials and Supplies                       | 75,569                  | 75,569           | 71,926           | 3,643                |
|  | <u>75,569</u>           | <u>75,569</u>    | <u>71,926</u>    | <u>3,643</u>         |
| Total Transportation                         | <u>75,569</u>           | <u>75,569</u>    | <u>71,926</u>    | <u>3,643</u>         |
| Leisure Time Activities:                     |                         |                  |                  |                      |
| Senior Center:                               |                         |                  |                  |                      |
| Salaries and Wages                           | 14,350                  | 14,350           | 14,345           | 5                    |
| Fringe Benefits                              | 2,875                   | 2,275            | 2,259            | 16                   |
| Materials and Supplies                       | 5,035                   | 6,865            | 7,329            | (464)                |
|  | <u>22,260</u>           | <u>23,490</u>    | <u>23,933</u>    | <u>(443)</u>         |
| Total Leisure Time Activities                | <u>22,260</u>           | <u>23,490</u>    | <u>23,933</u>    | <u>(443)</u>         |
| <i>Total Expenditures</i>                    | <u>1,553,189</u>        | <u>1,590,301</u> | <u>1,488,143</u> | <u>102,158</u>       |
| <i>Excess of Revenues Under Expenditures</i> | <u>(150,995)</u>        | <u>(185,312)</u> | <u>(35,684)</u>  | <u>149,628</u>       |
| <b>Other Financing Sources (Uses)</b>        |                         |                  |                  |                      |
| Sale of Capital Assets                       | 0                       | 0                | 100              | 100                  |
| Transfers In                                 | 85,000                  | 85,000           | 85,000           | 0                    |
| Transfers Out                                | (115,000)               | (100,870)        | (95,000)         | 5,870                |
|  | <u>(30,000)</u>         | <u>(15,870)</u>  | <u>(9,900)</u>   | <u>5,970</u>         |
| <i>Total Other Financing Sources (Uses)</i>  | <u>(30,000)</u>         | <u>(15,870)</u>  | <u>(9,900)</u>   | <u>5,970</u>         |
| <i>Net Change in Fund Balance</i>            | <u>(180,995)</u>        | <u>(201,182)</u> | <u>(45,584)</u>  | <u>155,598</u>       |
| <i>Fund Balance Beginning of Year</i>        | <u>377,671</u>          | <u>377,671</u>   | <u>377,671</u>   | <u>0</u>             |
| Prior Year Encumbrances Appropriated         | <u>16,044</u>           | <u>16,044</u>    | <u>16,044</u>    | <u>0</u>             |
| <i>Fund Balance End of Year</i>              | <u>\$212,720</u>        | <u>\$192,533</u> | <u>\$348,131</u> | <u>\$155,598</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, 2001*

|  | Budgeted Amounts |          | Actual   | Variance with<br>Final Budget<br>Over<br>(Under) |
|--|------------------|----------|----------|--|
|  | Original         | Final    |          | (Under)  |
| <b>Revenues</b>                              |                  |          |          |  |
| Charges for Services                         | \$7,400          | \$7,400  | \$8,330  | \$930  |
| Intergovernmental                            | 215,600          | 215,600  | 208,171  | (7,429)  |
| Investment Earnings                          | 800              | 800      | 100      | (700)  |
| Other  | 1,500            | 1,500    | 1,035    | (465)  |
| <i>Total Revenues</i>                        | 225,300          | 225,300  | 217,636  | (7,664)  |
| <b>Expenditures</b>                          |                  |          |          |  |
| Current:                                     |                  |          |          |  |
| Street:                                      |                  |          |          |  |
| Transportation:                              |                  |          |          |  |
| Salaries and Wages                           | 176,700          | 176,600  | 162,453  | 14,147   |
| Fringe Benefits                              | 65,450           | 52,935   | 51,151   | 1,784  |
| Materials and Supplies                       | 75,201           | 87,816   | 80,801   | 7,015  |
| <i>Total Expenditures</i>                    | 317,351          | 317,351  | 294,405  | 22,946   |
| <i>Excess of Revenues Under Expenditures</i> | (92,051)         | (92,051) | (76,769) | 15,282   |
| <b>Other Financing Sources</b>               |                  |          |          |  |
| Sale of Capital Assets                       | 0                | 0        | 780      | 780  |
| Transfers In                                 | 89,500           | 89,500   | 75,000   | (14,500)   |
| <i>Total Other Financing Sources (Uses)</i>  | 89,500           | 89,500   | 75,780   | (13,720)   |
| <i>Net Change in Fund Balance</i>            | (2,551)          | (2,551)  | (989)    | 1,562  |
| <i>Fund Balance Beginning of Year</i>        | 14,005           | 14,005   | 14,005   | 0  |
| Prior Year Encumbrances Appropriated         | 6,001            | 6,001    | 6,001    | 0  |
| <i>Fund Balance End of Year</i>              | \$17,455         | \$17,455 | \$19,017 | \$1,562  |



**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, 2001*

|                                       | <u>Budgeted Amounts</u> |                        | <u>Actual</u>          | <u>Variance with<br/>Final Budget<br/>Over<br/>(Under)</u> |
|---------------------------------------|-------------------------|------------------------|------------------------|--|
|                                       | <u>Original</u>         | <u>Final</u>           |                        |  |
| <b>Revenues</b>                       |                         |                        |                        |  |
| Motor Vehicle Licence Tax             | \$35,700                | \$35,700               | \$35,584               | (\$116)  |
| Intergovernmental                     | 266,632                 | 291,632                | 73,339                 | (218,293)  |
| <i>Total Revenues</i>                 | <u>302,332</u>          | <u>327,332</u>         | <u>108,923</u>         | <u>(218,409)</u>   |
| <b>Expenditures</b>                   |                         |                        |                        |  |
| Current:                              |                         |                        |                        |  |
| Street:                               |                         |                        |                        |  |
| Transportation:                       |                         |                        |                        |  |
| Capital Outlay                        | 288,816                 | 288,816                | 80,742                 | 208,074  |
| Intergovernmental:                    |                         |                        |                        |  |
| Capital Outlay                        | 0                       | 25,000                 | 20,466                 | 4,534  |
| Debt Service:                         |                         |                        |                        |  |
| Principal Retirement                  | 10,220                  | 10,322                 | 10,322                 | 0  |
| Interest and Fiscal Charges           | 1,239                   | 1,137                  | 1,137                  | 0  |
| <i>Total Expenditures</i>             | <u>300,275</u>          | <u>325,275</u>         | <u>112,667</u>         | <u>212,608</u>   |
| <i>Net Change in Fund Balance</i>     | 2,057                   | 2,057                  | (3,744)                | (5,801)  |
| <i>Fund Balance Beginning of Year</i> | <u>49,567</u>           | <u>49,567</u>          | <u>49,567</u>          | <u>0</u>   |
| <i>Fund Balance End of Year</i>       | <u><u>\$51,624</u></u>  | <u><u>\$51,624</u></u> | <u><u>\$45,823</u></u> | <u><u>(\$5,801)</u></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, 2001*

|  | <u>Budgeted Amounts</u> |                | <u>Actual</u>    | Variance with                   |
|--|-------------------------|----------------|------------------|---------------------------------|
|  | <u>Original</u>         | <u>Final</u>   |                  | Final Budget<br>Over<br>(Under) |
| <b>Revenues</b>                              |                         |                |                  |                                 |
| Municipal Income Tax                         | \$250,000               | \$250,000      | \$250,000        | \$0                             |
| Intergovernmental                            | 35,000                  | 70,000         | 20,000           | (50,000)                        |
| Other  | 1,000                   | 1,000          | 1,000            | 0                               |
| <i>Total Revenues</i>                        | <u>286,000</u>          | <u>321,000</u> | <u>271,000</u>   | <u>(50,000)</u>                 |
| <b>Expenditures</b>                          |                         |                |                  |                                 |
| Capital Outlay:                              |                         |                |                  |                                 |
| Capital Outlay                               | 148,669                 | 179,169        | 22,789           | 156,380                         |
| Debt Service:                                |                         |                |                  |                                 |
| Principal Retirement                         | 92,903                  | 97,403         | 96,911           | 492                             |
| Interest and Fiscal Charges                  | 19,761                  | 19,761         | 18,026           | 1,735                           |
| <i>Total Expenditures</i>                    | <u>261,333</u>          | <u>296,333</u> | <u>137,726</u>   | <u>158,607</u>                  |
| <i>Excess of Revenues Under Expenditures</i> | 24,667                  | 24,667         | 133,274          | 108,607                         |
| <b>Other Financing Sources</b>               |                         |                |                  |                                 |
| Transfers In                                 | (35,000)                | (35,000)       | (35,000)         | 0                               |
| <i>Net Change in Fund Balance</i>            | (10,333)                | (10,333)       | 98,274           | 108,607                         |
| <i>Fund Balance Beginning of Year</i>        | 18,855                  | 18,855         | 18,855           | 0                               |
| Prior Year Encumbrances Appropriated         | 333                     | 333            | 333              | 0                               |
| <i>Fund Balance End of Year</i>              | <u>\$8,855</u>          | <u>\$8,855</u> | <u>\$117,462</u> | <u>\$108,607</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, 2001*

|                                       | Budgeted Amounts |          | Actual   | Variance with<br>Final Budget<br>Over<br>(Under) |
|---------------------------------------|------------------|----------|----------|--|
|                                       | Original         | Final    |          |  |
| <b>Revenues</b>                       |                  |          |          |  |
| Intergovernmental                     | \$17,175         | \$17,175 | \$16,879 | (\$296)  |
| Investment Earnings                   | 0                | 0        | 433      | 433  |
| Other                                 | 0                | 0        | 2        | 2  |
|                                       |                  |          |          |  |
| <i>Total Revenues</i>                 | 17,175           | 17,175   | 17,314   | 139  |
| <b>Expenditures</b>                   |                  |          |          |  |
| Current:                              |                  |          |          |  |
| State Highway:                        |                  |          |          |  |
| Transportation:                       |                  |          |          |  |
| Salaries and Wages                    | 7,350            | 7,350    | 4,176    | 3,174  |
| Fringe Benefits                       | 0                | 1,450    | 1,299    | 151  |
| Materials and Supplies                | 20,600           | 19,150   | 8,291    | 10,859   |
|                                       |                  |          |          |  |
| <i>Total Expenditures</i>             | 27,950           | 27,950   | 13,766   | 14,184   |
| <i>Net Change in Fund Balance</i>     | (10,775)         | (10,775) | 3,548    | 14,323   |
| <i>Fund Balance Beginning of Year</i> | 13,224           | 13,224   | 13,224   | 0  |
| Prior Year Encumbrances Appropriated  | 7,100            | 7,100    | 7,100    | 0  |
|                                       |                  |          |          |  |
| <i>Fund Balance End of Year</i>       | \$9,549          | \$9,549  | \$23,872 | \$14,323   |

**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, 2001*

|                                       | <u>Budgeted Amounts</u> |                   | <u>Actual</u>     | Variance with                   |
|---------------------------------------|-------------------------|-------------------|-------------------|---------------------------------|
|                                       | <u>Original</u>         | <u>Final</u>      |                   | Final Budget<br>Over<br>(Under) |
| <b>Revenues</b>                       |                         |                   |                   |                                 |
| Intergovernmental                     | \$0                     | \$20,993          | \$18,761          | (\$2,232)                       |
| <b>Expenditures</b>                   |                         |                   |                   |                                 |
| Current:                              |                         |                   |                   |                                 |
| Security of Persons and Property:     |                         |                   |                   |                                 |
| Police:                               |                         |                   |                   |                                 |
| Salaries and Wages                    | 2,377                   | 2,377             | 2,377             | 0                               |
| Capital Outlay                        | 0                       | 20,993            | 18,761            | 2,232                           |
| <i>Total Expenditures</i>             | <u>2,377</u>            | <u>23,370</u>     | <u>21,138</u>     | <u>2,232</u>                    |
| <i>Net Change in Fund Balance</i>     | (2,377)                 | (2,377)           | (2,377)           | 0                               |
| <i>Fund Balance Beginning of Year</i> | <u>2,377</u>            | <u>2,377</u>      | <u>2,377</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 Trust Fund*  
*For the Year Ended December 31, 2001*

|                                       | <u>Budgeted Amounts</u> |              | <u>Actual</u> | <u>Variance with<br/>Final Budget<br/>Over<br/>(Under)</u> |
|---------------------------------------|-------------------------|--------------|---------------|--|
|                                       | <u>Original</u>         | <u>Final</u> |               |  |
| <b>Expenditures</b>                   |                         |              |               |  |
| Current:                              |                         |              |               |  |
| Security of Persons and Property:     |                         |              |               |  |
| Police:                               |                         |              |               |  |
| Materials and Supplies                | \$969                   | \$969        | \$0           | \$969  |
| <i>Net Change in Fund Balance</i>     | (969)                   | (969)        | 0             | 969  |
| <i>Fund Balance Beginning of Year</i> | 969                     | 969          | 969           | 0  |
| <i>Fund Balance End of Year</i>       | <u>\$0</u>              | <u>\$0</u>   | <u>\$969</u>  | <u>\$969</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, 2001*

|                                       | <u>Budgeted Amounts</u> |              | <u>Actual</u> | <u>Variance with<br/>Final Budget<br/>Over<br/>(Under)</u> |
|---------------------------------------|-------------------------|--------------|---------------|--|
|                                       | <u>Original</u>         | <u>Final</u> |               |  |
| <b>Revenues</b>                       |                         |              |               |  |
| Fines, Licenses and Permits           | \$500                   | \$500        | \$350         | (\$150)  |
| Intergovernmental                     | 9,500                   | 9,500        | 4,921         | (4,579)  |
| <i>Total Revenues</i>                 | 10,000                  | 10,000       | 5,271         | (4,729)  |
| <b>Expenditures</b>                   |                         |              |               |  |
| Current:                              |                         |              |               |  |
| Security of Persons and Property:     |                         |              |               |  |
| Police:                               |                         |              |               |  |
| Salaries and Wages                    | 11,250                  | 11,250       | 6,834         | 4,416  |
| <i>Net Change in Fund Balance</i>     | (1,250)                 | (1,250)      | (1,563)       | (313)  |
| <i>Fund Balance Beginning of Year</i> | 1,788                   | 1,788        | 1,788         | 0  |
| <i>Fund Balance End of Year</i>       | <u>\$538</u>            | <u>\$538</u> | <u>\$225</u>  | <u>(\$313)</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, 2001*

|                                       | Budgeted Amounts |         | Actual  | Variance with<br>Final Budget<br>Over<br>(Under) |
|---------------------------------------|------------------|---------|---------|--|
|                                       | Original         | Final   |         |  |
| <b>Revenues</b>                       |                  |         |         |  |
| Fines, Licenses and Permits           | \$3,200          | \$3,200 | \$2,699 | (\$501)  |
| <b>Expenditures</b>                   |                  |         |         |  |
| Current:                              |                  |         |         |  |
| Security of Persons and Property:     |                  |         |         |  |
| Mayor's Court:                        |                  |         |         |  |
| Materials and Supplies                | 4,560            | 4,560   | 1,124   | 3,436  |
| <i>Net Change in Fund Balance</i>     | (1,360)          | (1,360) | 1,575   | 2,935  |
| <i>Fund Balance Beginning of Year</i> | 4,489            | 4,489   | 4,489   | 0  |
| Prior Year Encumbrances Appropriated  | 60               | 60      | 60      | 0  |
| <i>Fund Balance End of Year</i>       | \$3,189          | \$3,189 | \$6,124 | \$2,935  |

**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, 2001*

|                                       | <u>Budgeted Amounts</u> |                       | <u>Actual</u>          | <u>Variance with<br/>Final Budget<br/>Over<br/>(Under)</u> |
|---------------------------------------|-------------------------|-----------------------|------------------------|--|
|                                       | <u>Original</u>         | <u>Final</u>          |                        |  |
| <b>Revenues</b>                       |                         |                       |                        |  |
| Fines, Licenses and Permits           | \$10,500                | \$10,500              | \$9,346                | (\$1,154)  |
| <b>Expenditures</b>                   |                         |                       |                        |  |
| Current:                              |                         |                       |                        |  |
| Security of Persons and Property:     |                         |                       |                        |  |
| Clerk:                                |                         |                       |                        |  |
| Salaries and Wages                    | 0                       | 600                   | 600                    | 0  |
| Materials and Supplies                | 10,500                  | 9,900                 | 1,618                  | 8,282  |
| <i>Total Expenditures</i>             | <u>10,500</u>           | <u>10,500</u>         | <u>2,218</u>           | <u>8,282</u>   |
| <i>Net Change in Fund Balance</i>     | 0                       | 0                     | 7,128                  | 7,128  |
| <i>Fund Balance Beginning of Year</i> | <u>6,236</u>            | <u>6,236</u>          | <u>6,236</u>           | <u>0</u>   |
| <i>Fund Balance End of Year</i>       | <u><u>\$6,236</u></u>   | <u><u>\$6,236</u></u> | <u><u>\$13,364</u></u> | <u><u>\$7,128</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, 2001*

|  | Budgeted Amounts |          | Actual   | Variance with<br>Final Budget<br>Over<br>(Under) |
|--|------------------|----------|----------|--|
|  | Original         | Final    |          |  |
| <b>Revenues</b>                              |                  |          |          |  |
| Charges for Services                         | \$5,000          | \$5,000  | \$5,452  | \$452  |
| Intergovernmental                            | 135,000          | 142,350  | 2,500    | (139,850)  |
| Donations                                    | 8,000            | 8,000    | 6,196    | (1,804)  |
| Other  | 900              | 900      | 351      | (549)  |
| <i>Total Revenues</i>                        | 148,900          | 156,250  | 14,499   | (141,751)  |
| <b>Expenditures</b>                          |                  |          |          |  |
| Current:                                     |                  |          |          |  |
| Leisure Time Activities:                     |                  |          |          |  |
| Parks:                                       |                  |          |          |  |
| Salaries and Wages                           | 17,250           | 21,495   | 21,495   | 0  |
| Fringe Benefits                              | 3,510            | 3,490    | 3,481    | 9  |
| Materials and Supplies                       | 29,973           | 32,118   | 31,602   | 516  |
| Capital Outlay                               | 175,600          | 180,730  | 37,266   | 143,464  |
| <i>Total Expenditures</i>                    | 226,333          | 237,833  | 93,844   | 143,989  |
| <i>Excess of Revenues Under Expenditures</i> | (77,433)         | (81,583) | (79,345) | 2,238  |
| <b>Other Financing Sources</b>               |                  |          |          |  |
| Transfers In                                 | 36,000           | 36,000   | 25,000   | (11,000)   |
| <i>Net Change in Fund Balance</i>            | (41,433)         | (45,583) | (54,345) | (8,762)  |
| <i>Fund Balance Beginning of Year</i>        | 67,630           | 67,630   | 67,630   | 0  |
| Prior Year Encumbrances Appropriated         | 1,523            | 1,523    | 1,523    | 0  |
| <i>Fund Balance End of Year</i>              | \$27,720         | \$23,570 | \$14,808 | (\$8,762)  |

**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, 2001*

|  | Budgeted Amounts |               | Actual         | Variance with<br>Final Budget<br>Over<br>(Under) |
|--|------------------|---------------|----------------|--|
|  | Original         | Final         |                |  |
| <b>Revenues</b>                              |                  |               |                |  |
| Charges for Services                         | \$38,950         | \$38,950      | \$35,175       | (\$3,775)  |
| Other  | 0                | 0             | 1,126          | 1,126  |
| <i>Total Revenues</i>                        | <u>38,950</u>    | <u>38,950</u> | <u>36,301</u>  | <u>(2,649)</u>                                   |
| <b>Expenditures</b>                          |                  |               |                |  |
| Current:                                     |                  |               |                |  |
| Leisure Time Activities:                     |                  |               |                |  |
| Pool:  |                  |               |                |  |
| Salaries and Wages                           | 31,000           | 32,650        | 32,627         | 23   |
| Fringe Benefits                              | 6,050            | 5,302         | 5,126          | 176  |
| Materials and Supplies                       | 27,075           | 26,173        | 24,499         | 1,674  |
| <i>Total Expenditures</i>                    | <u>64,125</u>    | <u>64,125</u> | <u>62,252</u>  | <u>1,873</u>                                     |
| <i>Excess of Revenues Under Expenditures</i> | (25,175)         | (25,175)      | (25,951)       | (776)  |
| <b>Other Financing Sources</b>               |                  |               |                |  |
| Transfers In                                 | 25,500           | 25,500        | 30,000         | 4,500  |
| <i>Net Change in Fund Balance</i>            | 325              | 325           | 4,049          | 3,724  |
| <i>Fund Balance Beginning of Year</i>        | <u>337</u>       | <u>337</u>    | <u>337</u>     | <u>0</u>   |
| <i>Fund Balance End of Year</i>              | <u>\$662</u>     | <u>\$662</u>  | <u>\$4,386</u> | <u>\$3,724</u>                                   |

**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, 2001*

|   | <u>Budgeted Amounts</u> |                         | <u>Actual</u>           | <u>Variance with<br/>Final Budget<br/>Over<br/>(Under)</u> |
|---|-------------------------|-------------------------|-------------------------|--|
|   | <u>Original</u>         | <u>Final</u>            |                         |  |
| <b>Revenues</b>                         |                         |                         |                         |  |
| Charges for Services                    | \$556,500               | \$556,500               | \$570,257               | \$13,757   |
| Other                                   | 0                       | 0                       | 3                       | 3  |
| <i>Total Revenues</i>                   | <u>556,500</u>          | <u>556,500</u>          | <u>570,260</u>          | <u>13,760</u>  |
| <b>Expenses</b>                         |                         |                         |                         |  |
| Salaries and Wages                      | 13,860                  | 13,860                  | 6,427                   | 7,433  |
| Fringe Benefits                         | 3,910                   | 3,610                   | 2,244                   | 1,366  |
| Contractual Services                    | 462,000                 | 462,600                 | 423,823                 | 38,777   |
| Materials and Supplies                  | 4,500                   | 4,200                   | 3,680                   | 520  |
| Capital Outlay                          | 15,000                  | 15,000                  | 0                       | 15,000   |
| <i>Total Expenses</i>                   | <u>499,270</u>          | <u>499,270</u>          | <u>436,174</u>          | <u>63,096</u>  |
| <i>Excess of Revenues Over Expenses</i> | 57,230                  | 57,230                  | 134,086                 | 76,856   |
| Transfers Out                           | <u>(85,000)</u>         | <u>(85,000)</u>         | <u>(85,000)</u>         | <u>0</u>   |
| <i>Net Change in Fund Balance</i>       | (27,770)                | (27,770)                | 49,086                  | 76,856   |
| <i>Fund Balance Beginning of Year</i>   | <u>186,556</u>          | <u>186,556</u>          | <u>186,556</u>          | <u>0</u>   |
| <i>Fund Balance End of Year</i>         | <u><u>\$158,786</u></u> | <u><u>\$158,786</u></u> | <u><u>\$235,642</u></u> | <u><u>\$76,856</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, 2001*

|                                       | <u>Budgeted Amounts</u> |                         | <u>Actual</u>           | <u>Variance with<br/>Final Budget<br/>Over<br/>(Under)</u> |
|---------------------------------------|-------------------------|-------------------------|-------------------------|--|
|                                       | <u>Original</u>         | <u>Final</u>            |                         |  |
| <b>Revenues</b>                       |                         |                         |                         |  |
| Charges for Services                  | \$1,066,800             | \$1,066,800             | \$1,086,833             | \$20,033   |
| Capital Grants                        | 46,776                  | 46,776                  | 0                       | (46,776)   |
| Other Operating Revenues              | 4,000                   | 4,000                   | 171                     | (3,829)  |
| Proceeds of Loans                     | 888,349                 | 888,349                 | 2,000                   | (886,349)  |
| Proceeds on Sale of Capital Assets    | 0                       | 0                       | 6,500                   | 6,500  |
| <i>Total Revenues</i>                 | <u>2,005,925</u>        | <u>2,005,925</u>        | <u>1,095,504</u>        | <u>(910,421)</u>   |
| <b>Expenses</b>                       |                         |                         |                         |  |
| Salaries and Wages                    | 310,367                 | 270,367                 | 256,679                 | 13,688   |
| Fringe Benefits                       | 111,065                 | 80,765                  | 78,134                  | 2,631  |
| Contractual Services                  | 305,441                 | 400,652                 | 372,418                 | 28,234   |
| Materials and Supplies                | 48,562                  | 64,637                  | 56,459                  | 8,178  |
| Capital Outlay                        | 1,083,769               | 1,044,283               | 109,982                 | 934,301  |
| Debt Service:                         |                         |                         |                         |  |
| Principal Retirement                  | 103,604                 | 136,958                 | 129,866                 | 7,092  |
| Interest and Fiscal Charges           | 62,231                  | 27,376                  | 22,287                  | 5,089  |
| <i>Total Expenses</i>                 | <u>2,025,039</u>        | <u>2,025,038</u>        | <u>1,025,825</u>        | <u>999,213</u>   |
| <i>Net Change in Fund Balance</i>     | (19,114)                | (19,113)                | 69,679                  | 88,792   |
| <i>Fund Balance Beginning of Year</i> | 223,228                 | 223,228                 | 223,228                 | 0  |
| Prior Year Encumbrances Appropriated  | <u>18,375</u>           | <u>18,375</u>           | <u>18,375</u>           | <u>0</u>   |
| <i>Fund Balance End of Year</i>       | <u><u>\$222,489</u></u> | <u><u>\$222,490</u></u> | <u><u>\$311,282</u></u> | <u><u>\$88,792</u></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, 2001*

|                                       | <u>Budgeted Amounts</u> |                  | <u>Actual</u>    | <u>Variance with<br/>Final Budget<br/>Over<br/>(Under)</u> |
|---------------------------------------|-------------------------|------------------|------------------|--|
|                                       | <u>Original</u>         | <u>Final</u>     |                  |  |
| <b>Revenues</b>                       |                         |                  |                  |  |
| Charges for Services                  | \$625,500               | \$625,500        | \$723,931        | \$98,431   |
| Tap-In Fees                           | 8,000                   | 8,000            | 22,621           | 14,621   |
| Investment Earnings                   | 258                     | 258              | 0                | (258)  |
| Other Operating Revenues              | 0                       | 0                | 365              | 365  |
| Other Non-Operating Revenues          | 6,000                   | 6,000            | 11,630           | 5,630  |
| Proceeds of Loans                     | 0                       | 125,000          | 125,000          | 0  |
| Proceeds on Sale of Capital Assets    | 8,271                   | 8,271            | 310              | (7,961)  |
| <i>Total Revenues</i>                 | <u>648,029</u>          | <u>773,029</u>   | <u>883,857</u>   | <u>110,828</u>   |
| <b>Expenses</b>                       |                         |                  |                  |  |
| Salaries and Wages                    | 127,482                 | 122,982          | 96,574           | 26,408   |
| Fringe Benefits                       | 47,874                  | 39,774           | 36,657           | 3,117  |
| Contractual Services                  | 138,834                 | 162,034          | 144,560          | 17,474   |
| Materials and Supplies                | 150,904                 | 169,591          | 143,985          | 25,606   |
| Other Non-Operating Expenses          | 6,000                   | 6,000            | 2,834            | 3,166  |
| Capital Outlay                        | 216,148                 | 303,461          | 298,598          | 4,863  |
| Debt Service:                         |                         |                  |                  |  |
| Principal Retirement                  | 104,999                 | 109,669          | 108,480          | 1,189  |
| Interest and Fiscal Charges           | 15,615                  | 19,345           | 17,224           | 2,121  |
| <i>Total Expenses</i>                 | <u>807,856</u>          | <u>932,856</u>   | <u>848,912</u>   | <u>83,944</u>  |
| <i>Net Change in Fund Balance</i>     | (159,827)               | (159,827)        | 34,945           | 194,772  |
| <i>Fund Balance Beginning of Year</i> | 316,291                 | 316,291          | 316,291          | 0  |
| Prior Year Encumbrances Appropriated  | <u>12,841</u>           | <u>12,841</u>    | <u>12,841</u>    | <u>0</u>   |
| <i>Fund Balance End of Year</i>       | <u>\$169,305</u>        | <u>\$169,305</u> | <u>\$364,077</u> | <u>\$194,772</u>   |

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# **STATISTICAL SECTION**

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## **Statistical Section**

The following statistical tables reflect social and economic data, financial trends, and fiscal capacity of the City. The City of Belpre has not had any general bonded debt outstanding for the past ten years; 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.

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

|  | 2001               |                     | 2000               |                     |
|--|--------------------|---------------------|--------------------|---------------------|
|  | Full<br>Accrual    | Modified<br>Accrual | Full<br>Accrual    | Modified<br>Accrual |
| <b>Program Revenues</b>                      |                    |                     |                    |                     |
| Charges for Services                         | \$313,270          | N/A                 | \$300,216          | N/A                 |
| Operating Grants, Contributions and Interest | 539,600            | N/A                 | 385,452            | N/A                 |
| Capital Grants and Contributions             | 24,635             | N/A                 | 2,721              | N/A                 |
| <b>General Revenues (1)</b>                  |                    |                     |                    |                     |
| Property and Other Taxes                     | 242,764            | 241,033             | 247,518            | 246,504             |
| Municipal Income Tax                         | 879,622            | 891,864             | 939,501            | 928,753             |
| Motor Vehicle License Tax                    | 0                  | 35,421              | 0                  | 35,370              |
| Charges for Services                         | 0                  | 119,986             | 0                  | 109,371             |
| Fines, Licenses and Permits                  | 0                  | 150,159             | 0                  | 145,858             |
| Intergovernmental                            | 223,043            | 774,975             | 289,198            | 653,661             |
| Investment Earnings                          | 47,657             | 45,130              | 68,561             | 70,260              |
| Other  | 9,322              | 30,817              | 26,497             | 66,885              |
| <b>Total</b>                                 | <b>\$2,279,913</b> | <b>\$2,289,385</b>  | <b>\$2,259,664</b> | <b>\$2,256,662</b>  |
| <b>Expenses/Expenditures (1)</b>             |                    |                     |                    |                     |
| <b>Current</b>                               |                    |                     |                    |                     |
| General Government                           | \$456,662          | \$449,960           | \$443,082          | \$426,545           |
| Security of Persons and Property: (2)        |                    |                     |                    |                     |
| Police                                       | 849,506            | 830,278             | 840,810            | 876,349             |
| Fire   | 187,481            | 113,201             | 203,981            | 115,238             |
| Public Health Services                       | 21,978             | 21,978              | 31,433             | 21,735              |
| Transportation                               | 1,724,203          | 697,409             | 1,701,589          | 406,219             |
| Leisure Time Activities: (2)                 |                    |                     |                    |                     |
| Senior Center                                | 23,814             | 22,046              | 21,584             | 19,816              |
| Parks  | 126,524            | 92,492              | 226,731            | 193,447             |
| Pool   | 71,370             | 62,522              | 65,380             | 56,533              |
| Capital Outlay                               | 0                  | 0                   | 0                  | 0                   |
| Intergovernmental                            | 20,466             | 20,466              | 0                  | 0                   |
| Debt Service:                                |                    |                     |                    |                     |
| Principal Retirement                         | 0                  | 107,002             | 0                  | 353,084             |
| Interest and Fiscal Charges                  | 20,534             | 18,660              | 34,698             | 34,698              |
| <b>Total</b>                                 | <b>\$3,502,538</b> | <b>\$2,436,014</b>  | <b>\$3,569,288</b> | <b>\$2,503,664</b>  |

(1) 1992 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

| 1999               | 1998               | 1997               | 1996               | 1995               | 1994               | 1993               | 1992               |
|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| 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                | N/A                | N/A                | N/A                |
| 229,939            | 198,130            | 206,147            | 190,324            | 211,769            | 208,072            | 211,598            | 204,920            |
| 937,217            | 886,784            | 858,765            | 603,691            | 775,545            | 805,503            | 794,762            | 734,694            |
| 35,789             | 36,368             | 33,631             | 0                  | 0                  | 0                  | 0                  | 0                  |
| 74,310             | 64,423             | 54,949             | 44,392             | 44,392             | 88,441             | 128,093            | 68,845             |
| 161,705            | 108,316            | 108,119            | 105,711            | 98,025             | 80,479             | 67,814             | 52,842             |
| 874,214            | 627,138            | 628,411            | 164,631            | 148,169            | 128,073            | 125,905            | 134,409            |
| 68,162             | 61,429             | 17,083             | 27,489             | 27,042             | 24,575             | 23,165             | 35,676             |
| 41,135             | 80,868             | 40,353             | 23,800             | 18,706             | 47,931             | 45,556             | 32,253             |
| <u>\$2,422,471</u> | <u>\$2,063,456</u> | <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> |
| \$403,869          | \$465,875          | \$438,815          | \$389,520          | \$365,084          | \$477,418          | \$415,559          | \$400,103          |
| 903,542            | 866,326            | 809,463            | 848,402            | 769,158            | 738,419            | 701,856            | 712,123            |
| 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                |
| 19,910             | 28,112             | 32,259             | 31,789             | 31,772             | 30,602             | 29,430             | 28,851             |
| 441,047            | 346,332            | 378,273            | 60,321             | 66,640             | 127,961            | 98,858             | 150,150            |
| 211,434            | 115,837            | 57,334             | 20,148             | 22,188             | 15,370             | 16,929             | 25,290             |
| N/A                | 0                  | 0                  | 0                  | 0                  | 0                  | 0                  | 0                  |
| N/A                | 0                  | 0                  | 0                  | 0                  | 0                  | 0                  | 0                  |
| N/A                | 0                  | 0                  | 0                  | 0                  | 0                  | 0                  | 0                  |
| 2,044,321          | 205,139            | 161,105            | 0                  | 0                  | 0                  | 0                  | 0                  |
| 0                  | 0                  | 0                  | 0                  | 0                  | 0                  | 0                  | 0                  |
| 83,623             | 2,634              | 633                | 0                  | 0                  | 0                  | 0                  | 0                  |
| 23,996             | 20,032             | 27,351             | 0                  | 0                  | 0                  | 0                  | 0                  |
| <u>\$4,131,742</u> | <u>\$2,050,287</u> | <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> |

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> |
|-------------|-----------------------|-------------------------------|-------------------------------|--------------------------|---|---|--|
| 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   |
| 2001        | 222,488               | 207,332                       | 9,630                         | 216,962                  | 97.52   | 12,219  | 5.49   |

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<br/>Tax Levy</u> | <u>Current<br/>Collections</u> | <u>Delinquent<br/>Collections</u> | <u>Total<br/>Collections</u> | <u>Percent of<br/>Total<br/>Collections<br/>To Tax Levy</u> | <u>Accumulated<br/>Outstanding<br/>Delinquent<br/>Taxes</u> | <u>Percent of<br/>Accumulated<br/>Delinquent<br/>Taxes to<br/>Total Tax Levy</u> |
|-------------|---------------------------|--------------------------------|-----------------------------------|------------------------------|---|---|--|
| 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  |
| 2001        | 20,424                    | 20,294                         | 264                               | 20,558                       | 100.66  | 2,695   | 13.20  |

Source: Washington County, Ohio; County Auditor

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

| Year | Agricultural/<br>Residential<br>Real Estate | Other<br>Real Estate | Total<br>Real Estate | Public<br>Utility<br>Personal | Tangible<br>Personal | Total<br>Assessed<br>Value | Estimated<br>True Value(1) | Percent of<br>Assessed Value<br>To Estimated<br>True Value |
|------|---|----------------------|----------------------|-------------------------------|----------------------|----------------------------|----------------------------|--|
| 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   |
| 2001 | 52,296,810                                  | 17,872,260           | 70,169,070           | 3,500,510                     | 7,885,740            | 81,555,320                 | 236,003,869                | 35   |

Source: Washington County, Ohio; County Auditor

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

The percentages for 2001 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<br/>Belpre<br/>General<br/>Fund</u> | <u>Belpre<br/>School<br/>District</u> | <u>Washington<br/>County<br/>JVS</u> | <u>Washington<br/>County</u> | <u>Total</u> |
|-------------|--|---------------------------------------|--------------------------------------|------------------------------|--------------|
| 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        |
| 2001        | 3.40   | 35.00                                 | 1.80                                 | 9.05                         | 49.25        |

Source: Washington County, Ohio; County Auditor

City of Belpre, Ohio  
 Computation of Legal Debt Margin  
 December 31, 2001

|   |                  |                           |
|---|------------------|---------------------------|
| <b>Overall Debt Limitation</b>              |                  |                           |
| 10 1/2% of Assessed Valuation               |                  | \$8,563,309               |
| Loans Payable                               | \$951,462        |                           |
| Issue II Loans Payable                      | <u>129,179</u>   |                           |
| Gross Indebtedness Outstanding              | <u>1,080,641</u> |                           |
| Less: Debt Exempt from Limitation           |                  |                           |
| Sewer Loan                                  | 194,194          |                           |
| Water Plant Loan                            | 6,734            |                           |
| Water Lines Loan                            | 120,394          |                           |
| Issue II Water Loan                         | <u>80,103</u>    |                           |
| Total                                       | <u>401,425</u>   |                           |
| Net Debt within 10 1/2% Limitation          |                  | <u>679,216</u>            |
| Legal Debt Margin within 10 1/2% Limitation |                  | <u><u>\$7,884,093</u></u> |
| <br><b>Unvoted Debt Limitation</b>          |                  |                           |
| 5 1/2% of Assessed Valuation                |                  | \$4,485,543               |
| Gross Indebtedness Outstanding              | \$1,080,641      |                           |
| Less: Debt Exempt from Limitation           | <u>(401,425)</u> |                           |
| Net Debt within 5 1/2% Limitation           |                  | <u>679,216</u>            |
| Legal Debt Margin within 5 1/2% Limitation  |                  | <u><u>\$3,806,327</u></u> |

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



City of Belpre, Ohio  
 Computation of Overlapping General Obligation Bonded Debt  
 December 31, 2001

| Jurisdiction      | Debt<br>Outstanding | Percentage<br>Applicable<br>to City of<br>Belpre(1) | Amount<br>Applicable<br>to City of<br>Belpre |
|-------------------|---------------------|---|--|
| Washington County | \$4,240,000         | 8.06%   | \$341,796                                    |

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 2001 collection year.

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

| Year | Property<br>Value (1) | Residential<br>Construction<br>Assessed Value | Commercial<br>Construction<br>Assessed Value |
|------|-----------------------|---|--|
| 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                                      |
| 2001 | 70,169,070            | 575,840                                       | 944,490                                      |

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, 2001

| Taxpayer                                   | Nature<br>of Business   | 2001<br>Assessed<br>Valuation | Percent of<br>Total<br>Assessed<br>Valuation |
|--|-------------------------|-------------------------------|--|
| International Converter, Incorporated      | Packaging Manufacturing | \$2,136,870                   | 2.74%  |
| Lee Middleton Original Dolls, Incorporated | Doll Manufacturing      | 1,712,240                     | 2.19   |
| Kroger Limited Partnership                 | Grocer                  | 1,609,220                     | 2.06   |
| Russell L. Covey                           | Land Management         | 657,520                       | 0.84   |
| Orion Development                          | Pharmacy                | 646,100                       | 0.83   |
| Holder Harbour Corporation                 | Land Management         | 522,000                       | 0.67   |
| John O. and Linda I. Cornell               | Land Management         | 515,480                       | 0.66   |
| David E. and Victoria Higgins              | Land Management         | 377,090                       | 0.48   |
| Cedarwood Apartments of Belpre             | Apartment Rentals       | 349,570                       | 0.45   |
| Moore Enterprises                          | Land Management         | 346,360                       | 0.44   |
|  |                         | <u>\$8,872,450</u>            | <u>11.36%</u>                                |

Source: Washington County, Ohio; County Auditor

City of Belpre, Ohio  
Principal Taxpayers - Public Utility Property  
December 31, 2001

| Taxpayer                  | 2001<br>Assessed<br>Valuation | Percent of<br>Total<br>Assessed<br>Valuation |
|---------------------------|-------------------------------|--|
| Monongahela Power Company | \$1,307,690                   | 37.36%                                       |
| Ohio Bell Telephone       | 1,045,940                     | 29.88  |
| East Ohio Gas Company     | 301,380                       | 8.61   |
|                           | <u>\$2,655,010</u>            | <u>75.85%</u>                                |

Source: Washington County, Ohio; County Auditor

City of Belpre, Ohio  
Ten Largest Employers  
December 31, 2001

| <u>Employer</u>                            | <u>Nature<br/>of Business</u> | <u>Number<br/>of Employees</u> |
|--|-------------------------------|--------------------------------|
| Belpre City School District                | School                        | 258                            |
| Enlow's                                    | Food Service                  | 199                            |
| Kroger Limited Partnership                 | Grocer                        | 189                            |
| Lee Middleton Original Dolls, Incorporated | Doll Manufacturing            | 159                            |
| Wal-Bon of Ohio                            | Food Service                  | 143                            |
| Pioneer Casting                            | Pipe Manufacturing            | 124                            |
| McDonalds                                  | Food Service                  | 119                            |
| Wendy's                                    | Food Service                  | 109                            |
| Hardees                                    | Food Service                  | 97                             |
| City of Belpre                             | Government                    | 91                             |

Source: City records

City of Belpre, Ohio  
Demographic Statistics  
Last Ten Years

| Year | Population(1) | School Enrollment(2) | Unemployment Rate of Washington County(3) |
|------|---------------|----------------------|---|
| 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                                      |
| 2001 | 6,658         | 1,307                | 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, 2001

|  |                  |
|--|------------------|
| 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 2001    | 117              |
| 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             | 12               |
| Municipal Utilities:                         |                  |
| Miles of Water Mains                         | 28               |
| Miles of Sanitary Sewer                      | 28               |
| Number of Consumers:                         |                  |
| Sewer  | 2,921            |
| Water  | 3,091            |
| 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                           | 1,307            |
| 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                                    | 59               |
| Part-Time                                    | 1                |
| Seasonal                                     | 31               |

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 2, 2002**