

CITY OF MONROE, OHIO

Comprehensive Annual Financial Report
Year Ended December 31, 2000



Prepared by the
City of Monroe Treasurer
E. Dave Collins



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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

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

JIM PETRO
Auditor of State

July 30, 2001

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The City of Monroe, Ohio



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Introductory Section

May 22, 2001

Citizens of Monroe
Honorable Mayor and Members of City Council

We are pleased to submit the City of Monroe's Comprehensive Annual Financial Report (CAFR) for the fiscal year ended December 31, 2000. This report was prepared in conformance with generally accepted accounting principles set forth by the Governmental Accounting Standards Board (GASB) and other recognized authoritative sources, and it is representative of the City's commitment to provide complete financial information to the citizens of Monroe. The CAFR is presented in three sections:

1. The Introductory section includes the table of contents, this transmittal letter, a list of principal officials, and the City's organizational chart.
2. The Financial section includes the general-purpose financial statements and the combining and individual fund and account group financial statements and schedules, as well as the report of independent accountant on the financial statements.
3. The Statistical section includes a number of tables depicting the financial history of the City for the past ten years, as well as information on subjects such as overlapping governments and demographics.

This report is a culmination of the efforts of many people. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City and specifically, the Department of Finance. We believe that this report, as presented, is accurate in all material aspects, that it is presented in a manner designed to set forth fairly the financial position of the City's operations, and that all disclosures necessary to enable the reader to gain a maximum understanding of the City's financial affairs have been included.

THE CITY OF MONROE

Located in the northeast corner of Butler County, with part of the City in the western section of Warren County, Monroe is situated about twenty miles north of Cincinnati and about thirty miles south of Dayton. In 1995, Monroe's population surpassed the 5,000 mark and Monroe achieved city status, which provides for a Council/Manager form of government. Council members and the Mayor are elected on a non-partisan basis.

CITY ORGANIZATION AND REPORTING ENTITY

The reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements of the City are not misleading. The primary government consists of all funds and departments, which are not legally, separate from the City. They include a police and fire fighting force, street maintenance and repair force, planning and zoning departments, parks and recreation system, water and sewer system, community development department, and staff to provide essential support to these services provided. Council and City Manager have direct responsibility for these activities.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board and (1) the City is able to significantly influence the programs or services performed or provided by the organization or (2) the City is legally entitled to or can otherwise access the organization's resources; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provided financial support to, the organization; or the City is obligated for the debt of the organization. Component units may also include organizations for which the City approves the budget, the issuance of the debt or the levying of taxes.

The Monroe Volunteer Fireman's Association was a separate legal entity until October 1, 2000. The Association has been financially dependent of the City since inception. The Council passed a resolution to bring the Association within the parameters of the City. The Association is being reflected in the financial statements as if the City had administrative control on January 1, 2000. All transactions that occurred from January 1 to September 30, 2000 have been reclassified to be reflected as operating transfers, not revenues and expenditures, in the appropriate funds. The Monroe City School District has been excluded from the City's financial statements because the City is not financially accountable for them nor is the entity fiscally dependent on the City.

The City is associated with the following jointly governed organizations: The Center for Local Governments and the Ohio-Kentucky-Indiana Regional Council of Governments, which are presented in Note 21 to the general-purpose financial statements. The City is also a member of the Ohio Municipal League of Ohio Worker's Compensation Group Rating Plan, an insurance purchasing pool, which is presented in Note 22 to the general-purpose financial statements.

FORMATION OF THE CITY

The Village of Monroe was platted in 1817 by John H. Piatt and Nathaniel Sackett, Jr. Mr. Piatt was a merchant in Cincinnati. During the war of 1812 he was a land contractor in the west. He never lived in Monroe; his interest was strictly financial. Nathaniel Sackett, Jr. was the man who actually settled Monroe and the surrounding area during the early years. He and his family came to Ohio in 1816. Mr. Sackett paid for a farm owned by John Baker, atop what was known as Baker's Hill. The first plat of Monroe had a Main Street (now Old Street) with cross streets (Lebanon, Church and Elm). The town was named for President James Monroe. In the early years, Monroe was mainly a farming community halfway between Cincinnati and Dayton; it was also a major stagecoach stop on the Miami Turnpike.

The City has experienced substantial changes during the past century. In 1995, Monroe was officially changed from a village to a city. The City's industrial tax base currently generates over two million dollars in annual revenue from a one-percent earnings tax. The total percentage of land area in Monroe is significantly weighted towards light and heavy industrial acreage.

Currently, Monroe enjoys approximately 1,800 acres of prime greenfield industrial parcels with full utilities and road access. Annually, the City approves approximately twenty-five new commercial and industrial projects ranging in size from 10,000 square feet up to over 500,000 square feet. During 2000, new industrial projects accounted for over 1,000,000 square feet of new commercial space. The three largest projects during 2000 were the Kohl's Corporation Phase I project accounting for 550,000 square feet, Dayton Technologies completed a 146,000 square feet expansion, and Loxcreen, Inc. relocated to Monroe and constructed a 36,000 square feet facility.

ECONOMIC CONDITION AND MAJOR INITIATIVES

The continued high level of economic activity in eastern Butler County over the last few years has assisted the efforts of the City in increasing its economic base. Since the earnings tax is the City's largest source of income, the creation of new jobs is essential to continued revenue growth.

The City offers excellent access to the flourishing Interstate 75 corridor. The travel time to the Monroe interstate interchange is no more than five minutes from anywhere within the City. State Route 63 and State Route 4 both traverse through the City, offering quick access to the cities of Hamilton and Middletown. Monroe companies currently draw employees within a 15-mile radius of Monroe, including the cities of Middletown, Hamilton, Fairfield, Mason, Franklin and Springboro. Within that radius exists a population of approximately 400,000 people.

The City has several large infrastructure capital improvement projects in varying stages of development. The goal of Monroe's proactive infrastructure development plan is to ensure that roadway and utility infrastructure can maintain its high level of service amidst the demand caused by rapid commercial and industrial growth.

Road Improvements

The City has detained state funding for 80% of an estimated \$4,000,000 roadway widening of State Route 63 from the Interstate 75 interchange and terminating at the eastern corporation limits. This widening project will increase the number of lanes while implementing traffic control devices in response to the anticipated growth of an 800 acre industrial park situated at the corner of Interstate 75 and State Route 63.

The State Route 63 widening project will coincide with a State Department of Transportation sponsored project replacing the Interstate 75 bridge and making substantial improvements to the north and south bound ramps onto State Route 63. The City is also working with the Butler County Engineer's Office in designing the "Trenton Bypass." This four lane divided highway project will link the City's State Route 63 to the City of Trenton and eventually westward to the City of Oxford. The project will open up new labor markets for Monroe businesses while providing better internal vehicle circulation within the City.

Water System Improvements

The City recently completed a water tank and distribution project with the City of Middletown. The water system project included Monroe's funding one-third of the 1.5 million-gallon water storage facility. The 500,000 gallons per day allocated to the City's western water district will provide ample water volume and pressure for the western industrial park developments. With the addition of this new tower, Monroe currently has a citywide capacity of 2.1 million gallons per day.

FINANCIAL INFORMATION

Accounting System and Budgetary Control

The City's records are maintained on a cash basis for all fund types. Following the year-end closing, necessary adjustments are made to the cash basis records to produce this CAFR. For governmental and related fiduciary funds, the modified accrual basis of accounting is used for reporting purposes. This means that revenues are recognized when both measurable and available and expenditures are recognized when the fund liability is incurred.

The accrual basis of accounting is used for proprietary funds, which recognizes revenues when earned and expenses when incurred. A more detailed explanation of the basis of accounting for various funds is included in the notes to the general-purpose financial statements.

In developing the City's accounting system, consideration was given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable assurance that:

1. The safeguarding of assets against loss from unauthorized use or disposition.
2. The reliability of financial records for preparing financial statements and maintaining accountability of assets.

The concept of reasonable assurance is based on the assumption that the cost of the internal accounting controls should not exceed the benefits expected to be derived from their implementation.

Budgetary control is maintained by the encumbrance of purchase amounts prior to the release of purchase orders to vendors. Purchase orders are not issued when insufficient appropriations preclude the encumbrance of the amount of the purchase. Each department head is furnished a monthly budget report showing the status of the budget accounts for which he or she is responsible. The budget reports detail monthly transactions and summarizes the balances available to be spent from the allocated appropriations.

Fund Structure

The City's accounting system is organized and operated on a fund basis. A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts. The type of funds used is determined by the Ohio Revised Code, by Ordinances and Resolutions of City Council, and by generally accepted accounting principles. The number of individual funds established is determined by prudent financial administration.

General Fixed Assets

The general fixed assets of the City include all City owned land, buildings, improvements, equipment, and construction in progress used in the performance of general government functions. The general fixed assets exclude fixed assets of the Proprietary funds. Infrastructure improvements, such as roads, storm sewers, curbs and sidewalks, are not included in the fixed assets of the General Fixed Assets Account Group. As of December 31, 2000, the general fixed assets of the City amount to \$9,666,330. This amount represents actual cost or estimated actual cost, if actual cost was not available.

General Government Functions

The Governmental funds include the General, Special Revenue, Debt Service and Capital Projects fund types. All financial data for Proprietary and Fiduciary funds is excluded from the following analysis. Governmental Funds' revenues and variances when compared to last year are summarized below:

REVENUES

	2000	Variances	Percent of Increase (Decrease)
Property and other taxes	\$1,634,291	\$ 120,892	8.03%
Income taxes	2,085,001	(82,019)	(3.81)
Charges for services	122,531	82,219	204.87
Fines, licenses and permits	444,092	331,220	293.45
Intergovernmental	856,883	23,707	2.68
Special assessments	130,974	9,085	7.45
Interest	288,379	116,801	68.07
Increase in Fair Value	19,293	58,619	149.06
Other	187,887	(239,561)	(56.04)
Totals	<u>\$5,769,331</u>	<u>\$420,963</u>	<u>7.87%</u>

Property and other taxes increased by 8.03% in fiscal year 2000. The increase can be attributed to increases in real and personal property taxes related to industrial expansion within the City limits.

Income tax revenues dropped slightly by 3.81% in fiscal year 2000. Income tax revenues should increase over the next several years as the new industrial park is completed.

Charges for services increased by 204.87% in fiscal year 2000. The large increase can be attributed to the City bringing the volunteer fire association within the City's management and the user fees generated through the EMS. The Association was recorded as a component unit in fiscal year 1999.

Fines, licenses and permits jumped by 293.45% in fiscal year 2000 as the City collected more mayor court fees. The City also collected a larger amount of construction permits during the year.

Intergovernmental revenues increased by 2.68% in fiscal year 2000. The increase can be attributed the City receiving a large amount of inheritance revenues.

Special assessment revenues increased by 7.45% in fiscal year 2000 as the number of delinquencies decreased from last year.

Interest revenues soared by 68.07% in fiscal year 2000. The increase can be attributed to the City adopting a more aggressive investment policy, moving out of mainly certificate of deposits into the governmental agency notes and United States long term obligations.

The change in fair value of investments increased by 149.06% during fiscal year 2000. The increase can be attributed to the City's selling the donated stock during fiscal year 1999 compared with the City's investments of governmental agencies in 2000.

Other revenues decreased by 56.04% during fiscal year 2000. The decrease can be attributed to the City receiving less donations and contributions during the year compared to 1999.

The following schedule presents a summary of Governmental funds expenditures and variances as compared to last year.

EXPENDITURES

	2000	Variances	Percent of Increase (Decrease)
Current			
General government	\$605,308	\$ (817,335)	(57.45)%
Security of persons and property	4,261,368	1,317,837	44.77
Public health and welfare	138,846	138,574	50,946.32
Transportation	719,173	(275,634)	(27.71)
Basic utility services	7,112	7,112	100.00
Leisure time activities	28,850	(29,627)	(50.66)
Capital outlay	2,241,541	905,383	67.76
Debt service			
Principal retirement	341,814	264,414	341.62
Interest and fiscal charges	474,871	(57,070)	10.72
Total	\$8,818,883	\$1,453,654	19.73%

The 57.45% decrease in general government expenditures can be attributed to the City having less outstanding vendor payables compared to last year.

Expenditures for security of persons and property increased in 2000 by 44.77%. The increase can be attributed to the additional vehicles and personnel in the police department and the additional costs associated with the City bringing the volunteer fire association.

Public health and welfare increased by 50,946.32% in fiscal year 2000. The percentage is misleading since the City only spent \$272 in 1999. The increase can be attributed to the City's additional maintenance of the parks.

The City spent \$7,112 on basic utility services in fiscal year 2000 compared to \$0 for 1999. The expenditures related to various services necessary to maintain the City's parks.

Leisure time activity expenditures decreased by 50.66% in fiscal year 2000 as the City had purchased several park sites in 1999.

Capital outlay expenditures increased by 67.76% in fiscal year 2000. The large increase can be attributed to the City's large capital improvement plan with street projects and new police and fire structures.

General Fund Balance

In 2000, revenues and other financing sources of \$4,103,714 were less than expenditures and other financing uses by \$580,015, resulting in a fund of balance of \$1,241,679 at December 31, 2000.

Special Revenue Funds

The special revenue funds are created to account for funds from specifically identified sources that must be maintained and accounted for separately. The City's major special revenue funds consist of the Street fund, Fire Operation and Maintenance fund, Fire 1989 Levy fund, Fire 2000 Levy fund and the Police Law Enforcement fund. The following highlights fiscal year 2000 activity for some major funds:

The Street fund: Revenues and other financing sources were \$843,112, and expenditures were \$867,370. The December 31, 2000 balance was \$17,636.

The Fire Operation and Maintenance fund: Revenues and other financing sources were \$2,155,922, and expenditures were \$2,406,988. The December 31, 2000 balance was \$35,730.

The Fire 1989 Levy fund: Revenues and other financing sources were \$446,203, and expenditures were \$549,050. The December 31, 2000 balance was \$29,116.

The Fire 2000 Levy fund: Expenditures and other financing uses were \$616,010 with no revenues. The December 31, 2000 balance was \$(616,010). The deficit balance is attributed to a short-term note that was issued during 2000 being recorded as a liability on a GAAP basis and not as a revenue.

The Police Law Enforcement fund: Revenues and other financing sources were \$1,555,412, and expenditures were \$1,574,526. The December 31, 2000 balance was \$(45,998).

Capital Projects Funds

The City maintains three capital projects funds. These funds are the Park Improvement Fund, the Capital Improvement Fund and the Corridor I-75 Fund. Expenditures for the capital projects funds were \$327,497, \$209,934, and \$0, respectively. The December 31, 2000 balance in each fund was \$2,433, \$7,500 and \$44,173, respectively.

Proprietary Funds

Proprietary funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The City operated four enterprises in 2000.

Enterprise Operations

The City has four Enterprise funds: Sewer, Water, Garbage and Cemetery. Financial statements for these funds are included in this report. The enterprise funds are user fee supported.

	Total Assets	Total Equity	Net Income (Loss)	Return on Assets	Return on Equity
Sewer	\$164,326	\$(711,700)	\$(705,050)	(429.06)%	99.06%
Water	2,890,860	802,714	(215,764)	(7.46)	(26.88)
Garbage	40,596	5,950	(51,466)	(126.78)	(864.97)
Cemetery	149,111	147,934	14,157	9.49	9.57

Fiduciary Funds

The City uses fiduciary funds to hold assets in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds. The City's fiduciary funds are Longstreet and Cemetery Trust Funds and Mayor's Court Agency Fund.

Expendable Trust Funds

The Cemetery Trust fund holds and accounts for monies, which have been donated from various contributors to the City over many years. The Longstreet Trust fund accounts for a one-time contribution to the City from an owner for improvements on Longstreet. The December 31, 2000 balance was \$66,266 and \$1,000, respectively.

Agency Fund

This fund is strictly of custodial nature and as such does not measure the results of operations. The City only has the Mayor's Court Agency fund.

DEBT ADMINISTRATION

The Debt Service fund is used to pay the general obligations of the City as well as used to accumulate resources for the payment of general and special assessment debt principal and interest.

At December 31, 2000, general obligation debt payable from the debt service fund amounted to \$4,960,000, while special assessment bonds totaled \$1,529,000. Special assessment debt is paid from assessments against property owners who benefited from the capital construction financed by the debt issue. In the event property owners fail to make the required payments, the City would be responsible for the debt service.

Debt expected to be paid from enterprise fund revenues is reported as a liability in the enterprise funds. Enterprise fund bond obligations at December 31, 2000, totaled \$1,080,000.

Bond anticipation note debt outstanding at December 31, 2000, amount to \$2,600,000. Note proceeds were issued for a new firehouse and waterworks system improvement. The waterworks system improvement notes were reissued for \$700,000. A new issue was issued for the Fire 2000 Levy fund in the amount of \$1,900,000 for construction of a new firehouse.

The ratio of general bonded debt to assessed valuation and the amount of bonded debt per capita are considered good indicators of the City's debt position to the city manager, citizens, and investors in general obligation debt.

The City's debt position as of December 31, 2000, was as follows:

Overall Legal Debt Margin	\$15,564,735
Unvoted Legal Debt Margin	\$5,187,471
Ratio of Net Bonded Debt To Assessed Valuation	3.53%
General Bonded Debt per Capita	\$1,027

CASH MANAGEMENT

The City Treasurer is in charge of the City's cash management program. All City cash is pooled for investment purposes. Longer term investments consist of Certificates of Deposit insured by the Federal Deposit Insurance Corporation or protected by either pledged collateral held in trust by the Federal Reserve Bank or pooled collateral, United States Agency Obligations and commercial paper. During 2000, the City earned \$297,354 in interest. A majority of the City's deposits are collateralized by pooled collateral. By law, financial institutions may establish a collateral pool to cover all public deposits. The face value of the pooled collateral must equal at least 110 percent of the public funds on deposit. Trustees, including the Federal Reserve Bank and designated third party trustees of the financial institutions hold the collateral. The City regularly reviews the market value of the pool to insure that adequate collateral is being provided.

RISK MANAGEMENT

The City is insured in all areas including buildings, contents, vehicles, equipment and general liability. The City is also covered under Ohio Municipal League of Ohio Worker's Compensation Group Rating Plan. Every effort is made by City Administration to monitor insurance costs and related risk to insure proper fiscal management in this area. A more detailed description of the City's insurance coverage may be found in Note 15 to the financial statements.

OTHER INFORMATION

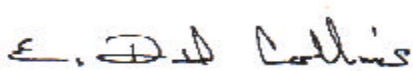
Independent Audit

This report includes an unqualified audit report regarding the City's financial statements. **BKD, LLP** conducted this year's audit. The Independent Accountant's Report on the general-purpose financial statements is included in the financial section of this report. The auditor's conclusions related specifically to internal controls and compliance with applicable laws and regulations are presented in a separate report, which may be obtained from their Cincinnati, Ohio office.

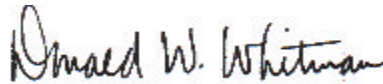
Acknowledgements

A note of sincere appreciation is extended to many hardworking and committed people who have contributed their time and effort to prepare this report. A special thank you is also extended to Mr. Sean Fraunfelter of Fraunfelter Accounting Services for his assistance, efforts, and guidance in the preparation of this CAFR.

Respectfully submitted,



E. David Collins
City Treasurer



Donald Whitman
City Manager

CITY OF MONROE, OHIO

List of Principal Officials December 31, 2000

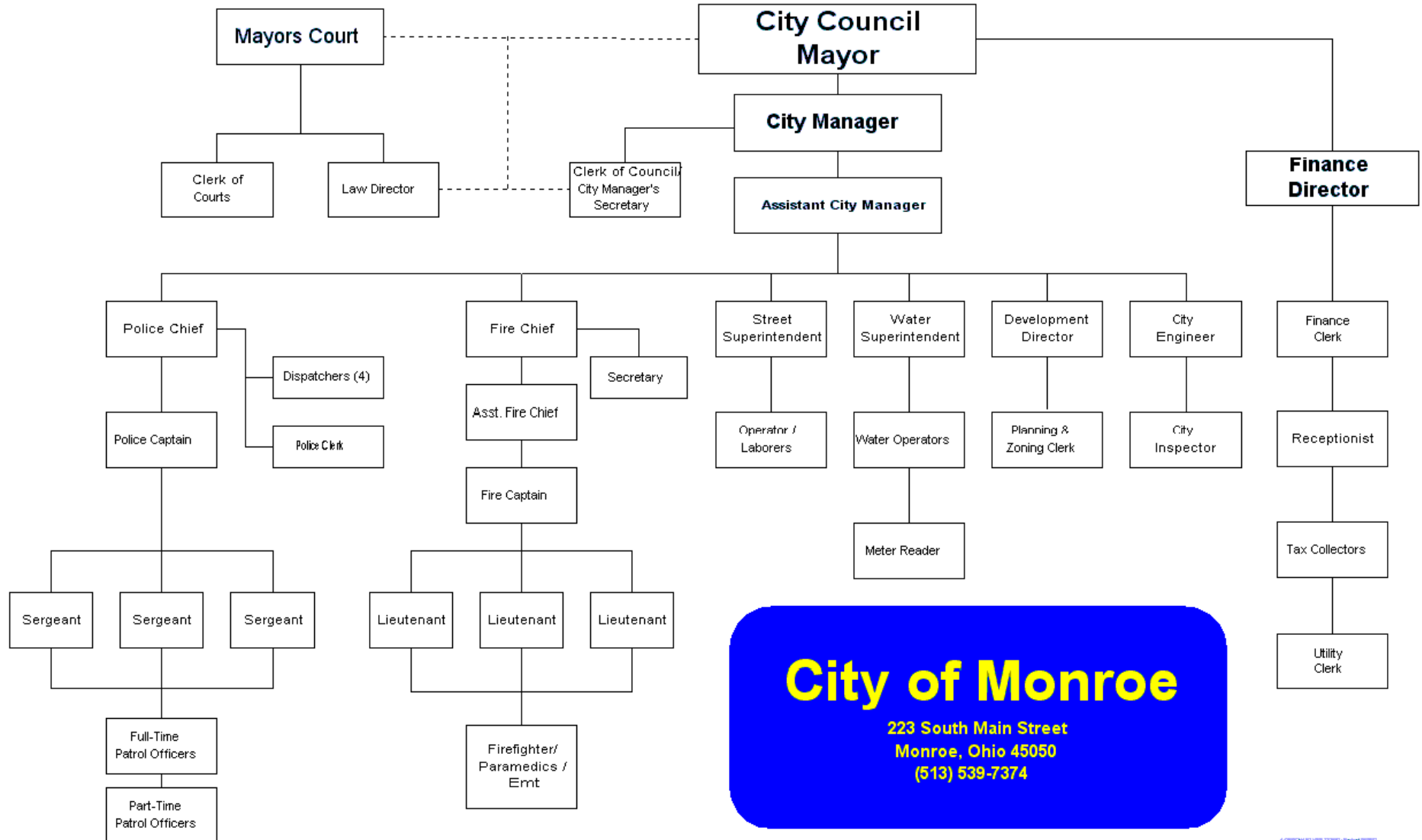
Office Held

City Manager	Donald W. Whitman
Treasurer	E. David Collins
Law Director	K. Phillip Callahan
Mayor	Elbert Tannreuther
Vice Mayor	Robert Youtsler
Municipal Court Clerk	Sara Cottongim
Police Chief	Ernest Howard
Fire Chief	Mark Neu
Street Superintendent	Timothy Booth
Water Superintendent	Robert Takach
Director of Development	Jay T. Stewart

City Council Members

Eric Detcher
Richard Kremer
Michael Morris
Robert Routson
Steven Campbell

(ix)



City of Monroe
 223 South Main Street
 Monroe, Ohio 45050
 (513) 539-7374

Financial Section

Independent Accountants' Report

City Council
City of Monroe, Ohio
Monroe, Ohio

We have audited the accompanying combined general-purpose financial statements of City of Monroe (City), as of December 31, 2000 as listed in the table of contents. These combined general-purpose financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these combined general-purpose financial statements based on our audit.

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

In our opinion, the combined general-purpose financial statements referred to above present fairly, in all material respects, the financial position of City of Monroe as of December 31, 2000, and the results of its operations and the cash flows of its proprietary fund type for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 22, 2001 on our consideration of the City's internal control over financial reporting and on 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 along with our report on the financial statements.

Our audit was conducted for the purpose of forming an opinion on the combined general-purpose financial statements taken as a whole. The combining and individual fund and account group financial statements and schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the combined general-purpose financial statements of City of Monroe. Such information has been subjected to the auditing procedures applied in the audit of the combined general-purpose

financial statements and, in our opinion, is fairly presented in all material respects in relation to the combined general-purpose financial statements taken as a whole.

The information listed as supporting schedules and statistical data in the table of contents is presented for purposes of additional analysis and is not a required part of the combined general-purpose financial statements of City of Monroe. Such information has not been subjected to the auditing procedures applied in the audit of the combined general-purpose financial statements and, accordingly, we express no opinion on it.

BKD, LLP

Cincinnati, Ohio

May 22, 2001

General Purpose Financial Statements

(Combined Financial Statements—Overview)

The following general purpose financial statements, along with the notes to the general purpose financial statements, present an overview of the City's financial position at December 31, 2000, and the results of operations and cash flows of its proprietary fund type for the year then ended. Detailed financial statements for each fund, within a generic fund type, and account group are presented elsewhere in this report.

CITY OF MONROE, OHIO

Combined Balance Sheet—All Fund Types and Account Groups

December 31, 2000	Governmental Fund Types				Proprietary Fund Type	Fiduciary Fund Types	Account Groups		Total (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Trust and Agency	General Fixed Assets	General Long- Term Obligation	
Assets and Other Debits									
Assets									
Equity in pooled cash and cash equivalents	\$ 762,457	\$1,974,093	\$ 64,927	\$ 54,673	\$ 112,359	\$21,766			\$ 2,990,275
Investments			1,509			45,500			47,009
Cash and cash equivalents with fiscal agent			22,091						22,091
Investments with fiscal agent			540,000						540,000
Segregated accounts:									
Cash and cash equivalents						10,121			10,121
Receivables:									
Property and other taxes	469,869	1,257,574		46,985					1,774,428
Income taxes	162,890								162,890
Accounts	6,248	25		300	234,317				240,890
Interfund	51,644								51,644
Special assessments		38,650	3,254,840						3,293,490
Due from other funds	247,596	25			212				247,833
Due from other governments	181,156	7,050							188,206
Prepaid items	10,317								10,317
Restricted assets:									
Cash and cash equivalents with trustee					141,291				141,291
Fixed assets, net, where applicable of accumulated depreciation					2,756,714		\$9,666,330		12,423,044
Other Debits									
Amount to be provided for retirement of special assessment bonds								\$ 913,500	913,500
Amount to be provided for retirement of general long-term obligations								6,184,018	6,184,018
Total assets and other debits	\$1,892,177	\$3,277,417	\$3,883,367	\$101,958	\$3,244,893	\$77,387	\$9,666,330	\$7,097,518	\$29,241,047

See notes to the general-purpose financial statements.

CITY OF MONROE, OHIO
Combined Balance Sheet—All Fund Types and Account Groups

December 31, 2000	Governmental Fund Types				Proprietary Fund Types	Fiduciary Fund Types	Account Groups		Total (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Trust and Agency	General Fixed Assets	General Long-Term Obligations	
Liabilities, Fund Equity and Other Credits									
Liabilities									
Accounts payable	\$ 63,164	\$ 340,135		\$ 867	\$ 922,131				\$1,326,297
Contracts payable	72,654	100,883							173,537
Interfund payable		36,148			15,496				51,644
Accrued wages and benefits	21,898	32,475			2,979				57,352
Compensated absences payable					3,395			\$ 15,916	19,311
Due to other funds					240,000	\$ 7,833			247,833
Due to other governments	40,510	80,208			7,615	1,589			129,922
Deferred revenue	452,272	1,296,224	\$3,241,123	46,985					5,036,604
Undistributed monies						28			28
Deposits held and due to others						671			671
Matured interest payable			1,655						1,655
Accrued interest payable		54,467	8,108		28,379				90,954
Notes payable		1,900,000			700,000				2,600,000
Loans payable								50,000	50,000
Capital lease payable								592,602	592,602
Payable from restricted assets:									
General obligation bonds payable								4,910,000	4,910,000
Mortgage revenue bonds payable					1,080,000				1,080,000
Special assessment bonds payable with governmental commitment								1,529,000	1,529,000
Total liabilities	650,498	3,840,540	3,250,886	47,852	2,999,995	10,121		7,097,518	17,897,410
Fund Equity and Other Credits									
Investment in general fixed assets							\$9,666,330		9,666,330
Contributed capital					1,978,022				1,978,022
Retained earnings									
Reserved for revenue bond current debt service					7,796				7,731
Reserved for revenue bond replacement and improvement					133,495				133,495
Unreserved (deficit)					(1,874,415)				(1,874,350)
Fund balance									
Reserved for encumbrances	118,050	1,283,927	5,000	7,500					1,414,477
Unreserved (deficit)	1,123,629	(1,847,050)	627,481	46,606			67,266		17,932
Total fund equity (deficit) and other credits	1,241,679	(563,123)	632,481	54,106	244,898	67,266	9,666,330		11,343,637
Total liabilities, fund equity and other credits	\$1,892,177	\$3,277,417	\$3,883,367	\$101,958	\$3,244,893	\$77,387	\$9,666,330	\$7,097,518	\$29,241,047

See notes to the general-purpose financial statements.

CITY OF MONROE, OHIO
Combined Statement of Revenues, Expenditures, and Changes in Fund Balances—
All Governmental Fund Types and Expendable Trust Funds

For the Year Ended December 31, 2000	Governmental Fund Types		
	General Fund	Special Revenue Funds	Debt Service
Revenues			
Property and other taxes	\$ 580,235	\$1,009,372	\$ 511
Income taxes	2,085,001		
Charges for services	77,529	45,002	
Fines, licenses and permits	267,022	133,570	
Intergovernmental	546,719	310,164	
Special assessments		35,334	95,640
Interest	283,462	2,533	2,375
Net increase in the fair value of investments	19,293		
Other	124,301	62,994	592
Total revenues	3,983,562	1,598,969	99,118
Expenditures			
Current			
General government	605,308		
Security of persons and property	201,959	4,059,409	
Public health and welfare	138,846		
Transportation	356,461	362,712	
Basic utility services	7,112		
Leisure time activities	28,850		
Capital outlay	178,919	1,526,829	
Debt Service			
Principal retirement		85,314	256,500
Interest and fiscal charges		74,435	398,798
Total expenditures	1,517,455	6,108,699	655,298
Excess (deficiency) of revenues over (under) expenditures	2,466,107	(4,509,730)	(556,180)
Other Financing Sources (Uses)			
Inception of capital lease		642,316	
Proceeds from sale of fixed assets	9,152		
Proceeds from sale of bonds			775,000
Operating transfers-in	111,000	2,922,817	638,944
Operating transfers-out	(3,166,274)	(261,000)	(879,759)
Total other financing sources (uses)	(3,046,122)	3,304,133	534,185
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(580,015)	(1,205,597)	(21,995)
Fund Balances (Deficit) at Beginning of Year – Restated	1,821,694	642,474	654,476
Fund Balances (Deficit) at End of Year	\$1,241,679	\$ (563,123)	\$632,481

See notes to the general-purpose financial statements.

Fiduciary Fund type		
Capital Projects	Expendable Trust	Total (Memorandum Only)
\$44,173		\$1,634,291
		2,085,001
		122,531
43,500		444,092
		856,883
		130,974
9	\$ 471	288,850
		19,293
	100	187,987
87,682	571	5,769,902
		605,308
		4,261,368
	90	138,936
		719,173
		7,112
		28,850
535,793		2,241,541
		341,814
1,638		474,871
537,431	90	8,818,973
(449,749)	481	(3,049,071)
		642,316
		9,152
		775,000
1,071,936		4,744,697
		(4,307,033)
1,071,936		1,864,132
622,187	481	(1,184,939)
(568,081)	66,785	2,617,348
\$54,106	\$67,266	\$1,432,409

CITY OF MONROE, OHIO
Combined Statement of Revenues, Expenditures, and
Changes in Fund Balances — Budget and Actual (Budget Basis)—
All Governmental Fund Types and Expendable Trust Funds

For the Year Ended December 31, 2000	General Fund			Special Revenue Funds		
	Budget	Actual	Variance - Favorable/ (Unfavorable)	Budget	Actual	Variance - Favorable/ (Unfavorable)
Revenues						
Property and other taxes	\$481,750	\$582,346	\$100,596	\$775,000	\$1,009,372	\$234,372
Income taxes	2,002,500	2,096,653	94,153			
Charges for services	3,000	77,529	74,529		183	183
Fines, licenses and permits	161,050	291,866	130,816	333	333	
Intergovernmental	541,600	580,478	38,878	312,800	462,710	149,910
Special assessments				35,335	35,335	
Interest	150,000	121,571	(28,429)			
Other	5,500	125,301	119,801	168,950	59,118	(109,832)
Total revenues	3,345,400	3,875,744	530,344	1,292,418	1,567,051	274,633
Expenditures						
Current						
General government	1,284,143	1,583,453	(299,310)			
Security of persons and property	204,462	207,733	(3,271)	3,877,239	3,830,039	47,200
Public health and welfare	140,027	139,366	661			
Transportation	338,787	353,430	(14,643)	390,795	381,773	9,022
Basic utility services	7,112	7,112				
Leisure time activities	29,023	28,386	637			
Capital outlay	289,275	289,275		864,944	864,944	
Debt service						
Principal retirement				34,200	34,200	
Interest and fiscal charges				10,714	8,488	2,226
Total expenditures	2,292,829	2,608,755	(315,926)	5,177,892	5,119,444	58,448
Excess (deficiency) of revenues over (under) expenditures	1,052,571	1,266,989	214,418	(3,885,474)	(3,552,393)	333,081
Other Financing Sources (Uses)						
Proceeds from sale of fixed assets	1,000	9,152	8,152			
Proceed from sale of bonds						
Proceeds from sale of notes				1,900,000	1,900,000	
Operating transfers-in	100,000	111,000	11,000	1,954,504	1,854,504	(90,996)
Operating transfers-out	(2,379,379)	(2,097,962)	281,417	(261,000)	(261,000)	
Total other financing sources (uses)	(2,278,379)	(1,977,810)	300,569	3,584,500	3,493,504	(90,996)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(1,225,808)	(710,821)	514,987	(300,974)	(58,889)	242,085
Budgetary Fund Balances, Beginning of Year	1,316,816	1,316,816		474,452	474,452	
Prior Year Encumbrances Appropriated	80,007	80,007		83,938	83,938	
Budgetary Fund Balances, End of Year	\$171,015	\$686,002	\$514,987	\$257,416	\$499,501	\$242,085

See notes to the general-purpose financial statements.

Debt Service Fund			Capital Projects Funds			Expendable Trust Funds		
Budget	Actual	Variance - Favorable/ (Unfavorable)	Budget	Actual	Variance - Favorable/ (Unfavorable)	Budget	Actual	Variance - Favorable/ (Unfavorable)
\$ 511	\$ 511		\$44,000	\$44,173	\$ 173			
			40,000	43,200	3,200			
95,000	95,640	\$ 640						
	49	49		9	9	\$ 403	\$ 471	\$ 68
	592	592	13,000		(13,000)		100	100
95,511	96,792	1,281	97,000	87,382	(9,618)	403	571	168
						90	90	
			673,411	592,314	81,097			
1,054,500	1,054,500							
898,289	479,122	419,167						
1,952,789	1,533,622	419,167	673,411	592,314	81,097	90	90	
(1,857,278)	(1,436,830)	420,448	(576,411)	(504,932)	71,479	313	481	168
768,000	775,000	7,000						
730,000	638,944	(91,056)	347,000	317,591	(29,409)			
1,498,000	1,413,944	(84,056)	347,000	317,591	(29,409)			
(359,278)	(22,886)	336,392	(229,411)	(187,341)	42,070	313	481	168
605	605		153,418	153,418		66,785	66,785	
430,165	430,165		81,096	81,096				
\$71,492	\$407,884	\$336,392	\$ 5,103	\$47,173	\$ 42,070	\$67,098	\$67,266	\$168

CITY OF MONROE, OHIO
Combined Statement of Revenues, Expenses and Changes in Fund Equity—
Proprietary Fund Type

For the Year Ended December 31, 2000	Enterprise
Operating Revenues	
Charges for services	\$1,936,282
Sales	31,179
Other operating revenues	7,212
Total operating revenues	1,974,673
Operating Expenses	
Personal services	325,766
Contractual services	1,364,094
Materials and supplies	270,943
Deposits refunded	2,350
Depreciation	458,074
Total operating expenses	2,421,227
Operating Loss	(446,554)
Non-Operating Revenues (Expenses)	
Interest and fiscal charges	(82,409)
Interest	8,504
Total non-operating expenses	(73,905)
Loss before operating transfers	(520,459)
Operating transfers-in	262,336
Operating transfers-out	(700,000)
Net Loss	(958,123)
Fund Equity at Beginning of Year	1,203,021
Fund Equity at End of Year	\$ 244,898

See notes to the general-purpose financial statements.

CITY OF MONROE, OHIO
Combined Statement of Revenues, Expenses, and
Changes in Fund Equity—Budget and Actual (Budget Basis)—
Proprietary Fund Type

For the Year Ended December 31, 2000	Budget	Actual	Variance Favorable/ (Unfavorable)
Revenues			
Charges for services	\$1,955,205	\$2,057,846	\$ 102,641
Sales	14,119	32,054	17,935
Interest	2,000	1,489	(511)
Proceeds from sale of notes		700,000	700,000
Other operating revenues	2,400	5,545	3,145
Total revenues	1,973,724	2,796,934	823,210
Expenses			
Personal services	319,871	324,277	(4,406)
Contractual services	683,790	678,803	4,987
Materials and supplies	448,692	424,061	24,631
Deposit refunds	3,318	2,350	968
Capital outlay	579,100	502,577	76,523
Debt service			
Principal retirement		700,000	(700,000)
Total expenses	2,034,771	2,632,068	(597,297)
Excess (deficiency) of revenues over (under) expenses before operating transfers	(61,047)	164,866	225,913
Operating transfers-in	141,000	136,923	(4,077)
Operating transfers-out	(371,718)	(700,000)	(328,282)
Excess (deficiency) of revenues over (under) expenses and operating transfers	(291,765)	(398,211)	(106,446)
Fund Equity at Beginning of Year	372,557	372,557	
Prior Year Encumbrances Appropriated	97,740	97,740	
Fund Equity at End of Year	\$ 178,532	\$ 72,086	\$(106,446)

See notes to the general-purpose financial statements.

CITY OF MONROE, OHIO
Combined Statement of Cash Flows—
Proprietary Fund Type

For the Year Ended December 31, 2000	Enterprise
Increase (Decrease) in Cash and Cash Equivalents	
Operating Activities	
Cash received from customers	\$2,080,775
Cash paid for employee services and benefits	(592,697)
Cash paid to suppliers for goods and services	(741,871)
Utility deposits returned	(2,350)
Other operating revenues	5,545
Net cash provided by operating activities	749,402
Noncapital Financing Activity	
Short-term loan from general fund	15,496
Operating transfers-in	177,336
Operating transfers-out	(615,000)
Net cash used for noncapital financing activities	(422,168)
Capital and Related Financing Activities	
Proceeds from sale of notes	700,000
Acquisition of capital assets	(570,373)
Interest paid on general obligation notes payable	(7,525)
Principal paid on general obligation notes payable	(700,000)
Interest paid on mortgage revenue bonds payable	(65,413)
Principal paid on mortgage revenue bonds payable	(60,000)
Net cash used for capital and related financing activities	(703,311)
Investing Activity — Interest	8,504
Net decrease in cash and cash equivalents	(367,573)
Cash and Cash Equivalents, Beginning of Year	621,223
Cash and Cash Equivalents, End of Year	\$ 253,650

See notes to the general-purpose financial statements.

CITY OF MONROE, OHIO
Combined Statement of Cash Flows—
Proprietary Fund Type

For the Year Ended December 31, 2000

Enterprise

(Continued)

**Reconciliation of Operating Loss to Net
Cash Provided by (Used for) Operating Activities**

Operating loss	\$(446,554)
Adjustment to reconcile operating loss to net cash provided by operating activities	
Depreciation expense	458,074
Change in assets and liabilities	
Accounts receivable	111,859
Due from other governments	(212)
Contracts payable	(15,099)
Accounts payable	847,073
Accrued wages and benefits	(2,161)
Compensated absences payable	3,395
Due to other governments	(206,973)
Total Adjustments	1,195,956
Net cash provided by operating activities	\$ 749,402

See notes to the general-purpose financial statements.

CITY OF MONROE

Notes to the General-Purpose Financial Statements

Note 1 — Reporting Entity and Basis of Presentation

The City of Monroe is a home rule municipal corporation organized under the laws of the State of Ohio. The City operates under its own charter. The current charter, which provides for a Council/Manager form of government, was adopted in 1984. The seven-member Council is elected to four-year terms. Annually, the Council selects one of its members to serve as Mayor. The Council appoints the City Manager, Finance Director and Law Director.

The Reporting Entity

A reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the City consists of all funds and departments that are not legally separate from the City. Services provided include police and fire protection, street maintenance and repair force, planning and zoning departments, a parks and recreation system, a water and sewer system, and a community development department. A staff provides essential support (i.e., payroll processing, accounts payable, revenue collection) to these service providers. The Council and the City Manager have direct responsibility for these activities.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization's resources; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the City is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the City in that the City approves the organization's budget, the issuance of its debt or the levying of its taxes. The City had no component units at December 31, 2000.

The Monroe Municipal Court has been included in the City's financial statements as an agency fund. The clerk of court has a fiduciary responsibility for the collection and distribution of the court fees and fines.

The City is also associated with two jointly governed organizations, The Center for Local Governments and the Ohio-Kentucky-Indiana Regional Council of Governments, which are presented in Note 21 to the combined general-purpose financial statements. The City is also a member the Ohio Municipal League of Ohio Workers' Compensation Group Rating Plan, an insurance purchasing pool, which is presented in Note 22 to the combined general-purpose financial statements.

Basis of Presentation — Fund Accounting

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

CITY OF MONROE

Notes to the General-Purpose Financial Statements

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

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

Governmental Funds

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

General Fund

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

Special Revenue Funds

These funds are established to account for the proceeds of specific revenue sources (other than amounts relating to expendable trusts or major capital projects) that are legally restricted to expenditure for specific purposes.

Debt Service Fund

This fund is used to account for the accumulation of resources for, and the payment of, general long-term and special assessment debt principal, interest and related assets.

Capital Projects Funds

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

Proprietary Funds

The proprietary funds are used to account for the City's ongoing activities that are similar to those found in the private sector. The following is the City's proprietary fund type:

Enterprise Funds

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

CITY OF MONROE

Notes to The General-Purpose Financial Statements

Fiduciary Funds

Fiduciary funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds. The City's fiduciary funds include expendable trust funds and agency funds. The expendable trust funds are accounted for in essentially the same manner as governmental funds. Agency funds are purely custodial (assets equal liabilities) and thus do not involve measurement of results of operations.

Account Groups

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

General Fixed Assets Account Group

The general fixed assets account group is used to account for all general fixed assets of the City, other than those accounted for in enterprise funds.

General Long-Term Obligations Account Group

The general long-term obligations account group is used to account for all unmatured general long-term obligations of the City that is not a specific liability of the enterprise funds, including special assessment debt for which the City is obligated in some manner.

Note 2 — Summary of Significant Accounting Policies

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

Measurement Focus and Basis of Accounting

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

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

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

CITY OF MONROE

Notes to the General-Purpose Financial Statements

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

In applying the susceptible to accrual concept under the modified accrual basis, the following revenue sources are deemed both measurable and available: investment earnings, state-levied locally shared taxes (including gasoline tax), fines, licenses and permits, amounts due from other funds for goods or services, and income tax withheld by employers.

The City reports deferred revenue in its combined balance sheet. Deferred revenues arise when potential revenue does not meet both the measurable and available criteria for recognition in the current period. In subsequent periods, when both revenue recognition criteria are met, the liability for deferred revenue is removed from the combined balance sheet and revenue is recognized. Current and delinquent property taxes measurable as of December 31, 2000, whose availability is indeterminable and which are intended to finance 2001 operations, have been recorded as a receivable and deferred revenue. Levied special assessments are measurable, and have been recorded as a receivable. Since all assessments are due outside the available period, the entire amount has been deferred.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year. The cost of accumulated unpaid vacation is reported as fund liabilities in the period in which it will be liquidated with available financial resources rather than in the period earned by employees. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

The accrual basis of accounting is utilized for reporting purposes by the enterprise funds. Revenues are recognized when they are earned and become measurable and expenses are recognized when incurred, if measurable.

Budgetary Process

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

Tax Budget

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

CITY OF MONROE

Notes to the General-Purpose Financial Statements

Estimated Resources

The City Budget Commission determines if the budget substantiates a need to levy all or part of previously authorized taxes and reviews estimated revenue. The Commission certifies its actions to the City by October 1. As part of this certification, the City receives the official certificate of estimated resources, which states the projected revenue of each fund. Prior to December 31, the City must revise its budget so that the total contemplated expenditures from any fund during the ensuing year will not exceed the amount stated in the certificate of estimated resources. The revised budget then serves as the basis for the appropriation ordinance. On or about January 1, the certificate of estimated resources is amended to include unencumbered fund balances at December 31 of the preceding year. The certificate may be further amended during the year if the fiscal officer and the Budget Commission agree that the estimate needs to be increased or decreased. The amounts reported on the budgetary statements reflect the amounts in the final amended official certificate of estimated resources issued during 2000.

Appropriations

A temporary appropriation measure to control expenditures may be passed on or about January 1 of each year for the period from January 1 to March 31. The annual appropriation ordinance must be passed by April 1 of each year for the period January 1 to December 31. The appropriation ordinance fixes spending authority at the fund, department and object level. The appropriation ordinance may be amended during the year, as new information becomes available, provided that total fund appropriations do not exceed current estimated resources, as certified. The allocation of appropriations among departments and objects within a fund may be modified during the year by ordinance of City Council. During the year several supplemental appropriation measures were passed; however, none of them were significant. The budget figures that appear in the statements of budgetary comparisons represent the final appropriation amounts, including all amendments and modifications.

Encumbrances

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

Lapsing of Appropriations

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

CITY OF MONROE

Notes to the General-Purpose Financial Statements

Cash and Cash Equivalents

To improve cash management, all cash received by the City is pooled. Monies for all funds, including enterprise funds, except cash held by a trustee or fiscal agent and specific fund investments, are maintained in this pool. Each fund's interest in the pool is presented as "Equity in pooled cash and cash equivalents" on the balance sheet. Individual fund integrity is maintained through the City's records. The City's Mayor's Court has its own checking accounts for collection and distribution of court fines and forfeitures that are presented on the combined balance sheet as "Cash and cash equivalents in segregated accounts." The City utilizes a financial institution to service bonded debt as principal and interest payments come due. The balance in this account is presented on the combined balance sheet as "Cash and cash equivalents with fiscal agent." The State Highway and Garbage funds expended more than their share of pooled cash and cash equivalents. These funds had negative cash balances at year-end that were eliminated by short-term loans from the general fund. These loans are classified as "Interfund receivables" and "Interfund payables."

For purposes of the combined statement of cash flows and for presentation on the combined balance sheet, investments with original maturities of three months or less and funds within the cash management pool are considered to be cash equivalents. Except for non-participating investment contracts, investments are reported at fair value, which is based on quoted market prices. Non-participating investment contracts, such as certificates of deposit, are reported at cost. During fiscal year 2000, investments were limited to Federal National Mortgage Association Notes, Federal Home Loan Bank Notes, Federal Farm Credit Bank Loans, Federal Home Loan Mortgage Corporation Notes, STAR Ohio, certificates of deposit, City owned debt issues, and a money market mutual fund. Investments with original maturities of three months or more that are held for bonded debt as principal and interest come due, are presented on the balance sheet as "Investments with Fiscal Agents."

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

Following Ohio statutes, the City Council has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue credited to the general fund during 2000 amounted to \$283,462, which includes \$173,299, assigned from other City funds. Interest was also credited to the special revenue funds, debt service fund, capital projects funds, expendable trust funds and enterprise funds in the amounts of \$2,533, \$2,375, \$9, \$471 and \$8,504, respectively.

Interfund Assets/Liabilities

Receivables and payables resulting from transactions between funds for services provided or goods received are classified as "Due from other funds" or "Due to other funds" on the balance sheet. Short-term interfund loans for a negative cash balance in a fund are classified as "Interfund receivables" and "Interfund payables."

Prepaid Items

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

CITY OF MONROE

Notes to the General-Purpose Financial Statements

Restricted Assets

Restricted assets in the enterprise funds represent cash and cash equivalents with a fiscal agent, which have been set aside to satisfy bond indenture requirements for current and future debt payments, and cash and cash equivalents set aside for replacement and improvement of fixed assets originally acquired with bond proceeds.

Fixed Assets and Depreciation

General fixed assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisition and construction are reflected as expenditures in governmental funds, and the related assets are reported in the general fixed assets account group. Fund fixed assets are assets used in providing services accounted for in enterprise funds. They are accounted for within the enterprise funds.

All purchased fixed assets are valued at cost when historical records are available and estimated historical cost where no historical records exist. Donated fixed assets are valued at their estimated fair market value on the date received.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized. An improvement to a fund fixed asset is depreciated over the remaining useful life of the related asset.

Public domain (infrastructure) general fixed assets consisting of roads, bridges, curbs, gutters, sidewalks, and drainage systems are not capitalized.

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

	Years
Land improvements	20
Infrastructure	20
Buildings	40
Vehicles, furniture and equipment	8—20

Intergovernmental Revenues

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

Interfund Transactions

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

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

CITY OF MONROE
Notes to the General-Purpose Financial Statements

Compensated Absences

The City follows the provisions of Governmental Accounting Standards Board Statement No. 16, "Accounting for Compensated Absences." Vacation and compensatory time benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the City will compensate the employees for the benefits through paid time off or some other means. The City records a liability for accumulated unused vacation time when earned for all employees with more than one year of service. During fiscal year 2000, the City changed its sick leave policy to allow employees to be eligible for payment of accrued sick leave after ten years of service. The employees are eligible to receive payment for one-quarter of the vested balance up to a maximum of 240 hours.

For governmental funds, the current portion of unpaid compensated absences is the amount expected to be paid using available expendable resources. This amount is recorded in the account, "Compensated absences payable" in the fund from which the person is paid. The remainder is reported in the general long-term obligations account group. In enterprise funds, the entire amount of unpaid compensated absences is reported as a fund liability.

Accrued Liabilities and Long-Term Obligations

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

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

Long-term liabilities are being repaid from the following funds:

Obligation	Fund
General Obligation Bonds	Will be paid from the fire 1989 levy fund and the debt service fund.
Special Assessment Bonds	Will be paid from the debt service fund.
Compensated Absences	Will be paid by the fund from which the employee's salary is paid.
Mortgage Revenue Bonds	Will be paid from the water fund, which utilized the proceeds of the debt.
Capital lease	Will be paid from the fire operation and maintenance fund and police law enforcement fund.

CITY OF MONROE

Notes to the General-Purpose Financial Statements

Capitalization of Interest

The City's policy is to capitalize net interest on enterprise fund construction projects until substantial completion of the project. The amount of capitalized interest equals the difference between the interest cost associated with the tax-exempt borrowing used to finance the project and the interest earned from temporary investment of the debt proceeds. Capitalized interest is amortized on the straight-line basis over the estimated useful life of the asset. For 2000, interest costs incurred on construction projects in enterprise funds were not material.

Contributed Capital

Contributed capital represents resources from other funds, federal and state grants, other governments, and private sources provided to the City's enterprise funds which are not subject to repayment. There were no changes in contributed capital during the year.

Because the City had not prepared its financial statements in accordance with generally accepted accounting principles in years prior to 1996, the exact amount of contributed capital at December 31, 2000, cannot be determined. Only those amounts that have been specifically identified have been classified as contributed capital in the accompanying combined financial statements. All other fund equity amounts pertaining to the enterprise funds are classified as retained earnings.

Reservations of Fund Equity

The City reserves fund balances for amounts that are legally segregated for a specific purpose or which are not available for current appropriation or expenditure because of their non-monetary nature or lack of liquidity. Unreserved fund balance indicates that portion of fund balance that is available for appropriation in future periods. Fund balances have been reserved for encumbrances. Retained earnings are reserved for revenue bond current debt service and revenue bond replacement and improvement.

Estimates

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

Total Columns on Combined General-Purpose Financial Statements

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

CITY OF MONROE
Notes to the General-Purpose Financial Statements

Note 3 — Restatement of Prior Year Balance

	Fire Operation and Maintenance Fund	Component Unit
Fund Balance at December 31, 1999	\$136,439	\$150,357
Reclassification	150,357	(150,357)
Fund Balance at December 31, 1999 – restated	\$286,796	\$ 0

The City had a discretely presented component unit, the Monroe Volunteer Firemen’s Association (Association) for nine months during fiscal year 2000. The City brought the Association under the City charter on October 1, 2000, effectively closing out its relationship with the Association. The Association is being reflected in the financial statements as if the City had administrative control on January 1, 2000. All transactions that occurred from January 1 to September 30, 2000 have been reclassified to be reflected as operating transfers, not revenues and expenditures, in the appropriate funds. The Association’s ending fund balance from the prior year has been reclassified in the fund balance restatement.

Note 4 — Budget to GAAP Reconciliation

Budgetary Basis of Accounting

While reporting financial position, results of operations, and changes in fund balance and retained earnings on the basis of GAAP, the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The Combined Statement of Revenues, Expenditures, and Changes in Fund Balances — Budget and Actual (Budget Basis) — All Governmental Fund Types and Expendable Trust Funds and the Combined Statement of Revenues, Expenses and Changes in Fund Equity — Budget and Actual (Budget Basis) — Proprietary Fund Type are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are that:

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures/expenses are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Outstanding year-end encumbrances are treated as expenditures/expenses (budget basis) rather than as a reservation of fund balance for governmental fund types and expendable trust funds and as note disclosure for enterprise funds (GAAP basis).
4. For enterprise funds, the acquisition and construction of capital assets are reported on the operating statement (budget basis) rather than as balance sheet transactions (GAAP basis).
5. Proceeds from and principal payments on short-term note obligations are reported on the operating statement (budget basis) rather than as balance sheet transactions (GAAP basis).
6. The City pays short and long-term debt from the Debt Service Fund (Budget Basis) as opposed to the fund that received the proceeds (GAAP Basis). Debt Service Fund resources used to pay both principal and interest have been allocated accordingly.

CITY OF MONROE
Notes to the General-Purpose Financial Statements

The adjustments necessary to convert the results of operations for the year ended December 31, 2000, on the GAAP basis to the budget basis are as follows:

**Excess (deficiency) of revenues and
other financing sources over (under)
expenditures and other financing uses
All Governmental Fund Types and Expendable Trust Funds**

	General	Special Revenue	Debt Service	Capital Projects	Expendable Trust
GAAP Basis	\$(580,015)	\$(1,205,597)	\$(21,995)	\$ 622,187	\$481
Adjustments:					
Revenue Accruals	(107,818)	(1,742,547)	(2,326)	(300)	
Expenditure Accruals	110,584	2,310,452	(80,324)	(47,383)	
Encumbrances	(133,572)	(1,321,197)		(7,500)	
Reallocation of debt			879,759	(754,345)	
Debt principal retirement			(798,000)		
Proceeds from sale of notes		1,900,000			
Budget basis	\$(710,821)	\$ (58,889)	\$(22,886)	\$(187,341)	\$481

**Net loss/ Deficiency of revenues under
expenses and operating transfers
Proprietary Fund Type**

GAAP Basis	\$(958,123)
Adjustments:	
Revenue Accruals	113,757
Expense Accruals	708,644
Encumbrances	(24,776)
Capital Outlay	(570,373)
Proceeds from sale of notes	700,000
Reallocation of debt service requirement	(125,414)
Debt principal retirement	(700,000)
Depreciation	458,074
Budget Basis	\$(398,211)

CITY OF MONROE
Notes to the General-Purpose Financial Statements

Note 5 — Compliance and Accountability

Statutory Compliance

The following funds had appropriations in excess of estimated resources plus available balances for the year ended December 31, 2000:

Fund Type/Fund	Excess
Special Revenue Funds	
Street	\$171,166
State Highway	6,540
Police Law Enforcement	274,809
Street Lighting	9,518
Capital Projects Funds	
Park Improvement	34,009
Capital Improvement	4,798
Enterprise Funds	
Water	175,692
Garbage	3,946

Fund Deficits

The following funds had fund balance/retained earnings deficits at December 31, 2000:

Fund Type/Fund	Fund Deficit
Special Revenue Fund	
State Highway	\$32,817
Fire Levy 2000	616,010
Police Law Enforcement	45,998
Enterprise Fund	
Sewer	711,700

The deficits in the State Highway and Police Law Enforcement special revenue funds resulted because the City expended resources from other pooled cash. The City intends to correct the deficits during the following fiscal year. The deficit in the Fire Levy 2000 special revenue fund results from the issuance of short-term debt, which is used to finance projects until bonds are issued. The deficit in the Sewer enterprise fund is a result of the large outstanding payables at December 31, 2000 from the application of general accepted accounting principles. The general fund provides transfers to cover deficit balances; however, this is done when cash is needed rather than when accruals occur.

CITY OF MONROE

Notes to the General-Purpose Financial Statements

Note 6 — Deposits and Investments

Policies and Procedures

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

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

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

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

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

State statute permits interim monies to be deposited in the following securities:

1. United States Treasury notes, bills, bonds, or any other obligations or security issued by the United States treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bond, notes, debentures, or any other obligations or securities issued by the federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this section are made only through eligible institutions; and

CITY OF MONROE

Notes to the General-Purpose Financial Statements

6. The State Treasurer's investment pool (STAR Ohio); and
7. Certain bankers' acceptances and commercial paper notes for a period not to exceed one hundred and eighty days in an amount not to exceed twenty-five percent of the interim moneys available for investment at any one time.

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

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

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

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

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

Deposits

At year-end, the carrying amount of the City's deposits was \$994,580 and the bank balance was \$1,214,328. Of the bank balance, \$363,798 was covered by federal deposit insurance, and \$850,530 was uninsured and uncollateralized. Although all statutory requirements for the deposit of money had been followed, non-compliance with federal requirements could potentially subject the City to a successful claim by the FDIC.

Investments

GASB Statement No. 3, "Deposits with Financial Institutions, Investments and Reverse Repurchase Agreements" requires that the City's investments be classified in categories of risk. The City's investments are categorized as either (1) insured or registered or for which the securities are held by the City or its agent in the City's name, (2) uninsured and unregistered for which the securities are held by the counterparty's trust department or agent in the City's name, or (3) uninsured and unregistered for which the securities are held by the counterparty, or by its trust department or agent but not in the City's name. The money market mutual fund and STAR Ohio investments are unclassified since they are not evidenced by securities that exist in physical or book entry form.

CITY OF MONROE
Notes to the General-Purpose Financial Statements

	Category 1	Category 3	Unclassified	Fair Value
Federal National Mortgage Association Notes		\$ 715,692		\$ 724,859
Federal Home Loan Bank Notes		545,980		549,243
Federal Farm Credit Bank Loan		338,271		344,085
Federal Home Loan Mortgage Notes		294,003		298,041
STAR Ohio			\$135,950	135,950
City Owned Debt Issues	\$540,000			540,000
Money Market Mutual Fund			164,029	164,029
Total	\$540,000	\$1,893,946	\$299,979	\$2,756,207

The classification of cash and cash equivalents, and investments on the combined financial statements is based on criteria set forth in GASB Statement No. 9. A reconciliation between classifications of cash and investments on the combined general-purpose financial statements and the classifications of deposits and investments presented above per GASB Statement No. 3 is as follows:

	Cash and Cash Equivalents/Deposits	Investments
GASB Statement No. 9	\$3,163,778	\$ 587,009
Investments:		
Federal National Mortgage Association Notes	(724,859)	724,859
Federal Home Loan Bank Notes	(549,243)	549,243
Federal Farm Credit Bank Loan	(344,085)	344,085
Federal Home Loan Mortgage Notes	(298,041)	298,041
STAR Ohio	(135,950)	135,950
Money Market Mutual Fund	(164,029)	164,029
Certificate of Deposits	47,009	(47,009)
GASB Statement No. 3	\$994,580	\$2,756,207

CITY OF MONROE
Notes to the General-Purpose Financial Statements

Note 7 — Property Taxes

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

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

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

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

The full tax rate for all City operations for the year ended December 31, 2000, was \$7.85 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2000 property tax receipts were based are as follows:

Category	Assessed Value
Real Property Tax	\$139,839,110
Tangible Personal Property	41,865,628
Public Utility Tangible Personal Property	25,840,540
	<hr/>
Total	<u><u>\$207,545,278</u></u>

Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits later payment dates to be established.

Tangible personal property taxes paid by multi-City taxpayers are due September 20. Single City 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 City, including the City of Monroe. The County Auditor periodically remits to the City its portion of the taxes. Property taxes receivable represent real tangible personal property taxes, public utility taxes and outstanding delinquencies which are measurable as of December 31, 2000. Although total property tax collections for the next year are measurable, amounts to be received during the available period are not subject to reasonable estimation at December 31, nor are they intended to finance 2000 operations. The receivable is offset by deferred revenue.

CITY OF MONROE
Notes to the General-Purpose Financial Statements

Note 8 — Income Tax

The City levies a municipal income tax of one percent on substantially all income earned within the City. In addition, the residents of the City are required to pay income tax on income earned outside of the City; however, the City allows a credit for income taxes paid to another municipality up to 100 percent of the City's current tax rate.

Employers within the City are required to withhold income tax on employee compensation and remit the tax to the City either monthly or quarterly. Corporations and other individual taxpayers are required to pay their estimated tax quarterly and file a declaration annually.

Income tax proceeds are to be used to pay the cost of administering the tax, general fund operations, capital improvements, debt service and other governmental functions when needed, as determined by Council. In 2000, the proceeds were allocated to the general fund. Income tax revenue for 2000 was \$2,085,001.

Note 9 — Receivables

Receivables at December 31, 2000 consisted of property and other taxes, income taxes, utility accounts, special assessments, interest on investments, and intergovernmental receivables and shared revenues arising from entitlements. All receivables are considered fully collectible.

A summary of Due from other governments follows:

	Amount
General Fund	
Local Government Assistance	\$ 15,946
Inheritance tax	165,140
Immobilization fees	70
Total General Fund	<u>181,156</u>
Special Revenue Funds	
Street	
Gas Tax	<u>3,595</u>
State Highway	
Auto Registration Tax	3,164
Gas Tax	291
Total State Highway	<u>3,455</u>
Total Special Revenue Funds	<u>7,050</u>
Total All Funds	<u><u>\$188,206</u></u>

CITY OF MONROE
Notes to the General-Purpose Financial Statements

Note 10 — Fixed Assets

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

Class	Balance December 31, 1999	Additions	Deletions	Balance December 31, 2000
Land and Improvements	\$1,147,419	\$ 236,328		\$1,383,747
Buildings	4,843,100	212,122		5,055,222
Vehicles, Furniture and Equipment	1,649,974	1,480,408	\$156,198	2,974,184
Construction in Progress		253,177		253,177
Totals	\$7,640,493	\$2,182,035	\$156,198	\$9,666,330

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

Class	Balance December 31, 1999	Additions	Deletions	Balance December 31, 2000
Land and Improvements	\$ 417,962	\$14,800		\$ 432,762
Infrastructure	1,960,147	149,208		2,109,355
Buildings	514,000			514,000
Vehicles, Furniture and Equipment	1,409,283	406,365		1,815,648
Subtotal	4,301,392	570,373		4,871,765
Accumulated depreciation	(1,656,977)	(458,074)		(2,115,051)
Total	\$2,644,415	\$112,299	\$0	\$2,756,714

CITY OF MONROE

Notes to the General-Purpose Financial Statements

Note 11 — Defined Benefit Pension Plans

Public Employees Retirement System

The City contributes to 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 that may be obtained by writing to the Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling (614) 466-8025 or 1-800-222- PERS (7377).

Plan members are required to contribute 8.5 percent of their annual covered salary to fund pension obligations. The City was required to contribute 13.55 percent in 1999, however the employer contribution rate was rolled back to 10.84 percent in 2000 (6.54 percent to fund the pension and 4.30 percent to fund health care). Contributions are authorized by State statute. The contribution rates are determined actuarially. The City's required contributions to PERS for the years ended December 31, 2000, 1999, and 1998 were \$67,238, \$137,177, \$125,401, respectively. The full amount has been contributed for 1999 and 1998. 92 percent has been contributed for 2000 with the remainder being reported as a liability within the respective funds.

Police and Firemen's Disability and Pension Fund

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

Plan members are required to contribute 10 percent of their annual covered salary to fund pension obligations and the City is required to contribute 19.5 and 24 percent respectively for police officers and firefighters. Contributions are authorized by State statute. The City's required contributions to the Fund for the years ended December 31, 2000, 1999, and 1998 were \$122,713, \$92,678, and \$83,567, respectively. The full amount has been contributed for 1999 and 1998. 87 percent has been contributed for 2000 with the remainder being reported as a liability within the respective funds.

CITY OF MONROE

Notes to the General-Purpose Financial Statements

Note 12 — Post Employment Benefits

Public Employees Retirement System (PERS)

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 and to primary survivor recipients of such retirees. Health care coverage for disability recipients is available. The health care coverage provided by the retirement system is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 12. A portion of each employer's contribution to PERS is set aside for the funding of postretirement health care based on authority granted by State statute. The 2000 employer contribution rate was 10.84 percent of covered payroll; 4.30 percent was the portion that was used to fund health care for 2000.

For 2000, benefits are funded on a pay-as-you-go basis. The Ohio Revised Code provides the statutory authority requiring public employees to fund postretirement health care through their contributions to PERS. OPEB are financed through employer contributions and investment earnings. The contributions allocated to retiree health and Medicare, along with investment income on allocated assets and periodic adjustments in health care provisions, are expected to be sufficient to sustain the program indefinitely. As of December 31, 2000, the unaudited estimated net assets available for future OPEB payments were \$10,805,500,000. The actuarially accrued liability and the unfunded actuarial accrued liability, based on the actuarial cost method used, were \$12,473,600,000 and \$1,668,100,000, respectively. At December 31, 2000, the total number of benefit recipients eligible for OPEB through PERS was 401,339. The City's actual contributions for 2000 that were used to fund OPEB were \$49,377.

Police and Firemen's Disability and Pension Fund

The Police and Firemen's Disability and Pension Fund (Fund) provides postretirement health care coverage to any person who received or is eligible to receive a monthly benefit check or is a spouse or eligible dependent child of such a 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 full-time or on a 2/3 basis.

The health care coverage provided by the retirement system is considered an OPEB as described in GASB Statement No. 12. The Ohio Revised Code provides the authority allowing the Police and Firemen's Disability and the Fund's Board of Trustees to provide health care coverage and states that health care cost paid from the Police and Firemen's Disability and 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, of which 7.5 percent of covered payroll is applied to the postemployment health care program. The total firefighter employer contribution rate is 24 percent of covered payroll. 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 number of participants eligible to receive health care benefits as of December 31, 1999 (the latest information available) was 12,467 for police and 9,807 for firefighters. The City's actual contributions for 2000 that were used to fund postemployment benefits were \$45,435 for police and \$23,256 for fire. The Fund's total health care expenses for the year ended December 31, 1999, were \$95,004,633, which was net of member contributions of \$5,518,098.

CITY OF MONROE

Notes to the General-Purpose Financial Statements

Note 13 — Other Employee Benefits

Compensated Absence

Accumulated Unpaid Sick Leave

City salaried employees earn sick leave at the rate of one day for each full month of employment with the City. City hourly employees earn three days of sick leave after six months of employment and an additional four days on the first of the calendar year following the six-month period. Each year the hourly employees receive seven days of sick leave. Beginning in 2000, City employees can receive payment of accrued sick leave up to 240 hours after ten years with the City.

Accumulated Unpaid Vacation

City employees earn vacation leave at varying rates based upon length of service. The City employees earn one week of vacation after six months of employment. On January 1 following the completion of the six-month probation, an additional week of vacation is earned. The employee earns two weeks for years two through nine, three weeks for years ten through nineteen and four weeks for twenty or more years. There are no maximum vacation days that can be accrued. Upon departure from City employment, an employee (or his or her estate) will be paid for unused vacation leave.

Health Care Benefits

The City provides life insurance and accidental death and dismemberment insurance to most employees through various life insurance companies. The City has elected to provide employee medical/surgical benefits through MacDonald Insurance Agency. Some employees share the cost of the dismemberment monthly premium with the City; the City pays the full premium on all other benefits premiums. The premium varies with employee depending on the terms of the union contract. The City provides dental insurance to all employees through MacDonald Insurance Agency.

CITY OF MONROE
Notes to the General-Purpose Financial Statements

Note 14 — Capital Leases — Lessee Disclosure

During fiscal year 2000, the City entered into a capitalized lease for police and fire radio equipment. The lease meets the criteria of a capital lease as defined by Statement of Financial Accounting Standards No. 13, "Accounting for Leases," which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee. Capital lease payments have been reclassified and are reflected as debt service expenditures in the Fire Operation and Maintenance and Police Law Enforcement special revenue funds. These expenditures are reported as function expenditures on the budgetary statements.

General fixed assets consisting of equipment and furniture and fixtures have been capitalized in the general fixed assets account group in the amount of \$642,316. This amount represents the present value of the minimum lease payments at the time of acquisition. A corresponding liability was recorded in the general long-term obligations account group. Principal payments in fiscal year 2000 totaled \$49,714 in the Fire Operation and Maintenance and Police Law Enforcement special revenue fund.

The following is a schedule of the future long-term minimum lease payments required under the capital leases and the present value of the minimum lease payments as of December 31, 2000.

Years Ending December 31	\$ Amount
2001	\$146,864
2002	146,865
2003	146,865
2004	146,865
2005	85,670
Total	673,129
Less: amount representing interest	(80,527)
Present value of net minimum lease payments	<u>\$592,602</u>

CITY OF MONROE

Notes to the General-Purpose Financial Statements

Note 15 — 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; and injuries to employees and natural disasters. During 2000, the City contracted with MacDonald Insurance Agency for vehicle, property, equipment and machinery, police and professional and general liability insurance.

Equipment and machinery hold a \$1,000 deductible. Vehicle deductible levels vary with vehicles while property and general liability deductibles range from \$1,000 to \$2,000. The City carries a \$5,000 deductible for both police and professional liability insurance.

Coverage provided by the insurance agency follows:

Public Official Liability	\$1,000,000
Police Professional Liability	1,000,000
Equipment and Machinery	100,000
Disability Liability	1,000,000
Uninsured Motorists Bodily Injury	100,000
Fire Damage Liability — per occurrence	100,000
Medical Expense Liability — per person	5,000
Comprehensive General Liability — each occurrence	1,000,000
General Aggregate	1,000,000

Settled claims have not exceeded this commercial coverage in any of the past three years. There was no significant decline in the level of coverage from the prior year.

For 2000, the City participated in the Ohio Municipal League of Ohio Workers' Compensation Group Rating Plan, (GRP), an insurance purchasing pool (Note 22). The intent of the GRP is to achieve the benefit of a reduced premium for the City by virtue of its grouping and representation with other participants in the GRP. The workers' compensation experience of the participating cities is calculated as one experience and a common premium rate is applied to all cities in the GRP. Each participant pays its workers' compensation premium to the State based on the rate for the GRP rather than its individual rate. Total savings are then calculated and each participant's individual performance is compared to the overall savings of the GRP. A participant will then either receive money from or be required to contribute to the "Equity Pooling Fund." This "equity pooling" arrangement insures that each participant shares equally in the overall performance of the GRP.

Participation in the GRP is limited to cities that can meet the GRP's selection criteria. The firm of Gates McDonald provides administrative, cost control and actuarial services to the GRP.

The City may withdraw from the GRP if written notice is provided sixty days prior to the prescribed application deadline of the Ohio Bureau of Workers' Compensation. However, the participant is not relieved of the obligation to pay any amounts owed to the GRP prior to withdrawal, and any participant leaving the GRP allows the representative of the GRP to access less experience for three years following the last year of participation.

The City pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries.

CITY OF MONROE
Notes to the General-Purpose Financial Statements

Note 16 — Long-Term Obligations

Long-term obligations at December 31, 2000, were as follows:

	Balance December 31, 1999	Increase	Decrease	Balance December 31, 2000
Special Assessment Bonds				
6.70% 1991 Waterline Extension I	\$ 395,000		\$ 20,000	\$ 375,000
6.61% 1998 Waterline Extension II	142,500		5,500	137,000
5.625% 1988 Garver Road	150,000		15,000	135,000
5.25% — 5.75% 1993 American Way	113,000		6,000	107,000
4.45% — 5.70% 2000 Limited Edition		\$ 775,000		775,000
TOTAL — Special Assessment Bonds	800,500	775,000	46,500	1,529,000
General Obligation Bonds (Unvoted)				
4.00% — 5.50% 1999 Various Purpose Bonds	5,070,000		160,000	4,910,000
4.79% 1998 Life Squad Bonds	35,600		35,600	
TOTAL — General Obligations Bonds	5,105,600		195,600	4,910,000
Compensated Absences	1,933	15,916	1,933	15,916
Loans payable	100,000		50,000	50,000
Capital lease		642,316	49,714	592,602
TOTAL — General Long-Term Obligations	6,008,033	1,433,232	343,747	7,097,518
Enterprise Funds				
3.45% — 6.05% 1992 Mortgage Revenue Bonds	1,140,000		60,000	1,080,000
TOTAL — All Types	\$7,148,033	\$1,433,232	\$403,747	\$8,177,518

The Water Line Extension I special assessment bond was issued at an interest rate of 6.7 percent on October 1, 1991. The debt was issued for the purpose of constructing a water line extension, a sewer line extension, street improvements and a storm water control system in order to provide police and fire access and sanitary facilities.

The Water Line Extension II special assessment bond was issued at an interest rate of 6.61 percent on January 1, 1998. The debt was issued for the purpose of constructing a water line extension down three roads in the City.

CITY OF MONROE

Notes to the General-Purpose Financial Statements

The Garver Road special assessment bond was issued at an interest rate of 5.625 percent on July 5, 1988 for the purpose of improving the property along Garver Road in the City.

The American Way special assessment bond was issued at varying interest rates from 5.25 to 5.75 percent. The debt was issued on September 3, 1993 for the purpose of constructing a road extension.

The Limited Edition special assessment bond was issued at varying interest rates from 4.45 to 5.70 percent. The debt was issued on September 15, 2000 for the purpose of making improvements around the Mount Pleasant Retirement home area.

The special assessment bond issues are backed by the full faith and credit of the City. In the event that an assessed property owner fails to make payments, the City will be required to pay the related debt. The special assessment bonds will be paid from the debt service fund.

The various purpose general obligation bonds were issued at varying interest rates from 4 to 5.5 percent on December 1, 1999. The bonds were issued for numerous items in the City.

The Life Squad general obligation bonds were issued at an interest rate of 4.79 percent on January 1, 1998 for the purpose of acquiring a life squad vehicle for the City.

The compensated absences will be paid from the fund from which the employees' salaries are paid. The capital lease will be paid from the fire operation and maintenance and police funds.

A loan payable was acquired at an interest rate of 5.95 percent on December 1, 1999 for the purpose of acquiring an ambulance for the City.

The unvoted general obligation bond issues will be paid from property taxes out of the special revenue funds and the capital projects funds.

The Mortgage Revenue bonds were issued at varying interest rates from 3.45 to 6.05 percent on October 6, 1992 for the purpose of improvements to the waterworks system. The Mortgage Revenue bonds will be paid from the water fund revenues via transfers to the debt service fund.

The enterprise fund's related bond indentures have certain restrictive covenants and principally require that bond reserve funds be maintained and charges for fees to customers be in sufficient amounts, as defined, to satisfy the obligations under the indenture agreements. In addition, special provisions exist regarding covenant violations, redemption of principal, and maintenance of properties in good condition.

CITY OF MONROE
Notes to the General-Purpose Financial Statements

As of December 31, 2000, the City's legal debt margin (the ability to issue additional amounts of general obligation bonded debt) was \$15,564,735 for total debt and \$5,187,471 for unvoted debt. Principal and interest requirements to retire the City's long-term obligations outstanding at December 31, 2000 are:

Year	Special Assessments Bonds	General Obligation Bonds	Mortgage Revenue Bonds	Total
2001	\$ 169,037	\$ 466,650	\$ 134,518	\$ 770,205
2002	161,495	411,745	130,683	703,923
2003	157,854	414,350	131,750	703,954
2004	159,483	411,340	132,200	703,023
2005	159,679	412,923	132,325	704,927
2006-10	759,424	2,065,360	654,650	3,479,434
2011-15	468,661	2,067,383	255,600	2,791,644
2016-20	335,911	1,652,557		1,988,468
Total	\$2,371,544	\$7,902,308	\$1,571,726	\$11,845,578

Note 17 — Defeasance of General Obligation Bonds

Effective June 1, 1982, the City entered into an Escrow Trust Agreement with First National Trust Company. The agreement provided for the deposit by the City of \$100,000 into an irrevocable trust with the bank for the payment to final maturity of outstanding General Obligation Bonds. The funds deposited, together with interest earned thereon, shall be sufficient to pay annual bond principal and semiannual interest payments, thus providing an in-substance defeasance. As of December 31, 2000, the principal remaining was \$27,879.

Note 18 — Short-Term Obligations

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

Fund Type	Balance December 31, 1999	Increase	Decrease	Balance December 31, 2000
Special Revenue		\$1,900,000		\$1,900,000
Capital Projects	\$ 738,000		\$ 738,000	
Enterprise	700,000	700,000	700,000	700,000
Total	\$1,438,000	\$2,600,000	\$1,438,000	\$2,600,000

CITY OF MONROE
Notes to the General-Purpose Financial Statements

Short-term notes outstanding at year-end consisted of the following issues:

Issue	Principal Outstanding	Annualized Rate
<hr/>		
Special Revenue Funds		
Fire Levy 2000	\$1,900,000	6.00%
Enterprise Funds		
Water System Improvements	700,000	4.09

These notes are generally issued in anticipation of long-term bond financing and will be refinanced until such a bond is issued. They are backed by the full faith and credit of the City and mature within one year.

Note 19 — Due To / Due From Other Funds

Interfund asset and liability balances at December 31, 2000, were as follows:

	Due From Other Funds	Due To Other Funds
General Fund	\$247,596	
Enforcement and Education - Special Revenue Fund	25	
Water - Enterprise Fund	212	\$240,000
Mayor's Court - Agency Fund		7,833
	<hr/>	<hr/>
Total	\$247,833	\$247,833
	<hr/> <hr/>	<hr/> <hr/>

The general fund advanced \$36,148 and \$15,496 to the state highway and garbage funds, respectively. The result of this is a \$51,644 interfund receivable in the general fund and an interfund payable in the state highway and garbage funds.

CITY OF MONROE
Notes to the General-Purpose Financial Statements

Note 20 — Segment Information

The City's enterprise funds account for the provision of water, sewer, garbage and cemetery services. Key financial information as of and for the year ended December 31, 2000, for each enterprise fund is as follows:

	Water Fund	Sewer Fund	Garbage Fund	Cemetery Fund	Total
Operating Revenues	\$ 860,884	\$ 848,767	\$217,743	\$47,279	\$1,974,673
Depreciation Expense	455,223	2,111		740	458,074
Operating Loss	(291,583)	(90,050)	(51,466)	(13,455)	(446,554)
Non-Operating Revenues and (Expenses)	(75,394)			1,489	(73,905)
Loss before Operating Transfers	(366,977)	(90,050)	(51,466)	(11,966)	(520,459)
Net Operating Transfers	151,213	(615,000)		26,123	(437,664)
Net Income (Loss)	<u>\$ (215,764)</u>	<u>\$ (705,050)</u>	<u>\$ (51,466)</u>	<u>\$ 14,157</u>	<u>\$ (958,123)</u>
Fixed Asset Additions	\$538,682	\$16,891		\$14,800	\$570,373
Net Working Capital	(970,360)	(726,480)	\$5,950	56,178	(1,634,712)
Total Assets	2,890,860	164,326	40,596	149,111	3,244,893
Bonds and Other Long-Term Liabilities Payable from Revenues	1,083,395				1,083,395
Total Equity (Deficit)	802,714	(711,700)	5,950	147,934	244,898
Encumbrances at December 31, 2000	21,935		323	2,518	24,776

Note 21 — Jointly Governed Organizations

The Center for Local Governments, a jointly governed organization, was established to improve public service delivery by the cities, townships and villages in the Greater Cincinnati metropolitan area, especially among its member jurisdictions, through improved information exchange, cost reductions, shared resources, interjurisdictional collaboration, and new approaches to capital equipment and skills acquisition. The Board of Trustees consists of eight members made up of elected representatives from the participating governments. The City does not have any financial interest in or responsibility for the Center. The City made no financial contribution during 2000. Information can be obtained from the Center by writing to Lee Meyer, Director of the Center for Local Governments, 4144 Crossgate Drive, Cincinnati, Ohio 45236.

CITY OF MONROE

Notes to the General-Purpose Financial Statements

The Ohio-Kentucky-Indiana Regional Council of Governments (OKI), a jointly governed organization, was established to provide coordinated planning services to the appropriate federal, state and local governments, their political subdivisions, agencies, departments, instrumentalities, and special districts, in connection with the preparation and development of comprehensive and continuing regional transportation and development plans within the OKI Region. OKI members include Butler, Clermont and Warren Counties in Ohio, Boone, Campbell and Kenton Counties in Kentucky and Dearborn and Ohio Counties in Indiana. OKI also serves as an area wide review agency in conjunction with comprehensive planning within the OKI Region.

OKI contracts periodically for local funds and other support with the governing board of each of the governments who are members of OKI or with such other persons as may be appropriate to provide such funds and support. The support is based on the population of the area represented. A Board of Trustees was created for conducting the activities of the OKI. This Board consists of one elected official of each City and municipal corporation, one individual selected by each City planning agency or commission and one person selected by each planning agency or commission of each municipal corporation located in each member City. This Board of Trustees then selects not more than ten residents of the OKI Region. The total membership of the Board of Trustees shall not exceed 100. Any member of OKI may withdraw its membership upon written notice to OKI to be effective two years after receipt of the notice by OKI. The City made no financial contribution during 2000. To obtain financial information, write to Barry Blank, Director of Finance and Administration of the Ohio-Kentucky-Indiana Regional Council of Governments at 801-B W. Eighth St., Suite 400, Cincinnati, Ohio, 45203.

Note 22 — Insurance Purchasing Pool

For 2000, the City participated in the Ohio Municipal League of Ohio Workers' Compensation Group Rating Plan (GRP), an insurance purchasing pool. The GRP is intended to achieve lower workers' compensation rates while establishing safer working conditions and environments for the participants. The workers' compensation experience of the participating cities is calculated as one experience and a common premium rate is applied to all participants in the GRP. Each participant pays its workers' compensation premium to the State based on the rate for the GRP rather than its individual rate. In order to allocate the savings derived by formation of the GRP, and to maximize the number of participants in the GRP, the GRP's executive committee annually calculates the total savings that accrued to the GRP through its information. This savings is then compared to the overall savings percentage of the GRP. The GRP's executive committee then collects rate contributions from or pays rate equalization rebates to the various participants. Participation in the GRP is limited to cities that can meet the GRP's selection criteria. The firm of Gates McDonald provides administrative, cost control and actuarial services to the GRP. Each year, the City pays an enrollment fee to the GRP to cover the costs of administering the program. The City may withdraw from the GRP if written notice is provided sixty days prior to the prescribed application deadline of the Ohio Bureau of Workers' Compensation. However, the participant is not relieved of the obligation to pay any amounts owed to the GRP prior to withdrawal, and any participant leaving the GRP allows the representative of the GRP to assess less experience for three years following the last year of participation.

CITY OF MONROE
Notes to the General-Purpose Financial Statements

Note 23 — Contingent Liabilities

Litigation

The City is of the opinion that the ultimate disposition of claims and legal proceedings will not have a material effect, if any, on the financial condition of the City.

Federal and State Grants

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

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The City of Monroe, Ohio



Financial Statements and Schedules of Individual Funds and Account Groups

General Fund

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

CITY OF MONROE, OHIO
Schedule of Revenues, Expenditures, and Changes in
Fund Balance—Budget and Actual (Budget Basis)—
General Fund

December 31	2000		Variance - Favorable/ (Unfavorable)
	Budget	Actual	
Revenues			
Property and other taxes	\$481,750	\$582,346	\$100,596
Income taxes	2,002,500	2,096,653	94,153
Charges for services	3,000	77,529	74,529
Fines, licenses and permits	161,050	291,866	130,816
Intergovernmental	541,600	580,478	38,878
Interest	150,000	121,571	(28,429)
Other	5,500	125,301	119,801
Total revenues	3,345,400	3,875,744	530,344
Expenditures			
Current			
General government			
Clerk and council			
Personal services	64,317	64,049	268
Other	5,836	5,836	
Total Clerk and council	70,153	69,885	268
Mayor's Court			
Personal services	41,723	42,933	(1,210)
Other	16,222	16,222	
Total Mayor's Court	57,945	59,155	(1,210)
Administrative offices			
Personal services	178,883	183,548	(4,665)
Other	683,762	974,967	(291,205)
Total Administrative offices	862,645	1,158,515	(295,870)
Treasurer			
Personal services	57,316	59,081	(1,765)
Total Treasurer	57,316	59,081	(1,765)
Income tax department			
Personal services	45,249	45,982	(733)
Other	190,835	190,835	
Total Income tax department	236,084	236,817	(733)
Total General government	1,284,143	1,583,453	(299,310)

CITY OF MONROE, OHIO
Schedule of Revenues, Expenditures, and Changes in
Fund Balance—Budget and Actual (Budget Basis)—
General Fund

December 31	2000		Variance - Favorable/ (Unfavorable)
	Budget	Actual	
(Continued)			
Security of persons and property			
Police law enforcement			
Personal services	\$144,257	\$148,539	\$(4,282)
Total Police law enforcement	144,257	148,539	(4,282)
Fire department			
Personal services	53,886	53,361	525
Other	486		486
Total Fire department	54,372	53,361	1,011
Building inspection			
Other	5,833	5,833	
Total Building inspection	5,833	5,833	
Total Security of persons and property	204,462	207,733	(3,271)
Public health and welfare			
Cemetery			
Personal services	38,241	38,902	(661)
Other	7,996	5,943	2,053
Total Cemetery	46,237	44,845	1,392
Parks			
Personal services	58,499	59,230	(731)
Other	35,291	35,291	
Total Parks	93,790	94,521	(731)
Total Public health and welfare	140,027	139,366	661
Transportation			
Transportation administration			
Personal services	321,485	336,128	(14,643)
Other	17,302	17,302	
Total Transportation	338,787	353,430	(14,643)
Basic utilities			
Other	7,112	7,112	
Total Basic utilities	7,112	7,112	

CITY OF MONROE, OHIO
Schedule of Revenues, Expenditures, and Changes in
Fund Balance—Budget and Actual (Budget Basis)—
General Fund

December 31	2000		Variance - Favorable/ (Unfavorable)
	Budget	Actual	
	(Continued)		
Leisure time activities			
Other	\$ 29,023	\$ 28,386	\$ 637
Total Leisure time activities	29,023	28,386	637
Capital outlay	289,275	289,275	
Total expenditures	2,292,829	2,608,755	(315,926)
Excess (deficiency) of revenues over (under) expenditures	1,052,571	1,266,989	214,418
Other Financing Sources (Uses)			
Proceeds from sale of fixed assets	1,000	9,152	8,152
Operating transfers—in	100,000	111,000	11,000
Operating transfers—out	(2,379,379)	(2,097,962)	281,417
Total other financing sources (uses)	(2,278,379)	(1,977,810)	300,569
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(1,225,808)	(710,821)	514,987
Budgetary Fund Balance, Beginning of Year	1,316,816	1,316,816	
Prior Year Encumbrances Appropriated	80,007	80,007	
Budgetary Fund Balance, End of Year	\$171,015	\$686,002	\$514,987

The City of Monroe, Ohio



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Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than amounts relating to expendable trusts or major capital projects) that are legally restricted to expenditure for purposes.

Street

To account for that portion of the state gasoline tax and motor vehicle registration fees designated for maintenance and repair of streets within the City.

State Highway

To account for that portion of the state gasoline tax and motor vehicle registration fees designated for maintenance and repair of state highways within the City.

Fire Operation and Maintenance

To account for the receipt of property taxes levied to maintain the fire department and the related expenses to provide the service to the residents of the City.

Fire 1989 Levy

To account for the property tax levied in 1989 for payment of a portion of the general operating expenses of the department and capital expenditures.

Fire 2000 Levy

To account for the property tax levied in 2000 for capital improvements and acquisitions.

Police Law Enforcement

To account for monies received from the sale of forfeited goods and property that is spent on law enforcement.

Motor Vehicle License

To account for additional motor vehicle license taxes levied for routine street maintenance and repairs.

Enforcement and Education

To account for a portion of fines collected in DUI cases used to enforce DUI laws and teach the public about the dangers of driving under the influence.

Underground Storage

To account for monies received from the State to monitor underground storage facilities. This fund has not received any monies for the past four years and was closed during 2000.

Street Lighting

To account for an assessment received by the City to pay for street lighting.

Law Enforcement

To account for monies received from the sale of forfeited goods and property that is spent on law enforcement.

CITY OF MONROE, OHIO
Combining Balance Sheet—
Special Revenue Funds

December 31, 2000	Street Fund	State Highway Fund	Fire Operation and Maintenance Fund	Fire 1989 Levy Fund	Fire 2000 Levy Fund
Assets					
Equity in pooled cash and cash equivalents	\$49,323		\$105,699	\$29,116	\$1,718,882
Receivables:					
Property and other taxes			278,922	307,519	307,519
Accounts					
Special assessments					
Due from other funds					
Due from other governments	3,595	\$3,455			
Total assets and other debits	\$52,918	\$3,455	\$384,621	\$336,635	\$2,026,401
Liabilities					
Accounts payable	\$32,297	\$ 124			\$ 296,797
Contract payable	2,985		\$ 14,270		83,628
Interfund payable		36,148			
Accrued wages and benefits			18,277		
Due to other governments			37,422		
Deferred revenue			278,922	\$307,519	307,519
Accrued interest payable					54,467
Notes payable					1,900,000
Total liabilities	35,282	36,272	348,891	307,519	2,642,411
Fund Equity and Other Credits					
Fund balance					
Reserved for encumbrances	21,048	109	11,240	2,180	1,199,783
Unreserved (deficit)	(3,412)	(32,926)	24,490	26,936	(1,815,793)
Total fund equity (deficit) and other credits	17,636	(32,817)	35,730	29,116	(616,010)
Total liabilities, fund equity and other credits	\$52,918	\$3,455	\$384,621	\$336,635	\$2,026,401

Police Law Enforcement Fund	Motor Vehicle License Fund	Enforcement and Education Fund	Underground Storage Fund	Street Lighting Fund	Law Enforcement Fund	Total
\$21,903	\$31,210	\$9,085			\$8,875	\$1,974,093
363,614		25				1,257,574
				\$38,650		25
		25				38,650
						25
						7,050
\$385,517	\$31,210	\$9,135	\$0	\$38,650	\$8,875	\$3,277,417
\$ 10,917						\$ 340,135
						100,883
						36,148
14,198						32,475
42,786						80,208
363,614				\$38,650		1,296,224
						54,467
						1,900,000
431,515				38,650		3,840,540
49,567						1,283,927
(95,565)	\$31,210	\$9,135			\$8,875	(1,847,050)
(45,998)	31,210	9,135			8,875	(563,123)
\$385,517	\$31,210	\$9,135	\$0	\$38,650	\$8,875	\$3,277,417

CITY OF MONROE, OHIO

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances— Special Revenue Funds

December 31, 2000	Street Fund	State Highway Fund	Fire Operation and Maintenance Fund	Fire 1989 Levy Fund	Fire 2000 Levy Fund
Revenues					
Property and other taxes			\$275,793	\$360,626	
Charges for services			45,002		
Fines, licenses and permits					
Intergovernmental	\$196,597	\$ 18,492	17,251	24,325	
Special assessments					
Interest			2,533		
Other	2,981	150	7,567		
Total revenues	199,578	18,642	348,146	384,951	
Expenditures					
Current					
Security of persons and property			1,967,408	467,582	\$ 444,707
Transportation	286,931	75,781			
Capital outlay	580,439	52,585	406,025	43,924	13,250
Debt service					
Principal retirement			24,857	35,600	
Interest and fiscal charges			8,698	1,944	58,053
Total expenditures	867,370	128,366	2,406,988	549,050	516,010
Excess (deficiency) of revenues over (under) expenditures	(677,792)	(109,724)	(2,058,842)	(164,099)	(516,010)
Other Financing Sources (Uses)					
Inception of capital lease			321,158		
Operating transfers-in	643,534	40,695	1,486,618	61,252	
Operating transfers-out					(100,000)
Total other financing sources (uses)	643,534	40,695	1,807,776	61,252	(100,000)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing sources (uses)	(24,258)	(69,029)	(251,066)	(102,847)	(616,010)
Fund Balances (Deficit) at Beginning of Year — Restated	41,894	36,212	286,796	131,963	
Fund Balances (Deficit) at End of Year	\$ 17,636	\$(32,817)	\$ 35,730	\$ 29,116	\$(616,010)

Police Law Enforcement Fund	Motor Vehicle License Fund	Enforcement and Education Fund	Underground Storage Fund	Street Lighting Fund	Law Enforcement Fund	Total
\$372,953						\$1,009,372
						45,002
133,187		\$ 383				133,570
	\$51,286				\$2,213	310,164
				\$35,334		35,334
						2,533
46,663	33				5,600	62,944
552,803	51,319	383		35,334	7,813	1,598,969
1,113,323	3,500			54,143	8,746	4,059,409
						362,712
430,606						1,526,829
24,857						85,314
5,740						74,435
1,574,526	3,500			54,143	8,746	6,108,699
(1,021,723)	47,819	383		(18,809)	(933)	(4,509,730)
321,158						642,316
681,451				9,267		2,922,187
	(150,000)		\$(11,000)			(261,000)
1,002,609	(150,000)		(11,000)	9,267		3,304,133
(19,114)	(102,181)	383	(11,000)	(9,542)	(933)	(1,205,597)
(26,884)	133,391	8,752	11,000	9,542	9,808	642,474
\$(45,998)	\$31,210	\$9,135	\$ 0	\$ 0	\$8,875	\$ (563,123)

CITY OF MONROE, OHIO
Schedule of Revenues, Expenditures, and Changes in
Fund Balance—Budget and Actual (Budget Basis)—
Street Fund

December 31	2000		Variance - Favorable/ (Unfavorable)
	Budget	Actual	
Revenues			
Intergovernmental	\$ 187,050	\$214,621	\$ 27,571
Other	40,950	2,981	(37,969)
Total revenues	228,000	217,602	(10,398)
Expenditures			
Current			
Transportation – Street maintenance and repairs	341,150	302,902	38,248
Capital outlay	588,260	588,260	
Debt service			
Interest and fiscal charges	5,812		5,812
Total expenditures	935,222	891,162	44,060
Excess (deficiency) of revenues over (under) expenditures			
	(707,222)	(673,560)	33,662
Other Financing Sources			
Operating transfers–in	500,000	643,534	143,534
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses			
	(207,222)	(30,026)	177,196
Budgetary Fund Balance, Beginning of Year	1,015	1,015	
Prior Year Encumbrances Appropriated	35,041	35,041	
Budgetary Fund Balance (Deficit), End of Year	\$(171,166)	\$ 6,030	\$177,196

CITY OF MONROE, OHIO
Schedule of Revenues, Expenditures, and Changes in
Fund Balance—Budget and Actual (Budget Basis)—
State Highway Fund

December 31	2000		Variance - Favorable/ (Unfavorable)
	Budget	Actual	
Revenues			
Intergovernmental	\$16,250	\$ 16,790	\$ 540
Other		150	150
Total revenues	16,250	16,940	690
Expenditures			
Current			
Transportation			
State highway maintenance			
Personal services	3,500		3,500
Other	46,145	78,871	(32,726)
Total Transportation	49,645	78,871	(29,226)
Capital outlay	52,585	52,585	
Total expenditures	102,230	131,456	(29,226)
Excess (deficiency) of revenues over (under) expenditures	(85,980)	(114,516)	(28,536)
Other Financing Sources			
Operating transfers—in	42,000	40,695	(1,305)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(43,980)	(73,821)	(29,841)
Budgetary Fund Balance, Beginning of Year	34,677	34,677	
Prior Year Encumbrances Appropriated	2,763	2,763	
Budgetary Fund Balance (Deficit), End of Year	\$(6,540)	\$(36,381)	\$(29,841)

CITY OF MONROE, OHIO
Schedule of Revenues, Expenditures, and Changes in
Fund Balance—Budget and Actual (Budget Basis)—
Fire Operation and Maintenance Fund

December 31	2000		Variance - Favorable/ (Unfavorable)
	Budget	Actual	
Revenues			
Property and other taxes	\$235,000	\$275,793	\$ 40,793
Charges for services		183	183
Intergovernmental	15,000	17,251	2,251
Other		3,481	3,481
Total revenues	250,000	296,708	46,708
Expenditures			
Current			
Security of persons and property			
Personal services	140,020	140,020	
Other	708,986	740,629	(31,643)
Total Security of persons and property	849,006	880,649	(31,643)
Debt service			
Interest and fiscal charges	2,958	2,958	
Total expenditures	851,964	883,607	(31,643)
Excess (deficiency) of revenues over (under) expenditures	(601,964)	(586,899)	15,065
Other Financing Sources			
Operating transfers—in	500,000	418,305	(81,695)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(101,964)	(168,594)	(66,630)
Budgetary Fund Balance, Beginning of Year	136,951	136,951	
Budgetary Fund Balance (Deficit), End of Year	\$ 34,987	\$(31,643)	\$(66,630)

CITY OF MONROE, OHIO
Schedule of Revenues, Expenditures, and Changes in
Fund Balance—Budget and Actual (Budget Basis)—
Fire 1989 Levy Fund

December 31	2000		Variance - Favorable/ (Unfavorable)
	Budget	Actual	
Revenues			
Property and other taxes	\$270,000	\$360,626	\$ 90,626
Intergovernmental	21,500	24,325	2,825
Total revenues	291,500	384,951	93,451
Expenditures			
Current			
Security of persons and property— Other	510,876	474,149	36,727
Capital outlay	46,104	46,104	
Debt service			
Principal retirement	34,200	34,200	
Interest and fiscal charges	1,944	1,944	
Total expenditures	593,124	556,397	36,727
Excess (deficiency) of revenues over (under) expenditures	(301,624)	(171,446)	130,178
Other Financing Sources			
Operating transfers—in	328,500	61,252	(267,248)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	26,876	(110,194)	(137,070)
Budgetary Fund Balance, Beginning of Year	128,111	128,111	
Prior Year Encumbrances Appropriated	9,019	9,019	
Budgetary Fund Balance, End of Year	\$164,006	\$ 26,936	\$(137,070)

CITY OF MONROE, OHIO
Schedule of Revenues, Expenditures, and Changes in
Fund Balance—Budget and Actual (Budget Basis)—
Fire 2000 Levy Fund

December 31	2000		Variance - Favorable/ (Unfavorable)
	Budget	Actual	
Expenditures			
Current			
Security of persons and property– Other	\$1,288,948	\$1,252,648	\$36,300
Capital outlay	24,668	24,668	
Debt service			
Interest and fiscal charges		3,586	(3,586)
Total expenditures	1,313,616	1,280,902	32,714
Excess (deficiency) of revenues over (under) expenditures	(1,313,616)	(1,280,902)	32,714
Other Financing Sources (Uses)			
Proceeds from sale of notes	1,900,000	1,900,000	
Operating transfers–out	(100,000)	(100,000)	
Total other financing sources (uses)	1,800,000	1,800,000	
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	486,384	519,098	32,714
Budgetary Fund Balance, Beginning of Year			
Budgetary Fund Balance, End of Year	\$ 486,384	\$ 519,098	\$32,714

CITY OF MONROE, OHIO
Schedule of Revenues, Expenditures, and Changes in
Fund Balance—Budget and Actual (Budget Basis)—
Police Law Enforcement Fund

December 31	2000		Variance - Favorable/ (Unfavorable)
	Budget	Actual	
Revenues			
Property and other taxes	\$ 270,000	\$372,953	\$102,953
Intergovernmental	22,500	133,187	110,687
Other	127,500	46,873	(80,627)
Total revenues	420,000	553,013	133,013
Expenditures			
Current			
Security of persons and property			
Personal services	837,928	863,532	(25,604)
Other	314,140	286,898	27,242
Total Security of persons and property	1,152,068	1,150,430	1,638
Capital outlay	153,327	153,327	
Total expenditures	1,305,395	1,303,757	1,638
Excess (deficiency) of revenues over (under) expenditures	(885,395)	(750,744)	134,651
Other Financing Sources			
Operating transfers—in	575,000	681,451	106,451
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(310,395)	(69,293)	241,102
Budgetary Fund Balance, Beginning of Year	896	896	
Prior Year Encumbrances Appropriated	34,690	34,690	
Budgetary Fund Balance (Deficit), End of Year	\$(274,809)	\$(33,707)	\$241,102

CITY OF MONROE, OHIO
Schedule of Revenues, Expenditures, and Changes in
Fund Balance—Budget and Actual (Budget Basis)—
Motor Vehicle License Fund

December 31	2000		Variance - Favorable/ (Unfavorable)
	Budget	Actual	
Revenues			
Intergovernmental	\$50,500	\$54,323	\$3,823
Other	500	33	(467)
Total revenues	51,000	54,356	3,356
Expenditures			
Current			
Security of persons and property– Other	7,848	5,422	2,426
Total expenditures	7,848	5,422	2,426
Excess (deficiency) of revenues over (under) expenditures	43,152	48,934	5,782
Other Financing Uses			
Operating transfers–out	(150,000)	(150,000)	
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(106,848)	(101,066)	5,782
Budgetary Fund Balance, Beginning of Year	129,850	129,850	
Prior Year Encumbrances Appropriated	2,425	2,425	
Budgetary Fund Balance, End of Year	\$25,427	\$31,209	\$5,782

CITY OF MONROE, OHIO
Schedule of Revenues, Expenditures, and Changes in
Fund Balance—Budget and Actual (Budget Basis)—
Enforcement and Education Fund

December 31	2000		Variance - Favorable/ (Unfavorable)
	Budget	Actual	
Revenues			
Fines, licenses and permits	\$ 333	\$ 333	
Expenditures			
Current			
Security of persons and property— Other	1,000		\$1,000
Excess (deficiency) of revenues over (under) expenditures	(667)	333	1,000
Budgetary Fund Balance, Beginning of Year	8,752	8,752	
Budgetary Fund Balance, End of Year	\$8,085	\$9,085	\$1,000

CITY OF MONROE, OHIO
Schedule of Revenues, Expenditures, and Changes in
Fund Balance—Budget and Actual (Budget Basis)—
Underground Storage Fund

December 31	2000		Variance - Favorable/ (Unfavorable)
	Budget	Actual	
Other Financing Uses			
Operating transfers—out	\$(11,000)	\$(11,000)	
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(11,000)	(11,000)	
Budgetary Fund Balance, Beginning of Year	11,000	11,000	
Budgetary Fund Balance, End of Year	\$ 0	\$ 0	

CITY OF MONROE, OHIO
Schedule of Revenues, Expenditures, and Changes in
Fund Balance—Budget and Actual (Budget Basis)—
Street Lighting Fund

December 31	2000		Variance - Favorable/ (Unfavorable)
	Budget	Actual	
Revenues			
Special assessments	\$35,335	\$35,335	
Expenditures			
Security of persons and property – Other	58,246	57,995	\$ 251
Excess (deficiency) of revenues over (under) expenditures	(22,911)	(22,660)	251
Other Financing Sources			
Operating transfers–in		9,267	9,267
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(22,911)	(13,393)	9,518
Budgetary Fund Balance, Beginning of Year	13,393	13,393	
Budgetary Fund Balance (Deficit), End of Year	\$(9,518)	\$ 0	\$9,518

CITY OF MONROE, OHIO
Schedule of Revenues, Expenditures, and Changes in
Fund Balance—Budget and Actual (Budget Basis)—
Law Enforcement Fund

December 31	2000		Variance - Favorable/ (Unfavorable)
	Budget	Actual	
Revenues			
Intergovernmental		\$2,213	\$2,213
Other		5,600	5,600
Total revenues		7,813	7,813
Expenditures			
Security of persons and property— Other	\$9,247	8,746	501
Excess (deficiency) of revenues over (under) expenditures	(9,247)	(933)	8,314
Budgetary Fund Balance, Beginning of Year	9,807	9,807	
Budgetary Fund Balance, End of Year	\$ 560	\$8,874	\$8,314

CITY OF MONROE, OHIO
Combining Schedule of Revenues, Expenditures, and Changes in
Fund Balance—Budget and Actual (Budget Basis)—
All Special Revenue Funds

December 31	2000		Variance - Favorable/ (Unfavorable)
	Budget	Actual	
Revenues			
Property and other taxes	\$775,000	\$1,009,372	\$234,372
Charges for services		183	183
Fines, licenses and permits	333	333	
Intergovernmental	312,800	462,710	149,910
Special assessments	35,335	35,335	
Other	168,950	59,118	(109,832)
Total revenues	1,292,418	1,567,051	274,633
Expenditures			
Security of persons and property			
Fire operation and maintenance			
Personal services	140,020	140,020	
Other	708,986	740,629	(31,643)
Fire levy – Other	1,799,824	1,726,797	73,027
Police law enforcement			
Personal services	837,928	863,532	(25,604)
Other	322,988	292,320	30,668
Street lighting – Other	58,246	57,995	251
Law enforcement – Other	9,247	8,746	501
Total Security of persons and property	3,877,239	3,830,039	47,200
Transportation			
Street maintenance and repairs – Other	341,150	302,902	38,248
State highway maintenance			
Personal services	3,500		3,500
Other	46,145	78,871	(32,726)
Total Transportation	390,795	381,773	9,022

CITY OF MONROE, OHIO
Combining Schedule of Revenues, Expenditures, and Changes in
Fund Balance—Budget and Actual (Budget Basis)—
All Special Revenue Funds

December 31	2000		Variance - Favorable/ (Unfavorable)
	Budget	Actual	
	(Continued)		
Capital outlay	\$864,944	\$864,944	
Debt service			
Principal retirement	34,200	34,200	
Interest and fiscal charges	10,714	8,488	\$ 2,226
Total expenditures	5,177,892	5,119,444	58,448
Excess (deficiency) of revenues over (under) expenditures	(3,885,474)	(3,552,393)	333,081
Other Financing Sources (Uses)			
Proceeds of notes	1,900,000	1,900,000	
Operating transfers—in	1,945,500	1,854,504	(90,996)
Operating transfers—out	(261,000)	(261,000)	
Total other financing sources (uses)	3,584,500	3,493,504	(90,996)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(300,974)	(58,889)	242,085
Budgetary Fund Balance, Beginning of Year	474,452	474,452	
Prior Year Encumbrances Appropriated	83,938	83,938	
Budgetary Fund Balance, End of Year	\$257,416	\$499,501	\$242,085

Debt Service Fund

Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term and special assessment debt principal, interest and related assets.

Since there is only one debt service fund and the level of budgetary control is not greater than that presented in the combined financial statements, no additional financial statements are presented here.

Capital Projects Funds

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

Park Improvement

To account for user fees related to use of the City's various parks. Expenditures relate to the upkeep and maintenance of the parks.

Capital Improvement

To account for monies received primarily from transfers from the general fund. Expenditures relate to the various capital improvements projects (i.e. street repairs) that are not financed through special revenue funds.

Corridor I-75

To account for monies received primarily from a special taxing district in the City's attempt to create a business district along the Interstate 75 corridor of State Route 63.

CITY OF MONROE, OHIO
Combining Balance Sheet—
Capital Projects Funds

December 31, 2000	Park Improvement Fund	Capital Improvement Fund	Corridor I-75 Fund	Total
Assets				
Equity in pooled cash and cash equivalents	\$3,000	\$7,500	\$44,173	\$ 54,673
Receivables:				
Property and other taxes			46,985	46,985
Accounts	300			300
Total assets and other debits	\$3,300	\$7,500	\$91,158	\$101,958
Liabilities				
Accounts payable	\$ 867			\$ 867
Deferred revenue			\$46,985	46,985
Total liabilities	867		46,985	47,852
Fund Equity and Other Credits				
Reserved for encumbrances			7,500	7,500
Unreserved	2,433	\$7,500	36,673	46,606
Total fund equity and other credits	2,433	7,500	44,173	54,106
Total liabilities, fund equity and other credits	\$3,330	\$7,500	\$91,158	\$101,958

CITY OF MONROE, OHIO

**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances—
Capital Projects Funds**

December 31, 2000	Park Improvement Fund	Capital Improvement Fund	Corridor I-75 Fund	Total
Revenues				
Property and other taxes			\$44,173	\$44,173
Fines, licenses and permits	\$43,500			43,500
Interest		\$ 9		9
Total revenues	43,500	9	44,173	87,682
Expenditures				
Capital outlay	327,497	208,296		535,793
Debt service				
Interest and fiscal charges		1,638		1,638
Total expenditures	327,497	209,934		537,431
Excess (deficiency) of revenues over (under) expenditures	(283,997)	(209,925)	44,173	(449,749)
Other Financing Sources				
Operating transfers-in	125,187	946,749		1,071,936
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(158,810)	736,824	44,173	622,187
Fund Balances (Deficit) at Beginning of Year	161,243	(729,324)		(568,081)
Fund Balances at End of Year	\$ 2,433	\$7,500	\$44,173	\$54,106

CITY OF MONROE, OHIO
Schedule of Revenues, Expenditures, and Changes in
Fund Balance—Budget and Actual (Budget Basis)—
Park Improvement Fund

December 31	2000		Variance - Favorable/ (Unfavorable)
	Budget	Actual	
Revenues			
Fines, licenses and permits	\$ 40,000	\$43,200	\$ 3,200
Other	13,000		(13,000)
Total revenues	53,000	43,200	(9,800)
Expenditures			
Capital outlay	335,342	326,630	8,712
Excess (deficiency) of revenues over (under) expenditures	(282,342)	(283,430)	(1,088)
Other Financing Sources			
Operating transfers—in	87,000	125,187	38,187
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(195,342)	(158,243)	37,099
Budgetary Fund Balance, Beginning of Year	152,532	152,532	
Prior Year Encumbrances Appropriated	8,711	8,711	
Budgetary Fund Balance (Deficit), End of Year	\$(34,099)	\$ 3,000	\$37,099

CITY OF MONROE, OHIO
Schedule of Revenues, Expenditures, and Changes in
Fund Balance—Budget and Actual (Budget Basis)—
Capital Improvement Fund

December 31	2000		Variance - Favorable/ (Unfavorable)
	Budget	Actual	
Revenues			
Interest		\$9	\$ 9
Expenditures			
Capital outlay	\$338,069	265,684	72,385
Excess (deficiency) of revenues over (under) expenditures	(338,069)	(265,675)	72,394
Other Financing Sources			
Operating transfers—in	260,000	192,404	(67,596)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(78,069)	(73,271)	4,798
Budgetary Fund Balance, Beginning of Year	886	886	
Prior Year Encumbrances Appropriated	72,385	72,385	
Budgetary Fund Balance (Deficit), End of Year	\$ (4,798)	\$0	\$4,798

CITY OF MONROE, OHIO
Schedule of Revenues, Expenditures, and Changes in
Fund Balance—Budget and Actual (Budget Basis)—
Corridor I-75 Fund

December 31	2000		Variance - Favorable/ (Unfavorable)
	Budget	Actual	
Revenues			
Property and other taxes	\$44,000	\$44,173	\$173
Expenditures			
Excess (deficiency) of revenues over (under) expenditures	44,000	44,173	173
Budgetary Fund Balance, Beginning of Year			
Budgetary Fund Balance, End of Year	\$44,000	\$44,173	\$173

CITY OF MONROE, OHIO
Combining Schedule of Revenues, Expenditures, and Changes in
Fund Balance—Budget and Actual (Budget Basis)—
All Capital Project Funds

December 31	2000		Variance - Favorable/ (Unfavorable)
	Budget	Actual	
Revenues			
Property and other taxes	\$44,000	\$44,173	\$ 173
Fines, licenses and permits	40,000	43,200	3,200
Interest		9	9
Other	13,000		(13,000)
Total revenues	97,000	87,382	(9,618)
Expenditures			
Capital outlay	673,411	592,314	81,097
Excess (deficiency) of revenues over (under) expenditures	(576,411)	(504,932)	71,479
Other Financing Sources			
Operating transfers—in	347,000	317,591	(29,409)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(229,411)	(187,341)	42,070
Budgetary Fund Balance, Beginning of Year	153,418	153,418	
Prior Year Encumbrances Appropriated	81,096	81,096	
Budgetary Fund Balance, End of Year	\$ 5,103	\$47,173	\$ 42,070

Enterprise Funds

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

Sewer

To account for the provision of sanitary sewer service to the residents and commercial users in the City.

Water

To account for the provision of water treatment and distribution to residential and commercial users in the City.

Garbage

To account for the provision of trash collection services to the residents and commercial users in the City.

Cemetery

To account for the provision of cemetery plats and burials to the residents in the City.

CITY OF MONROE, OHIO
Combining Balance Sheet—
All Enterprise Funds

December 31, 2000	Sewer Fund	Water Fund	Garbage Fund	Cemetery Fund	Total
Assets					
Current Assets					
Equity in pooled cash and cash equivalents	\$40,020	\$14,984		\$57,355	\$112,359
Accounts receivable	109,526	84,195	\$40,596		234,317
Due from other funds		212			212
Total current assets	149,546	99,391	40,596	57,355	346,888
Restricted assets:					
Cash and cash equivalents with Trustee		141,291			141,291
Fixed assets, net of accumulated depreciation	14,780	2,650,178		91,756	2,756,714
Total assets	\$164,326	\$2,890,860	\$40,596	\$149,111	\$3,244,893
Liabilities					
Current Liabilities					
Accounts payable	\$876,026	\$ 25,897	\$19,031	\$ 1,177	\$ 922,131
Interfund payable			15,496		15,496
Accrued wages and benefits		2,940	39		2,979
Due to other funds		240,000			240,000
Due to other governments		7,535	80		7,615
Accrued interest payable		28,379			28,379
Notes payable		700,000			700,000
Mortgage revenue bonds payable, current portion		65,000			65,000
Total current liabilities	876,026	1,069,751	34,646	1,177	1,981,600
Long-Term Liabilities					
Compensated absences payable		3,395			3,395
Mortgage revenue bond payable, net of current portion		1,015,000			1,015,000
Total long-term liabilities		1,018,395			1,018,395
Total liabilities	876,026	2,088,146	34,646	1,177	2,999,995
Fund Equity and Other Credits					
Contributed capital		1,978,022			1,978,022
Retained earnings					
Reserved for revenue bond current debt service		7,796			7,796
Reserved for revenue bond replacement and improvement		133,495			133,495
Unreserved (deficit)	(711,700)	(1,316,599)	5,950	147,934	(1,874,415)
Total fund equity and other credits	(711,700)	802,714	5,950	147,934	244,898
Total liabilities, fund equity and other credits	\$164,326	\$2,890,860	\$40,596	\$149,111	\$3,244,893

CITY OF MONROE, OHIO
Combining Statement of Revenues, Expenses and Changes in Fund Equity—
All Enterprise Funds

December 31, 2000	Sewer Fund	Water Fund	Garbage Fund	Cemetery Fund	Total
Operating Revenues					
Charges for services	\$ 848,767	\$854,979	\$216,436	\$ 16,100	\$1,936,282
Sales				31,179	31,179
Other operating revenues		5,905	1,307		7,212
Total operating revenues	848,767	860,884	217,743	47,279	1,974,673
Operating Expenses					
Personal services		314,970	10,796		325,766
Contractual services	936,348	135,410	254,901	37,435	1,364,094
Materials and supplies	287	245,396	3,501	21,759	270,943
Deposits refunded	71	1,468	11	800	2,350
Depreciation	2,111	455,223		740	458,074
Total operating expenses	938,817	1,152,467	269,209	60,734	2,421,227
Operating loss	(90,050)	(291,583)	(51,466)	(13,455)	(446,554)
Non-Operating Revenues (Expenses)					
Interest and fiscal charges		(82,409)			(82,409)
Interest		7,015		1,489	8,504
Total non -operating revenues (expenses)		(75,394)		1,489	(73,905)
Loss before operating transfers	(90,050)	(366,977)	(51,466)	(11,966)	(520,459)
Operating transfers—in	85,000	151,213		26,123	262,336
Operating transfers—out	(700,000)				(700,000)
Net Income (Loss)	(705,050)	(215,764)	(51,466)	14,157	(958,123)
Fund Equity at Beginning of Year	(6,650)	1,018,478	57,416	133,777	1,203,021
Fund Equity at End of Year	\$(711,700)	\$802,714	\$ 5,950	\$147,934	\$ 244,898

CITY OF MONROE, OHIO
Schedule of Revenues, Expenses, and Changes in
Fund Equity—Budget and Actual (Budget Basis)—
Sewer Fund

December 31	2000		Variance - Favorable/ (Unfavorable)
	Budget	Actual	
Revenues			
Charges for services	\$836,550	\$899,183	\$ 62,633
Other operating revenues	250		(250)
Total revenues	836,800	899,183	62,383
Expenses			
Contractual services	268,893	268,420	473
Materials and supplies	2,215	2,178	37
Deposit refunds	1,000	71	929
Capital outlay	30,000	15,000	15,000
Total expenses	302,108	285,669	16,439
Excess (deficiency) of revenues over (under) expenses before operating transfers	534,692	613,514	78,822
Operating transfers—in	80,000	85,000	5,000
Operating transfers—out	(320,000)	(700,000)	(380,000)
Excess (deficiency) of revenues over (under) expenses and operating transfers	294,692	(1,486)	(296,178)
Fund Equity, Beginning of Year	26,507	26,507	
Prior Year Encumbrances Appropriated	15,000	15,000	
Fund Equity, End of Year	\$336,199	\$ 40,021	\$(296,178)

CITY OF MONROE, OHIO
Schedule of Revenues, Expenses, and Changes in
Fund Equity—Budget and Actual (Budget Basis)—
Water Fund

December 31	2000		Variance - Favorable/ (Unfavorable)
	Budget	Actual	
Revenues			
Charges for services	\$ 879,055	\$927,994	\$ 48,939
Proceeds of notes		700,000	700,000
Other operating revenues	1,100	4,238	3,138
Total revenues	880,155	1,632,232	752,077
Expenses			
Personal services	304,371	313,167	(8,796)
Contractual services	139,522	136,187	3,335
Materials and supplies	424,525	400,393	24,132
Deposit refunds	1,468	1,468	
Capital outlay	528,784	467,261	61,523
Debt service			
Principal retirement		700,000	(700,000)
Total expenses	1,398,670	2,018,476	(619,806)
Excess (deficiency) of revenues over (under) expenses before operating transfers	(518,515)	(386,244)	133,271
Operating transfers—in	41,000	25,800	(15,200)
Operating transfers—out	(51,668)		51,668
Excess (deficiency) of revenues over (under) expenses and operating transfers	(529,183)	(360,444)	168,739
Fund Equity, Beginning of Year	273,021	273,021	
Prior Year Encumbrances Appropriated	80,470	80,470	
Fund Equity (Deficit), End of Year	\$(175,692)	\$ (6,953)	\$168,739

CITY OF MONROE, OHIO
Schedule of Revenues, Expenses, and Changes in
Fund Equity—Budget and Actual (Budget Basis)—
Garbage Fund

December 31	2000		Variance - Favorable/ (Unfavorable)
	Budget	Actual	
Revenues			
Charges for services	\$230,600	\$214,569	\$(16,031)
Other operating revenues	1,000	1,307	307
Total revenues	231,600	215,876	(15,724)
Expenses			
Personal services	15,500	11,110	4,390
Contractual services	236,133	236,761	(628)
Materials and supplies	3,501	3,501	
Deposit refunds	50	11	39
Total expenses	255,184	251,383	3,801
Excess (deficiency) of revenues over (under) expenses before operating transfers	(23,584)	(35,507)	(11,923)
Operating transfers—out	(50)		50
Excess (deficiency) of revenues over (under) expenses and operating transfers	(23,634)	(35,507)	(11,873)
Fund Equity, Beginning of Year	19,688	19,688	
Fund Equity (Deficit), End of Year	\$ (3,946)	\$ (15,819)	\$(11,873)

CITY OF MONROE, OHIO
Schedule of Revenues, Expenses, and Changes in
Fund Equity—Budget and Actual (Budget Basis)—
Cemetery Fund

December 31	2000		Variance - Favorable/ (Unfavorable)
	Budget	Actual	
Revenues			
Charges for services	\$ 9,000	\$16,100	\$ 7,100
Sales	14,119	32,054	17,935
Interest	2,000	1,489	(511)
Other operating revenues	50		(50)
Total revenues	25,169	49,643	24,474
Expenses			
Contractual services	39,242	37,435	1,807
Materials and supplies	18,451	17,989	462
Deposit refunds	800	800	
Capital outlay	20,316	20,316	
Total expenses	78,809	76,540	2,269
Excess (deficiency) of revenues over (under) expenses before operating transfers	(53,640)	(26,897)	26,743
Operating transfers—in	20,000	26,123	6,123
Excess (deficiency) of revenues over (under) expenses and operating transfers	(33,640)	(774)	32,866
Fund Equity, Beginning of Year	53,341	53,341	
Prior Year Encumbrances Appropriated	2,270	2,270	
Fund Equity, End of Year	\$21,971	\$54,837	\$32,866

CITY OF MONROE, OHIO
Combining Schedule of Revenues, Expenses, and Changes in
Fund Equity—Budget and Actual (Budget Basis)—
All Enterprise Funds

December 31	2000		Variance - Favorable/ (Unfavorable)
	Budget	Actual	
Revenues			
Charges for services	\$1,955,205	\$2,057,846	\$102,641
Sales	14,119	32,054	17,935
Interest	2,000	1,489	(511)
Proceeds from sale of notes		700,000	700,000
Other operating revenues	2,400	5,545	3,145
Total revenues	1,973,724	2,796,934	823,210
Expenses			
Personal services	319,871	324,277	(4,406)
Contractual services	683,790	678,803	4,987
Materials and supplies	448,692	424,061	24,631
Deposit refunds	3,318	2,350	968
Capital outlay	579,100	502,577	76,523
Debt service			
Principal retirement		700,000	(700,000)
Total expenses	2,034,771	2,632,068	(597,297)
Excess (deficiency) of revenues over (under) expenses before operating transfers			
	(61,047)	164,866	225,913
Operating transfers—in			
	141,000	136,923	(4,077)
Operating transfers—out			
	(371,718)	(700,000)	(328,282)
Excess (deficiency) of revenues over (under) expenses and operating transfers			
	(291,765)	(398,211)	(106,446)
Fund Equity, Beginning of Year	372,557	372,557	
Prior Year Encumbrances Appropriated	97,740	97,740	
Fund Equity, End of Year	\$ 178,532	\$ 72,086	\$(106,446)

CITY OF MONROE, OHIO
Combining Statement of Cash Flows—
All Enterprise Funds

December 31, 2000	Sewer Fund	Water Fund	Garbage Fund	Cemetery Fund	Total
Increase (Decrease) in Cash and Cash Equivalents					
Cash Flows from Operating Activities					
Cash received from customers	\$899,183	\$918,869	\$214,569	\$48,154	\$2,080,775
Cash paid for employee services and benefits	(268,420)	(313,167)	(11,110)		(592,697)
Cash paid to suppliers for goods and services	(287)	(443,223)	(239,939)	(58,422)	(741,871)
Utility deposits refunded	(71)	(1,468)	(11)	(800)	(2,350)
Other operating revenues		4,238	1,307		5,545
Net cash provided by (used for) operating activities	630,405	165,249	(35,184)	(11,068)	749,402
Cash Flows from Noncapital Financing Activity					
Short-term loan from general fund			15,496		15,496
Operating transfers-in		151,213		26,123	177,336
Operating transfers-out	(615,000)				(615,000)
Net cash provided by (used for) noncapital financing activities	(615,000)	151,213	15,496	26,123	(422,168)
Cash Flows from Capital and Related Financing Activities					
Proceeds from sale of notes		700,000			700,000
Acquisition of capital assets	(16,891)	(538,682)		(14,800)	(570,373)
Interest paid on general obligation notes payable		(7,525)			(7,525)
Principal paid on general obligation notes payable		(700,000)			(700,000)
Interest paid on mortgage revenue bonds payable		(65,413)			(65,413)
Principal paid on mortgage revenue bonds payable		(60,000)			(60,000)
Net cash used for capital and related financing activities	(16,891)	(671,620)		(14,800)	(703,311)
Cash Flows from Investing Activities — Interest					
		7,015		1,489	8,504
Net Increase (Decrease) in Cash and Cash Equivalents	(1,486)	(348,143)	(19,688)	1,744	(367,573)
Cash and Cash Equivalents, Beginning of Year	41,506	504,418	19,688	55,611	621,223
Cash and Cash Equivalents, End of Year	\$ 40,020	\$156,275	\$ 0	\$57,355	\$ 253,650

CITY OF MONROE, OHIO
Combining Statement of Cash Flows—
All Enterprise Funds

December 31, 2000	Sewer Fund	Water Fund	Garbage Fund	Cemetery Fund	Total
(Continued)					
Reconciliation of Operating Loss to Net Cash Provided by (Used for) by Operating Activities					
Operating loss	\$(90,050)	\$(291,583)	\$(51,466)	\$(13,455)	\$(446,554)
Adjustments to Reconcile Operating Loss to Net Cash Provided by (Used for) by Operating Activities					
Depreciation expense	2,111	455,223		740	458,074
Change in assets and liabilities:					
(Increase) decrease in accounts receivable	50,416	62,435	(1,867)	875	111,859
(Increase) decrease in due from other governments		(212)			(212)
Increase (decrease) in contracts payable		(15,099)			(15,099)
Increase (decrease) in accounts payable	875,157	(47,319)	18,463	772	847,073
Increase (decrease) in accrued wages and benefits		(1,937)	(224)		(2,161)
Increase (decrease) in compensated absences payable		3,395			3,395
Increase (decrease) in due to other governments	(207,229)	346	(90)		(206,973)
Total adjustments	720,455	456,832	16,282	2,387	1,195,956
Net cash provided by (used for) by operating activities	\$630,405	\$ 165,249	\$(35,184)	\$(11,068)	\$ 749,402

Fiduciary Funds

Fiduciary funds are used to account for resources received and held by the City as agent or trustee for individuals, private organizations, and other governmental units. The resources are expended or invested on accordance with the fiduciary agreement or applicable legislative enactment for each fund.

EXPENDABLE TRUST FUND

Longstreet Trust Fund

To account for monies that were donated for purposes of using the donation to repair and maintain the Longstreet area.

Cemetery Trust Fund

To account for monies that were donated for the purpose of maintenance and cemetery improvements.

AGENCY FUNDS

Mayor's Court

To account for the collection and distribution of court fines and forfeitures.

CITY OF MONROE, OHIO
Combining Balance Sheet—
Fiduciary Funds

December 31, 2000	Longstreet Trust Fund	Cemetery Trust Fund	Mayor's Court	Total
Assets				
Equity in pooled cash and cash equivalents		\$21,766		\$21,766
Investments	\$1,000	44,500		45,500
Segregated accounts:				
Cash and cash equivalents			\$10,121	10,121
Total assets	\$1,000	\$66,266	\$10,121	\$77,387
Liabilities				
Due to other funds			\$7,833	\$7,833
Due to other governments			1,589	1,589
Undistributed monies			28	28
Deposits held and due to others			671	671
Total liabilities			10,121	10,121
Fund Equity and Other Credits				
Fund balance—unreserved	\$1,000	\$66,266		67,266
Total liabilities, fund equity and other credits	\$1,000	\$66,266	\$10,121	\$77,387

CITY OF MONROE, OHIO
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balance—
Expendable Trust Funds

Year Ended December 31, 2000	Longstreet Trust Fund	Cemetery Trust Fund	Total
Revenues			
Interest		\$ 471	\$ 471
Other		100	100
Total revenues		571	571
Expenditures			
Public health and welfare		90	90
Total expenditures		90	90
Excess (deficiency) of revenues over (under) expenditures		481	481
Fund Balance, Beginning of Year	\$1,000	65,785	66,785
Fund Balance, End of Year	\$1,000	\$66,266	\$67,266

CITY OF MONROE, OHIO
Combining Statement of Changes in Assets and Liabilities—
Agency Funds

	Balance December 31, 1999	Additions	Deductions	Balance December 31, 2000
Mayor's Court				
Assets				
Cash and cash equivalents in segregated accounts	\$46,911	\$10,121	\$46,911	\$10,121
Liabilities				
Due to other funds	\$38,475	\$ 7,833	\$38,475	\$ 7,833
Due to other governments	858	1,589	858	1,589
Undistributed monies	6,151	28	6,151	28
Deposits held and due to others	1,427	671	1,427	671
	\$46,911	\$10,121	\$46,911	\$10,121

CITY OF MONROE, OHIO
Schedule of Revenues, Expenditures and Changes in
Fund Balance—Budget and Actual (Budget Basis)—
Longstreet Trust Fund

December 31	2000		Variance - Favorable/ (Unfavorable)
	Budget	Actual	
Total revenues	\$ 0	\$ 0	\$0
Total expenditures			
Excess (deficiency) of revenues over (under) expenditures			
Budgetary Fund Balance, Beginning of Year	1,000	1,000	
Budgetary Fund Balance, End of Year	\$1,000	\$1,000	\$0

CITY OF MONROE, OHIO
Schedule of Revenues, Expenditures and Changes in
Fund Balance—Budget and Actual (Budget Basis)—
Cemetery Trust Fund

December 31	2000		Variance - Favorable/ (Unfavorable)
	Budget	Actual	
Revenues			
Interest	\$ 403	\$ 471	\$ 68
Other		100	100
Total revenues	403	571	168
Expenditures			
Public Health Welfare – Other	90	90	
Excess (deficiency) of revenues over (under) expenditures	313	481	168
Budgetary Fund Balance, Beginning of Year	65,785	65,785	
Budgetary Fund Balance, End of Year	\$66,098	\$66,266	\$168

CITY OF MONROE, OHIO
Combining Schedule of Revenues, Expenditures and Changes in
Fund Balance—Budget and Actual (Budget Basis)—
All Expendable Trust Funds

December 31	2000		Variance - Favorable/ (Unfavorable)
	Budget	Actual	
Revenues			
Interest	\$ 403	\$ 471	\$ 68
Other		100	100
Total revenues	403	571	168
Expenditures			
Public Health Welfare – Other	90	90	
Excess (deficiency) of revenues over (under) expenditures	313	481	168
Budgetary Fund Balance, Beginning of Year	66,785	66,785	
Budgetary Fund Balance, End of Year	\$67,098	\$67,266	\$168

General Fixed Asset Account Group

General Fixed Asset Account Group consists of fixed assets of a governmental unit which are not accounted for in trust and agency funds. To be classified as a fixed asset in this category, property must possess three attributes: 1) a tangible nature; 2) a life longer than the current fiscal year; and 3) a significant value. Public domain ("Infrastructure") general fixed assets are not capitalized in the financial statements.

CITY OF MONROE, OHIO
Schedule of General Fixed Assets By Source

December 31	2000
General Fixed Assets	
Land and improvements	\$1,383,747
Buildings	5,055,222
Vehicles, furniture and equipment	2,974,184
Construction in progress	253,177
	<hr/>
	\$9,666,330
	<hr/> <hr/>
Investment in General Fixed Assets From	
General fund from general revenue sources	\$ 966,633
Special revenue fund from special revenue sources	5,703,135
Capital project fund from capital project sources	2,996,562
	<hr/>
	\$9,666,330
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CITY OF MONROE, OHIO
Schedule of General Fixed Assets By Function and Activity
December 31, 2000

Function and Activity	Land and Improvements	Buildings	Vehicles, Furniture and Equipment	Construction in Progress	Totals
General Government					
Administration	\$ 49,277	\$1,429,004			\$1,478,281
City Hall	12,319	375,522			387,841
Municipal Court	6,160	187,761			193,921
Finance	12,319	375,522			387,841
Tax	12,319	375,522			387,841
Total general government	92,394	2,743,331			2,835,725
Security of Persons and Property					
Police Protection	441,749	938,806	\$ 789,593	\$126,589	2,296,737
Fire Department	127,384	969,523	885,018	126,588	2,108,513
Total security of persons and property	569,133	1,908,329	1,674,611	253,177	4,405,250
Transportation					
Street Department	711,842	403,562	768,204		1,883,608
Leisure Time Activities					
Recreation Department	10,378		531,369		541,747
	\$1,383,747	\$5,055,222	\$2,974,184	\$253,177	\$9,666,330

CITY OF MONROE, OHIO
Schedule of Changes in General Fixed Assets By Function and Activity
Year Ended December 31, 2000

Function and Activity	General Fixed Assets December 31, 1999	Additions	Deductions	General Fixed Assets December 31, 2000
General Government				
Administration	\$1,158,000	\$ 370,281	\$ 50,000	\$1,478,281
City Hall	368,332	19,509		387,841
Municipal Court	184,467	9,454		193,921
Finance	368,332	19,509		387,841
Tax	368,332	19,509		387,841
Total general government	2,447,463	438,262	50,000	2,835,725
Security of Persons and Property				
Police Protection	1,978,536	318,201		2,296,737
Fire Department	1,830,633	277,880		2,108,513
Total security of persons and property	3,809,169	596,081		4,405,250
Transportation				
Street department	984,570	899,038		1,883,608
Leisure Time Activities				
Recreation department	399,291	248,654	106,198	541,747
	<u>\$7,640,493</u>	<u>\$2,182,035</u>	<u>\$156,198</u>	<u>\$9,666,330</u>

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The City of Monroe, Ohio



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Statistical Section

CITY OF MONROE, OHIO
General Fund Expenditures by Function — Last Ten Years

Year	General Government	Security of Persons and Property	Public Health and Welfare	Transportation	Basic Utility Services	Leisure Time Activities	Capital Outlay	Debt Service	Total
1991	\$259,228	\$108,294	\$29,679	\$106,578		\$34,119	\$157,265		\$695,163
1992	366,207	124,814	25,635	121,771		29,551	59,558		727,536
1993	293,575	130,822	22,880	126,668		28,144	26,051		628,140
1994	367,612	132,989	23,377	124,494		32,213	68,514		749,199
1995	603,842	136,730	25,978	145,252		36,511			948,313
1996	528,840	192,618	25,001	241,833		39,750	42,575		1,070,617
1997	677,859	222,580	27,281	308,707		61,643	5,103		1,303,173
1998	868,314	133,954	33,247	297,266		46,537	15,985		1,395,303
1999	1,422,643	204,290	272	303,902		58,477		\$24,221	2,013,805
2000	605,308	201,959	138,846	356,461	\$7,112	28,850	178,919		1,517,455

Source: City of Monroe's Finance Office

CITY OF MONROE, OHIO
General Fund Revenues by Source — Last Ten Years

Year	Property Taxes	Income Taxes	Charges for Services	Fines, Licensed and Permits	Inter-Governmental	Special Assessments	Interest (1)	Other	Total
1991	\$211,180		\$490	\$72,172	\$311,308			\$93,498	\$688,648
1992	241,882		958	79,684	186,201			93,909	602,634
1993	482,232		674	93,257	284,571			49,234	909,968
1994	241,643	\$966,570	64,026	54,939	230,972			44,894	1,603,044
1995	329,898	1,319,592	32,835	57,476	421,760			142,775	2,304,336
1996	389,415	1,559,035		135,604	576,965		\$182,069	43,338	2,886,426
1997	365,839	1,516,745		96,592	344,505	\$13,534	169,353	7,360	2,513,928
1998	463,230	1,821,890	3,415	177,980	465,343		172,772	37,657	3,142,287
1999	528,031	2,168,042	40,132	61,522	488,985		70,137	39,638	3,396,487
2000	580,235	2,085,001	77,529	267,022	546,719		302,755	124,301	3,983,562

(100)

Source: City of Monroe's Finance Office.

(1) The City had previously recorded interest revenue as other revenue before 1996

CITY OF MONROE, OHIO
Property Tax Levies and Collections — Last Ten Years

Collection Year	Total Tax Levy	Current Tax Collections	Delinquent Tax Collections	Total Tax Collections	Percentage of Total Tax Collections to Tax Levy	Accumulated Outstanding Delinquent Taxes	Percentage of Accumulated Delinquent Taxes to Total Tax Levy
1991	\$588,486	\$560,543	\$41,498	\$602,041	102.30%	\$20,622	3.50%
1992	628,187	597,681	20,712	618,393	98.44	24,430	3.89
1993	748,336	724,168	41,404	765,572	102.30	7,194	.96
1994	817,103	803,050	8,125	811,175	99.27	11,396	1.39
1995	856,862	841,092	21,763	862,855	100.70	5,403	.63
1996	868,452	809,386	20,704	830,090	95.58	43,765	5.04
1997	964,737	917,724	22,278	940,002	97.44	68,500	7.10
1998	964,738	942,953	19,631	962,584	99.78	70,654	7.32
1999	1,028,258	983,837	20,448	1,004,285	97.67	94,627	9.20
2000	1,109,108	1,069,616	21,983	1,091,599	98.42	112,135	10.11

(101)

Source: Butler County Auditor's Office

CITY OF MONROE, OHIO
Assessed Valuation and Estimated Actual Values of Taxable Property — Last Ten Years

Year	Real Property		Personal Property		Public Utility Assessed Value	Personal Property		Total Assessed Value	Total Estimated Actual Value	Percentage of Assessed Value To Estimated Actual Value
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value		Assessed Value	Estimated Actual Value			
1991	\$54,239,600	\$154,970,286	\$16,357,005	\$62,911,558	\$20,608,490	\$23,418,739	\$91,205,095	\$241,300,583	37.80%	
1992	55,857,760	159,593,600	16,277,901	65,111,604	34,180,070	38,840,989	106,315,731	263,546,193	40.34%	
1993	73,347,560	209,564,457	17,068,941	68,275,764	35,328,620	40,146,159	125,745,121	317,986,380	39.54%	
1994	80,496,740	229,990,686	16,462,248	65,848,992	35,099,740	39,886,068	132,058,728	335,725,746	39.34%	
1995	86,472,170	247,063,343	24,401,527	97,606,108	27,600,730	31,364,466	138,474,427	376,033,917	36.82%	
1996	103,626,960	296,077,029	32,197,072	128,788,288	28,103,550	31,935,852	163,927,582	456,801,169	35.89%	
1997	106,770,630	305,058,943	31,678,926	126,715,704	27,282,150	31,002,443	165,731,706	462,777,090	35.81%	
1998	112,994,990	322,842,829	37,461,497	149,845,988	27,695,250	31,471,875	178,151,737	504,160,692	35.34%	
1999	134,954,330	385,583,800	43,318,762	173,275,048	27,683,980	31,459,068	205,957,072	590,317,916	34.89%	
2000	139,839,110	399,540,314	41,865,628	167,462,512	25,840,540	29,364,250	207,545,278	596,367,076	34.80%	

Source: Butler County Auditor's Office

CITY OF MONROE, OHIO
Property Tax Rates — Direct and Overlapping Governments — Last Ten Years

	City of Monroe Operating	Butler County Operating	School District Operating	Other (1) Operating
1990	\$7.85	\$7.45	\$42.99	\$2.57
1991	7.85	7.45	47.84	2.57
1992	7.85	7.45	49.24	2.57
1993	7.85	7.44	48.14	2.57
1994	7.85	7.45	51.74	2.53
1995	7.85	7.44	50.14	2.52
1996	7.85	8.44	56.24	2.52
1997	7.85	8.45	56.14	2.52
1998	7.85	8.44	56.14	2.52
1999	7.85	8.45	56.14	2.52
2000	7.85	8.45	56.14	2.52

Source: City of Monroe's Operating Budget

Source: Butler County Auditor's Office

(1) Other includes Lemon Township and Butler County Joint Vocational School

CITY OF MONROE, OHIO
Principal Taxpayers
December 31,2000

Taxpayer	2000 Real Property Assessed Valuation	Percentage of Total Assessed Valuation Real Property
1. EPHS Investments LLC	\$3,419,420	1.66%
2. Worthington Steel	3,041,960	1.48
3. Ohio Presbyterian	2,535,350	1.23
4. Duke Realty	2,512,740	1.22
5. Mount Pleasant Retirement Home	2,097,160	1.02
6. Sulzer Escher Wyess Inc.	2,049,760	1.00
7. Dayton Technologies	1,894,190	.92
8. Drees	1,179,810	.57
9. Teazak	1,146,150	.56
10. Crystal Partners	1,110,250	.54

Source: Butler County Auditor's Office

CITY OF MONROE, OHIO
Special Assessment Collections — Last Ten Years

Collection Year	Billed	Amount Collected	Percent Collected
1991	\$56,298	\$53,329	94.73%
1992	116,267	117,314	100.90
1993	95,275	121,596	127.63
1994	134,685	119,972	89.08
1995	130,682	118,611	90.76
1996	119,151	118,257	99.25
1997	125,021	125,924	100.72
1998	131,689	131,464	99.83
1999	128,595	127,048	98.80
2000	126,139	130,974	101.00

Source: Billed column was obtained from the Butler County Auditor's Office

CITY OF MONROE, OHIO
Computation of Overall Legal Debt Margin
Voted and Unvoted Debt Limit (10½%)

December 31, 2000

Assessed Value		\$207,545,278
Total Debt Limit — 10 ½% of Assessed Valuation		\$21,792,254
Total Debt Outstanding at December 31, 2000	\$10,169,000	
Less: Exempt Debt General Obligation Bonds issued in anticipation of the collection of special assessments	(1,529,000)	
Mortgage Revenue Bonds to be paid by Enterprise Fund Revenue	(1,080,000)	
General Obligation Notes to be paid by Enterprise Fund Revenues	(700,000)	
Total	6,860,000	
(1) Less: Bond Retirement fund balance	(632,481)	
Net subject to 10 ½% limitation		6,227,519
Legal debt margin within 10 ½% limitation		\$15,564,735

(1) Bond Retirement Fund balance does not include amount available for special assessments.

CITY OF MONROE, OHIO
Computation of Unvoted Legal Debt Margin
Unvoted Debt Limit (5 ½%)

December 31, 2000

Assessed Value		\$207,545,278
Total Debt Limit — 5 ½% of Assessed Valuation		\$11,414,990
Total Debt Outstanding at December 31, 2000	\$10,169,000	
Less: Exempt Debt General Obligation Bonds issued in anticipation of the collection of special assessments	(1,529,000)	
Mortgage Revenue Bonds to be paid by Enterprise Fund Revenue	(1,080,000)	
General Obligation Notes to be paid by Enterprise Fund Revenues	(700,000)	
Total	6,860,000	
(1) Less: Bond Retirement fund balance	(632,481)	
Net subject to 5 ½% limitation		6,227,519
Legal debt margin within 5 ½% limitation		\$ 5,187,471

(1) Bond Retirement Fund balance does not include amount available for special assessments.

CITY OF MONROE, OHIO
Ratio of Net General Bonded Debt
to Assessed Value and Net Bonded Debt Per Capita — Last Ten Years

Year	Population	Assessed Value	Gross Bonded Debt (1)	Debt Service Balance	Debt Payable From Enterprise Revenues	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Valuation	Net Bonded Debt Per Capita
1991	4,375	\$91,205,095						
1992	4,375	106,315,731			\$1,480,000	\$1,480,000	1.39%	338
1993	4,375	125,745,121			1,440,000	1,440,000	1.15	329
1994	4,375	132,058,728			1,395,000	1,395,000	1.06	319
1995	4,375	138,474,427			1,345,000	1,345,000	.97	307
1996	4,375	163,927,582		\$39,062	1,305,000	1,344,062	.82	307
1997	4,375	165,731,706		36,715	1,250,000	1,286,715	.78	294
1998	4,375	178,151,737	\$67,800	731,973	1,195,000	1,994,773	1.12	456
1999	4,375	205,957,072	3,025,600	654,476	1,840,000	5,520,076	2.68	1,262
2000	7,133	207,545,278	4,910,000	632,481	1,780,000	7,323,881	3.53	1,027

Source: Population figures are taken from the 1990 and 2000 Census.

(1) Includes only General Obligation Bonds payable from property taxes

(108)

CITY OF MONROE, OHIO
Ratio of Annual Debt Principal and Interest Expenditures
For General Obligation Bonded Debt to Total General Fund Expenditures —
Last Ten Years

Year	Debt Principal (1)	Debt Interest	Total Debt Service	General Fund Expenditures	Ratio of Debt Principal and Interest to General Fund Expenditures
1991	N/A	N/A		\$695,163	
1992	N/A	N/A		727,536	
1993	N/A	N/A		628,140	
1994	N/A	N/A		749,199	
1995	N/A	N/A		948,313	
1996	N/A	N/A		1,070,617	
1997	N/A	N/A		1,303,173	
1998	\$45,000	\$54,527	\$99,527	1,395,303	7.13%
1999	45,200	90,844	136,044	2,013,805	6.76
2000	245,600	262,663	506,863	1,517,455	19.60

Source: City of Monroe's Finance Office

(1) Includes only general obligation bonded debt payable from property taxes.

Note: The City did not issue bonded debt payable from property taxes until 1998.

CITY OF MONROE, OHIO
Computation of Direct and Overlapping Debt
December 31, 2000

Jurisdiction	Net Debt Outstanding (1)	Percentage Applicable to City of Monroe	Amount Applicable to City of Monroe
City of Monroe	\$4,277,519	100.00%	\$4,277,519
Butler County	204,109,290	.00	0

The percentage of gross indebtedness of the City's overlapping political subdivisions was determined by dividing each overlapping subdivision's assessed valuation within the City by the subdivision's total assessed valuation.

(1) Includes only general obligation bonded debt payable from property taxes less Debt Service balance.

Source: Butler County Auditor's Office

CITY OF MONROE, OHIO
Revenue Bond Coverage — Water Fund — Last Ten Years

Year	Operating Revenues	Operating Expenses (1)	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
1991							
1992							
1993							
1994							
1995							
1996	\$1,680,796	\$1,863,738	\$(182,942)				
1997	1,693,610	1,671,530	22,080				
1998	788,353	550,488	237,865	\$55,000	\$78,878	\$133,878	1.78
1999	937,661	581,756	355,905	55,000	75,693	130,693	2.72
2000	860,884	697,245	163,640	60,000	72,938	132,938	1.23

Source: City of Monroe's Finance Office

(1) Operating Expenses less depreciation expense

CITY OF MONROE, OHIO
Demographic Statistics — Last Ten Years

Year	Population (1)	School Enrollment (2)	Unemployment Rate Butler County (3)
1991	4,375	9,680	5.90%
1992	4,375	9,685	6.60
1993	4,375	9,828	6.50
1994	4,375	9,895	5.40
1995	4,375	9,935	4.20
1996	4,375	9,780	3.60
1997	4,375	9,816	3.70
1998	4,375	9,656	3.30
1999	4,375	9,466	3.00
2000	7,133	9,260	2.30

(1) Source: U.S. Census, Census of population — 1990 and 2000 Federal Census

(2) Source: Middletown and Monroe Boards of Education

(3) Source: Ohio Bureau Employment Services — research and statistics

CITY OF MONROE, OHIO
Construction, Bank Deposits and Property Value — Last Ten Years

Year	Residential Construction (1)		Commercial Construction (1)		County Bank Deposits (2)	Real Property Value		
	Number of Permits	Value	Number of Permits	Value		Residential Agricultural	Industrial/Commercial	Exempt
1991	53	3,710,000	N/A	N/A	\$718,823,000	\$154,970,286	\$62,911,558	\$23,418,739
1992	38	2,660,000	N/A	N/A	904,381,000	159,593,600	65,111,604	38,840,989
1993	24	1,728,000	N/A	N/A	724,213,000	209,564,457	68,275,764	40,146,159
1994	26	1,872,000	N/A	N/A	711,686,000	229,990,686	65,848,992	39,886,068
1995	54	4,018,558	11	3,361,676	737,683,000	247,063,343	97,606,108	31,364,466
1996	62	5,212,279	16	5,782,888	800,556,000	296,077,029	128,788,288	31,935,852
1997	73	6,810,170	25	10,846,158	783,398,000	305,058,943	126,715,704	31,002,443
1998	67	6,918,840	23	11,317,246	815,435,000	322,842,829	149,845,988	31,471,875
1999	144	13,462,960	6	1,482,000	913,169,000	385,583,800	173,275,048	31,459,068
2000	153	15,500,000	17	16,380,585	1,152,810,000	399,540,314	167,462,512	29,364,250

(113)

(1) Source: City of Monroe Building Department.

(2) Source: Federal Reserve Bank of Cleveland (note: dollar amounts are in thousands)

CITY OF MONROE, OHIO
Miscellaneous Statistics
December 31, 2000

Date of Incorporation	1907
City Status	1995
Form of Government	Charter—Manager/Council
Area	9,793
Police Protection	
Number of Stations	1
Number of Policemen and Officers	35
Education (K-12) (Public Only)	
Administration Buildings	1
Bus Garage	1
Attendance Centers	2
Number of Classrooms	82
Number of Teachers	99
Number of Students	1,466
Municipal Water Department	
Miles of Water Mains	58
Sewers (owned by Butler County)	
Miles of Sanitary Sewers	58
Building Permits Issued in 2000	170
Employees	
Full-Time	76
Part-Time	32
Year round	15
Seasonal	17

Source: Various departments within the City of Monroe

**Report on Compliance and on Internal Control over
Financial Reporting Based on an Audit of Financial Statements
Performed in Accordance With *Government Auditing Standards***

City Council
City of Monroe
Monroe, Ohio

We have audited the general-purpose financial statements of the City of Monroe (City), as of and for the year ended December 31, 2000, and have issued our report thereon dated May 22, 2001. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the City's general-purpose 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 instances of noncompliance that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Exhibit A as items #00-1 and #00-2.

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 general-purpose financial statements and not to provide assurance on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be a reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment could adversely affect the City's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. Reportable conditions are described in the accompanying Exhibit A as items #00-3 and #00-4.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are considered to be material weaknesses. However, of the reportable conditions described above, we consider item #00-3 to be a material weakness.

This report is intended solely for the information of the audit committee and management and is not intended to be, and should not be, used by anyone other than these specified parties.

BKD, LLP

Cincinnati, Ohio
May 22, 2001

#00-1

Ohio Revised Code Section 5705.39 prohibits a City from appropriating amounts in excess of estimated resources. The following were in excess for the year:

Fund Type/Fund	Excess
Special Revenue Funds	
Street	\$171,166
State Highway	6,540
Police Law Enforcement	274,809
Street Lighting	9,518
Capital Projects Funds	
Park Improvements	34,009
Capital Improvements	4,798
Enterprise Funds	
Water	175,692
Garbage	3,946

#00-2

Ohio Revised Code Section 5705.41b prohibits a City from operating a fund with a deficit balance. The following funds had deficit balances for the year:

Fund Type/Fund	Fund Deficit
Special Revenue Fund	
State Highway	\$32,817
Fire Levy 2000	616,010
Police Law Enforcement	45,998
Enterprise Fund	
Sewer	711,700

#00-3

Bank Reconciliation

Bank reconciliations are an important internal control used by management to ensure that all cash transactions are recorded in the accounting records in a timely manner. To be effective, they need to be performed within a few days of month end by someone independent of cash receipts and disbursements. Reconciling items need to be investigated and adjustments made to the accounting records when necessary. Management should review the reconciliations to ensure their completion. This procedure is a crucial function in the City's internal control.

During our audit, we noted that monthly bank reconciliations had not been prepared in a timely fashion. These duties had been the responsibility of the Finance Clerk. Although the reconciliations were eventually completed, the reconciliations had not been performed in a timely manner.

We recommend that bank accounts be reconciled on a timely basis, every month. All reconciling items should be investigated for accuracy. Timely reconciliations will help safeguard the City's assets and result in more accurate financial reporting.

#00-4

Cut-off

Cut-off is an important internal control used by management to ensure that all transactions are recorded in the appropriate period. Management should review the open transaction listing along with the monthly bank reconciliation to ensure expenses and revenues are recorded in the correct reporting period.

During our audit, we noted that checks dated January 2001 were being included in the outstanding check listing for the year ended December 31, 2000. We realize that the accounting software is contributing to this problem. However, we recommend that the outstanding check listing be reviewed every month. These timely reviews will facilitate accurate financial reporting by the City.



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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CITY OF MONROE

BUTLER COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
AUGUST 7, 2001**