

Mary Taylor, CPA
Auditor of State

CITY OF PARMA
CUYAHOGA COUNTY

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City of Parma
Cuyahoga County
Federal Awards Expenditures Schedule
December 31, 2006

Federal Grantor/Pass Through Grantor/Program Title	Pass-Through Entity Number	Federal CFDA Number	Federal Expenditures	Non-Cash Expenditures
<u>U.S. Department of Health and Human Services</u>				
<i>Passed Through Western Reserve Area Agency on Aging:</i>				
Aging Cluster:				
Special Programs for the Aging - Title III-B	N/A	93.044	\$106,182	\$0
Total Special Programs for the Aging - Title III-B			<u>106,182</u>	<u>0</u>
Special Programs for the Aging - Title III-C1	N/A	93.045	10,551	51,133
Special Programs for the Aging - Title III-C2	N/A	93.045	24,813	18,970
Total Special Programs for the Aging - Title III-C			<u>35,364</u>	<u>70,103</u>
Total Aging Cluster			<u>141,546</u>	<u>70,103</u>
<i>Passed through Western Reserve Area Agency on Aging</i>				
Nutrition Services Incentive Program	N/A	93.053	0	23,787
Total U.S. Department of Health and Human Services			<u>141,546</u>	<u>93,890</u>
<u>U.S. Department of Justice</u>				
Direct Programs:				
Bulletproof Vest Partnership Program 2006	N/A	16.607	6,435	0
Total Bulletproof Vest Partnership Program 2006			<u>6,435</u>	<u>0</u>
<i>1Passed Through the State of Ohio, Office of the Attorney General:</i>				
Victims of Crime Act Grant 2005-2006	2006VAGENE573	16.575	22,210	0
Victims of Crime Act Grant 2006-2007	2007VAGENE573	16.575	7,551	0
Total Victims of Crime Act Grants			<u>29,761</u>	
Total U.S. Department of Justice			<u>36,196</u>	<u>0</u>
<u>U.S. Department of Housing and Urban Development</u>				
Direct Programs:				
Community Development Block Grant 2005	N/A	14.218	10,488	0
Community Development Block Grant 2006	N/A	14.218	1,163,140	0
Total Community Development Block Grants			<u>1,173,628</u>	<u>0</u>
<i>Passed Through Cuyahoga County Department of Development</i>				
Home Investment Partnerships Program 2006	CE-0500-155-01	14.239	88,356	0
Total Home Investment Partnerships Programs			<u>88,356</u>	<u>0</u>
Fair Housing Assistance Program	N/A	14.401	5,129	0
Total Fair Housing Assistance Program			<u>5,129</u>	<u>0</u>
Total U.S. Department of Housing and Urban Development			<u>1,267,113</u>	<u>0</u>

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

City of Parma
Cuyahoga County
Federal Awards Expenditures Schedule
December 31, 2006

<u>Federal Grantor/Pass Through Grantor/Program Title</u>	<u>Pass-Through Entity Number</u>	<u>Federal CFDA Number</u>	<u>Federal Expenditures</u>	<u>Non-Cash Expenditures</u>
<u>U.S. Department of Homeland Security</u>				
Direct Programs:				
Assistance to Firefighters Grant 2004	N/A	97.044	4,703	0
Total Assistance to Firefighters Grant			<u>4,703</u>	<u>0</u>
<i>Passed Through Cuyahoga County Department of Justice Affairs</i>				
Urban Area Security Initiative 2005	N/A	97.008	6,375	0
Total Urban Area Security Initiative			<u>6,375</u>	<u>0</u>
Total U.S. Department of Homeland Security			<u>11,078</u>	<u>0</u>
<u>U.S. Department of the Interior/National Park Service</u>				
<i>Passed Through Ohio Historic Preservation Society</i>				
Certified Local Government Grant-Henninger House	N/A	15.904	6,500	0
Total U.S. Department of the Interior			<u>6,500</u>	<u>0</u>
<u>U.S. Department of Transportation</u>				
<i>Passed Through Ohio Department of Public Safety:</i>				
Safety Incentive Grant for Use of Seat Belts - Cuyahoga County Safe Community Grant	N/A	20.600	25,105	0
Safety Incentives to Prevent Operation of Motor Vehicles by Intoxicated Persons - Cuyahoga County DUI Prevention Task Force	N/A	20.608	17,200	0
Total U.S. Department of Transportation			<u>42,305</u>	<u>0</u>
TOTAL FEDERAL AWARDS EXPENDITURES			<u>\$1,504,738</u>	<u>\$93,890</u>

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

**CITY OF PARMA
CUYAHOGA COUNTY**

**NOTES TO THE FEDERAL AWARDS EXPENDITURES SCHEDULE
DECEMBER 31, 2006**

NOTE A – SIGNIFICANT ACCOUNTING POLICIES

The accompanying Federal Awards Expenditures Schedule (the Schedule) summarizes activity of the City of Parma's (the City's) federal award programs. The schedule has been prepared on the cash basis of accounting for all programs and the City has excluded federal financial assistance reported for the Annual Contribution Contract C – Housing Assistance Payment Program.

NOTE B – MATCHING REQUIREMENTS

Certain Federal programs require that the City contribute non-Federal funds (matching funds) to support the Federally-funded programs. The expenditure of non-Federal matching funds is not included on the Schedule.

NOTE C – FOOD DISTRIBUTION

Nonmonetary assistance, meals received from the Western Reserve Area Agency on Aging, is reported on the Schedule at the value of \$1.00 per meal served.

For congregate meals, the U.S. Department of Health and Human Services allocates \$2.50 per meal. For home delivered meals, the U.S. Department of Health and Human Services allocates \$2.56 per meal.

For the year ended December 31, 2006, the City served 20,453 congregate meals and 7,410 home delivered meals through the City's Senior Citizens Center meal programs. Therefore, \$93,890 was allocated to the U.S. Department of Health and Human Services.

NOTE D – COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) REVOLVING LOAN PROGRAMS

The City has established a revolving loan program to provide low-interest loans to persons from low-moderate income households to rehabilitate homes. The Federal Department of Housing and Urban Development (HUD) grants money for these loans directly to the City. The initial loan of this money is recorded as a disbursement on the accompanying Federal Awards Expenditures Schedule (the Schedule). Loans repaid, including interest, are used to make additional loans. Such subsequent loans are subject to certain compliance requirements imposed by HUD, but are not included as disbursements on the Schedule. These loans are collateralized by mortgages on the property. At December 31, 2006, the gross amount of loans outstanding under this program was \$12,541.

The City has established a revolving loan program to provide low-interest loans to commercial entities. The Federal Department of Housing and Urban Development (HUD) grants money for these loans directly to the City. The initial loan of this money is recorded as a disbursement on the accompanying Federal Awards Expenditures Schedule (the Schedule). Loans repaid, including interest, are used to make additional loans. Such subsequent loans are subject to certain compliance requirements imposed by HUD, but are not included as disbursements on the Schedule. At December 31, 2006, the gross amount of loans outstanding under this program was \$70,577.

CFDA – Catalog of Federal Domestic Assistance.

N/A – Not applicable for direct programs; not available for pass-through programs.

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Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

City of Parma
Cuyahoga County
6611 Ridge Road
Parma, Ohio 44129

To the Members of Council:

We have audited the financial statements of the governmental activities, the business-type activities, the major funds, and the aggregate remaining fund information of the City of Parma, Cuyahoga County, Ohio, (the City) as of and for the year ended December 31, 2006, which collectively comprise the City's basic financial statements and have issued our report thereon dated January 26, 2009. 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 the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting as a basis for designing our audit procedures for expressing our opinions on the financial statements, but not to opine on the effectiveness of the City's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the City's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified a certain deficiency in internal control over financial reporting that we consider a significant deficiency.

A control deficiency exists when the design or operation of a control does not allow management or employees, in performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the City's ability to initiate, authorize, record, process, or report financial data reliably in accordance with its applicable accounting basis, such that there is more than a remote likelihood that the City's internal control will not prevent or detect a more than inconsequential financial statement misstatement.

We consider the following deficiencies described in the accompanying schedule of findings to be significant deficiencies in internal control over financial reporting: 2006-003 through 2006-005.

A material weakness is a significant deficiency, or combination of significant deficiencies resulting in more than a remote likelihood that the City's internal control will not prevent or detect a material financial statement misstatement.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and accordingly, would not necessarily disclose all significant deficiencies that are also material weaknesses. However, of the significant deficiencies described above, we believe finding number 2006-003 is also a material weakness.

We also noted certain internal control matters that we reported to the City's management in a separate letter dated January 26, 2009.

Compliance and Other Matters

As part of reasonably assuring whether the City's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect 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 an opinion. The results of our tests disclosed instances of noncompliance or other matters that we must report under *Government Auditing Standards* which are described in the accompanying schedule of findings as items 2006-001 and 2006-002.

We also noted certain noncompliance or other matters not requiring inclusion in this report that we reported to the City's management in a separate letter dated January 26, 2009.

The City's responses to the findings identified in our audit are described in the accompanying schedule of findings. We did not audit the City's responses and, accordingly, we express no opinion on them.

We intend this report solely for the information and use of the audit committee, management, City Council, and federal awarding agencies and pass-through entities. We intend it for no one other than these specified parties.



Mary Taylor, CPA
Auditor of State

January 26, 2009



Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO ITS MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

City of Parma
Cuyahoga County
6611 Ridge Road
Parma, Ohio 44129

To the Members of Council:

Compliance

We have audited the compliance of the City of Parma, Cuyahoga County, Ohio, (the City) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that apply to its major federal program for the year ended December 31, 2006. The summary of auditor's results section of the accompanying schedule of findings identifies the City's major federal program. The City's management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to its major federal program. Our responsibility is to express an opinion on the City's compliance based on our audit.

Federal programs on the Annual Contribution Contract C – Housing Assistance Payment Program are subjected to audit procedures under the OMB Circular A-133 and are reported on separately by other auditors.

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

In our opinion, the City of Parma, Cuyahoga County, Ohio, complied, in all material respects, with the requirements referred to above that apply to its major federal program for the year ended December 31, 2006. In a separate letter to the City's management dated January 26, 2009 we reported a matter related to federal noncompliance not requiring inclusion in this report.

Internal Control Over Compliance

The City's management is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the City's internal control over compliance with requirements that could directly and materially affect a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A *control deficiency* in internal control over compliance exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent or detect noncompliance with a federal program compliance requirement on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the City's ability to administer a federal program such that there is more than a remote likelihood that the City's internal control will not prevent or detect more-than-inconsequential noncompliance with a federal program compliance requirement.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that the City's internal control will not prevent or detect material noncompliance with a federal program's compliance requirements.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

Federal Awards Expenditures Schedule

We have also audited the financial statements of the governmental activities, the business-type activities, the major funds and the aggregate remaining fund information of the City of Parma, Cuyahoga County, Ohio, as of and for the year ended December 31, 2006, and have issued our report thereon dated January 26, 2009. Our audit was performed to form opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying federal awards expenditures schedule provides additional information as required by OMB Circular A-133 and is not a required part of the basic financial statements. We subjected this information to the auditing procedures applied in the audit of the basic financial statements. In our opinion, this information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

We intend this report solely for the information and use of the audit committee, management, City Council, federal awarding agencies, and pass-through entities. It is not intended for anyone other than these specified parties.



Mary Taylor, CPA
Auditor of State

January 26, 2009

CITY OF PARMA
CUYAHOGA COUNTY

SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505
DECEMBER 31, 2006

1. SUMMARY OF AUDITOR'S RESULTS

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

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

FINDING NUMBER 2006-001

Appropriations Exceeding Estimated Resources – Noncompliance Finding

Ohio Rev. Code Section 5705.39 prohibits a political subdivision from making a fund appropriation in excess of estimated resources available for expenditure from the fund. In addition, Ohio Rev. Code 5705.40 requires that any appropriation measure may be amended or supplemented as long as the entity complies with the same provisions of the law as are used in making the original appropriation. The following fund had original appropriations in excess of original estimated resources as reported on the Official Certificate of Estimated Resources.

Fund	Estimated Resources	Appropriations	Variance
Liability Insurance Fund	\$605,227	\$686,545	(\$81,318)

**CITY OF PARMA
CUYAHOGA COUNTY**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505
DECEMBER 31, 2006**

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

FINDING NUMBER 2006-001 (Continued)

Appropriations Exceeding Estimated Resources – Noncompliance Finding (Continued)

We recommend the City review appropriations and estimated resources, on a monthly basis, and make the necessary revisions to the budget and promptly submit the revisions with the County Auditor in order to comply with legal budgetary requirements.

Official's Response:

I agree with and will make a better effort to comply with the Auditor of State's recommendation.

FINDING NUMBER 2006-002

Negative Cash Fund Balance – Noncompliance Finding

Ohio Rev. Code Section 5705.10 (H) requires, in part, that money paid into any fund shall be used only for the purposes for which that fund is established. As a result, a negative fund balance indicates that money from one fund was used to cover the expenses of another fund. At September 30, 2006, the City carried a negative cash fund balance in the following funds:

Fund	Negative Cash Balance
Buffer Zone Protection Plan Grant Fund	(\$48,523)
Community Development Block Grant Fund	(\$88,589)
Parma Public Housing Fund	(\$141,691)
Land Acquisitions Fund	(\$55,124)
Housing Maintenance Code Fund	(\$14,710)
Sewer Construction Fund	(\$944,710)
Noxious Weeds Fund	(\$13,181)
Street Lighting Fund	(\$175,212)

The negative cash balances were the result of a breakdown in monitoring the City's fund balances. All negative cash fund balances except the deficit in the Parma Public Housing Fund were eliminated at year end.

At year end the Parma Public Housing Fund negative cash balance was reduced to (\$13,625).

We recommend the City review the activities of these funds periodically to ensure that adequate fund balances are maintained and to ensure that monies paid into a fund are used for the purposes for which the fund is established.

Official's Response:

The negative fund balances were the result of a breakdown in monitoring fund balances. I agree with and will make a better effort to comply with the Auditor of State's recommendation.

**CITY OF PARMA
CUYAHOGA COUNTY**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505
DECEMBER 31, 2006**

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

FINDING NUMBER 2006-003

Statement on Auditing Standards 112 - Effects on Comprehensive Annual Financial Report – Material Weakness

Paragraph 18 of the *Statement on Auditing Standards 112* documents that the identification by the auditor of a material misstatement in the financial statements for the period under audit that was not initially identified by the entity's internal control is a strong indicator of a material weakness even if management subsequently corrects the misstatement.

Sound financial reporting is the responsibility of the Auditor and the City Council and is essential to ensure the information provided to the readers of the financial statements is complete and accurate.

The following weaknesses were noted and subsequent adjustments made to the financial statements and, where applicable, to the City's accounting records:

1. The original version of the 2006 Comprehensive Annual Financial Report (CAFR) that was submitted to the Auditor of State's Local Government Services Division on June 1, 2007 contained several sections with 2005 financial information including, Management's Discussion and Analysis, Statement of Net Assets, Statement of Activities, Reconciliation of Total Governmental Fund Balances to Net Assets of Governmental Activities, Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities, Notes to the Basic Financial Statements, and Statistical Tables.
2. The second version of the 2006 CAFR, presented to the audit staff on December 27, 2007, still contained several sections of 2005 financial information.
3. Transfers in did not equal transfers out. A transfer out of the Medical Insurance (Internal Service Fund) Fund was changed to principal and interest payments. The corresponding transfer in to the Bond Retirement Fund was not changed, thereby causing transfers to not equal. Additionally, the amount reported as principal and interest payments in the Medical Insurance Fund was also reported as principal and interest payments in the Bond Retirement Fund.
4. The Statement of Cash Flows (Proprietary Funds) contains a "Totals (Memorandum)" column. The column is not necessary on this financial statement.
5. Adjusting journal entries were either incomplete or did not trace to the City's trial balances. Several adjusting journal entries did not contain the requisite support.
6. The 2006 General Fund and Nonmajor Governmental Funds reserved for encumbrances amounts were identical to the 2005 amounts. Similarly, the 2006 Nonmajor Governmental Funds reserved for loans amount was identical to the 2005 amount.
7. The City reclassified "due from other funds" to "due from other governments" on the Governmental Fund Balance Sheet. Likewise, the City reclassified "due to other funds" to "due to other governments" on the Agency Funds Statement of Fiduciary Assets and Liabilities. The reclassification was necessary to properly classify the amounts due to the City from the Parma Municipal Court.

**CITY OF PARMA
CUYAHOGA COUNTY**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505
DECEMBER 31, 2006**

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

FINDING NUMBER 2006-003 (Continued)

Statement on Auditing Standards 112 - Effects on Comprehensive Annual Financial Report – Material Weakness (Continued)

The following adjustments were inconsequential to the overall financial statements of the City and were not posted to the financial statements but were posted to the current year summary of unadjusted differences (SUD):

1. A \$9,680 SUD entry to record donations and a \$108,574 SUD entry to record intergovernmental revenue (\$118,254 total) incorrectly posted as municipal income taxes (individual) in the City Income Tax Capital Acquisition Fund.
2. A \$435,945 SUD entry in the Governmental Activities to correct an overstated 2006 liability for compensated absences due to calculation errors including the sick leave balances of employees not eligible to retire.
3. A \$2,689,409 SUD entry in the Governmental Activities to correct an overstatement of construction in progress.
4. A \$248,337 SUD entry in the Governmental Activities to correct an understatement of construction in progress and a \$197,688 SUD entry in the Government Type Activities to correct an understatement of leasehold improvements each from Parma Public Housing.
5. A \$216,797 SUD entry in the Parma Public Housing Fund (RFI) to correct an overstatement of \$260,112 in Tenant Revenue Charges For Services, an understatement of \$13,760 in Government Operating Grants, an understatement of \$27,666 in Other Revenue, and an understatement of \$1,889 in Interest Income.
6. A \$191,395 SUD entry in the Parma Public Housing Fund (RFI) to correct an overstatement in Community Environment expenditures.

The lack of controls over the posting of financial transactions and financial reporting can result in errors and irregularities that may go undetected and decreases the reliability of financial data throughout the year.

We recommend the City Council adopt policies and procedures for controls over recording of financial transactions and over financial reporting to help ensure the information accurately reflects the activity of the City and thereby increasing the reliability of the financial data throughout the year.

Official's Response:

The City will work to reduce the amount of any discrepancies in the future.

**CITY OF PARMA
CUYAHOGA COUNTY**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505
DECEMBER 31, 2006**

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

FINDING NUMBER 2006-004

Budgetary – Estimated Resources – Significant Deficiency

The City's "Revenue Status Report" should agree to data from the Cuyahoga County Auditor's Amended Official Certificate of Estimated Resources. We noted that the Original and Final Amended Official Certificates of Estimated Resources did not agree to the City's "Revenue Status Reports" for various funds the City disclosed in the Comprehensive Annual Financial Report (CAFR). It was necessary for the City to adjust the budgeted revenue activity in the budgetary statements, so the original and final budget columns in the budgetary statements would agree to the original and final Amended Official Certificates of Estimated Resources. By not posting amendments to the City's "Revenue Status Reports", from the Amended Official Certificates of Estimated Resources, the City may have funds available or not available. The funds available would not be known when relying on budgetary reports. If fund resources were reduced, the City may over-appropriate resulting in overspending. The certification of funds and budgetary information provided to Council is generated from the City's "Revenue Status Report", which if not currently updated, may allow for certification of encumbered funds, or may not provide Council with current information to base their decision to amend appropriations.

We recommend the City monitor its revenue balances to ensure proper modification of any Amended Official Certificate of Estimated Resources.

Officials' Response:

Agreed.

FINDING NUMBER 2006-005

Reconciliation and Accountability over Parma Public Housing Agency – Significant Deficiency

Parma Public Housing Agency (the Agency) prepares and submits a monthly financial reporting package (including bank statements, a void check list, and a check register) to the City Treasurer's Office. The Treasurer monitors and reconciles the Agency's bank accounts. However, the Treasurer's reconciliation did not include all of the Agency's bank accounts, such as the Sweep Money Market Savings Account included in the National City Bank Operating Account. One reason for this could be the Agency opens and closes bank accounts without properly notifying the Treasurer. The Agency's accountant prepares the Agency's financial statements which are audited annually by an independent public auditing firm. Our review of the Agency's financial records reflects financial activity which does not agree with the activity the City is reporting in their accounting ledgers. The City reported financial activity for the Agency which does not account for accrual adjustments at year-end.

We recommend the Treasurer's reconciliation include all bank accounts for the Agency, and the cash activity reported by the Agency reconcile to the City's account ledgers. Year-end accrual adjustments reported by the Agency should be included in the City's financial reporting.

Officials' Response:

We will coordinate our efforts to ensure the Parma Public Housing Agency Financial Activity is reported monthly in the City's account ledgers, opening and closing of bank accounts are approved by the Treasurer's Office and year-end accrual adjustments are included in the City's Financial reporting for the agency.

**CITY OF PARMA
CUYAHOGA COUNTY**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505
DECEMBER 31, 2006**

3. FINDINGS FOR FEDERAL AWARDS

None.

**CITY OF PARMA
CUYAHOGA COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS
OMB CIRCULAR A -133 § .315 (b)
DECEMBER 31, 2006**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain</i>
2005-001	Ohio Rev. Code Section 5705.39, appropriations exceeding estimated resources.	No	Not corrected. <i>Re-issued as 2006-001.</i>
2005-002	Ohio Rev. Code Section 5705.10, negative cash fund balances.	No	Not corrected. <i>Re-issued as 2006-002.</i>
2005-003	Ohio Rev. Code Section 4513.263(E), Parma Municipal Court Distributions.	Yes	
2005-004	Reconciliation and Accountability over Parma Public Housing Agency, financial records reflected financial activity which did not agree with the activity the City reported.	No	Not corrected. <i>Re-issued as 2006-005.</i>

CITY OF PARMA, OHIO

Comprehensive Annual Financial Report

For the year ended December 31, 2006

Issued by the
Office of the Auditor

Dennis M. Kish
Auditor

City of Parma, Ohio
Comprehensive Annual Financial Report
For the year ended December 31, 2006
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DEAN DEPIERO
MAYOR

6611 Ridge Road

Parma, OH 44129

Phone: 440-885-8001

Fax: 440-885-8172

www.cityofparma-oh.gov

January 26, 2009

A message from Mayor Dean DePiero:

The following report reflects the financial accounting for the 2006 fiscal year.

I am happy to say maintaining Parma's existing housing stock and attracting new residential development is a priority and is paying huge dividends. Our motto, Progress Through Partnerships, is also proving to be more than just a saying. Generally speaking, our city is holding its own under these extremely tough economic times.

My administration still continues to commit itself to providing our residents and businesses with excellent municipal services while living with a strict budget. Municipal operations have been streamlined for maximum efficiency and cost savings.

Economic Development has been a prime focus as plans turn into reality for several storefront refurbishing projects and programs. We continue attracting new commerce to our city and greatly improve on what we have already created.

Recent examples include the lead we have taken in assisting residents to avoid foreclosure, continued major road resurfacing projects in several areas of the city, improvement programs at the Michael A Ries Ice Rink, working with First Merit Bank and other businesses in new construction programs and plans to build a new Veterans Administration Health Clinic along Brookpark Road.

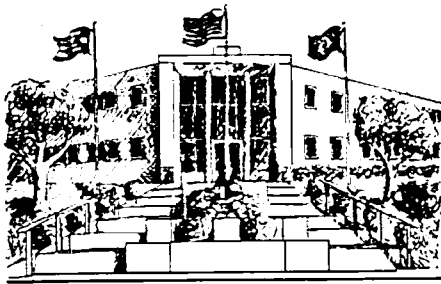
In addition, our Senior Center, renamed the Donna Smallwood Activities Center and Area Agency on Aging, continues to provide exceptional services to Parma's senior population. And our Department of Parks and Recreation continues to do a magnificent job in providing a host of offerings to residents – both young and the young at heart.

In short, we are continuing to enhance our municipal services that residents have come to expect, and we continue to explore new services. Parma's image remains positive and pro-active on all fronts.

I hope that you find this report to reflect the fine work of my administration. I look forward to serving the great city of Parma and its citizens.

Sincerely,

DEAN DePIERO
Mayor



City of Parma, Ohio

6611 Ridge Road • Parma, Ohio 44129

Phone: 440-885-8024

DENNIS M. KISH
AUDITOR

January 26, 2009

Honorable Mayor Dean DePiero
City of Parma Council and
Citizens of the City of Parma, Ohio

Introduction

We are pleased to submit this Comprehensive Annual Financial Report (CAFR) of the City of Parma, Ohio, (the "City") for the year ended December 31, 2006. This report, prepared by the Office of the Auditor, includes the basic financial statements that summarize the various operations and cash flows related to the City's 2006 activities. Our intention is to provide a clear, comprehensive, and materially accurate overview of the City's financial position at December 31, 2006. The enclosed information has been designed to allow the reader to gain an understanding of the City's finances, including financial trends, financial instruments, and fund performances. The City has complete responsibility for all information contained in this report.

This report consists of management's representations concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the City has established a comprehensive internal control framework that is designed both to protect the City's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with accounting principles generally accepted in the United States of America ("GAAP"). Because the cost of internal controls should not outweigh their benefits, this comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City's financial statements have been audited by the Auditor of the State of Ohio. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ended December 31, 2006, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The Auditor of State concluded, based upon its audit, that there was a reasonable basis for rendering an unqualified opinion that the City's financial statements for the fiscal year ended December 31, 2006, are fairly presented in conformity with GAAP. The Auditor of State's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the City was part of a broader, federally mandated “Single Audit” designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government’s internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the City’s separately issued Single Audit Report.

GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of a Management’s Discussion and Analysis (“MD&A”). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City’s MD&A can be found immediately following the Auditor of State’s Independent Accountants’ Report.

Structure of this Comprehensive Annual Financial Report

This CAFR is designed to assist the reader in understanding the City’s finances. This CAFR consists of the following sections:

The Introductory Section, which includes this letter of transmittal and contains information pertinent to the City’s management and organization;

The Financial Section contains the Independent Accountants’ Report, Management’s Discussion and Analysis (MD&A), Basic Financial Statements, and various other statements and schedules pertaining to the City’s funds and activities;

The Statistical Section contains numerous tables of financial and demographic information. Much of this information is shown with comparative data for the ten-year period from 1997 through 2006.

References throughout this report to Note 1, Note 2, etc., are to the notes to the financial statements included in the Financial Section of this CAFR.

Profile of the Government

The City

The City is a municipal corporation and political subdivision of the State of Ohio. It is located in Cuyahoga County in northeastern Ohio, approximately eight miles south of the downtown center of the City of Cleveland.

The City is part of the Cleveland-Akron Ohio Consolidated Metropolitan Statistical Area (“CMSA”), which is comprised of Ashtabula, Cuyahoga, Lake, Lorain, Geauga, Medina, Portage, and Summit counties. This CMSA is the 16th largest of 280 Metropolitan Areas in the United States, and the largest Metropolitan Area in the State of Ohio. Parma is the seventh largest city in the State of Ohio.

City Government

The City is a political subdivision of the State of Ohio and is operated according to state statute. The City was originally established as a township in 1826, incorporated as a village in 1924, and organized as a city in 1931. The City operates under, and is governed by, the Mayor/Council form of government in accordance with general laws. Under the Ohio Constitution, the City may exercise all powers of local self-government to the extent not in conflict with applicable general laws.

The City's chief executive and administrative officer is the Mayor, elected by the voters for a four-year term. Dean DePiero was elected as Mayor of the City in November 2003, and began his first term on January 1, 2004. Prior to assuming office as Mayor, Mr. DePiero served as a member of the Ohio House of Representatives and as a member of the City of Parma Council. The Mayor is the chief conservator of peace within the City. He may appoint and remove the director of public service, the director of public safety and the heads of the sub departments of public service and public safety. The Mayor approves every ordinance or resolution of the City before it goes into effect. If he approves the ordinance or resolution, he will sign and return it to Council. If he does not approve it, he will return it with his objections, which may be overridden by a two-thirds vote of all members of Council. The Mayor sees that all ordinances, bylaws, and resolutions of Council are faithfully obeyed and enforced. He signs all commissions, licenses, and permits.

Legislative authority is vested in a nine-member Council. Nine members are elected from wards for two-year terms. The Council fixes compensation of City officials and employees, and enacts ordinances and resolutions relating to City services, tax levies, appropriating and borrowing money, licensing and regulating businesses and trades and other municipal purposes. The powers of Council are legislative. The presiding officer is the President of Council. Other elected officials include the Law Director, Auditor, Treasurer, Judges, and Clerk of the Municipal Court.

The Law Director defends and acts as legal counsel for all complaints, lawsuits, and other controversies naming as a party the City, any board or agency of the City or the Parma Municipal Court. The Law Director confers with and renders legal opinions to elected officials and department heads pertaining to City matters, and prepares all legislation requested by Council, the Administration, and department heads. When requested by the Parma City School District, the Law Director renders legal opinions, defends lawsuits, and reviews contracts and leases for the school district.

The City Auditor is the City's chief fiscal and accounting officer. The Auditor's duties include maintaining the accounting records, preparing monthly and year-end reports, and ensuring that expenditures do not exceed appropriations. The Auditor has charge of the financial affairs of the City, including the keeping and supervision of all City accounts.

The City Treasurer has custody of all City monies, is responsible for investing City funds, and oversees the operation of the income tax department. He is also involved in the financing of City operations and capital construction through the issuance of short-term notes and long-term bonded debt.

The Mayor, Law Director, Auditor, and Treasurer are all elected to four-year terms.

Financial Reporting Entity

The City has applied guidelines established by Governmental Accounting Standards Board ("GASB") Statement No. 14, *The Financial Reporting Entity*. Provisions outlined in this statement define the operational, functional and organizational units for which the City "acting as Primary Government" is required to include as part of its reporting entity. The inclusion of a component unit as part of the City's reporting entity requires the appointment of a voting majority of the component unit's board, and either (1) the City's ability to impose its will over the component unit, or (2) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the City. Currently, the City does not have any component units.

Under these provisions, the City's financial reporting entity acts as a single rather than multi-component unit. The provisions permit the entity to include all funds, agencies, and boards and commissions that, by definition, comprise components within the primary government itself. For the City, these components include police and fire protection services, parks and recreation, health, select social services, and general administrative services. The City's only enterprise activity is a municipal golf course.

In accordance with GASB Statement No. 14, the Parma Community General Hospital Association and the Southwest Council of Governments are jointly governed organizations for which the City has no ongoing financial interest or responsibility. Neither of these organizations are included within the City's reporting entity.

Internal Control

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

Consistent with the aforementioned safeguarding of assets, all employees of the City are covered by a blanket bond while certain individuals in policy-making roles are covered by a separate, higher limit bond coverage.

As a recipient of federal, state and county financial assistance, the City is also responsible for maintaining a rigorous internal control structure that ensures full compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by management and the City's external auditors. The City is required to undergo an annual audit in conformity with the provisions of the Single Audit Act Amendments of 1996 and U.S. Office of Management and Budget circular A-133, *Audits of State and Local Governments and Non-profit Organizations*. The information related to the Single Audit, including the federal awards expenditures schedule, findings and recommendations, and auditor's reports on the internal control structure and compliance with applicable laws and regulations, is included in a separate report.

Accounting and Financial Reporting

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 types of funds to be used are determined by GAAP and the number of individual funds established is determined by sound financial administration. Each fund is a separate accounting entity with its own self-balancing set of accounts, assets, liabilities, and fund balance. The City's governmental funds include the General Fund, Special Revenue Funds, Debt Service Funds, and Capital Projects Funds. The City's Proprietary Funds are its Enterprise Funds that provide services to the general public, and Internal Service Funds that provide services to City departments, and divisions. The City also maintains Fiduciary Funds to account for assets held by the City as an agent or in a trust capacity for individuals, private organizations and other governments.

Except for budgetary purposes, the basis of accounting used by the City conforms to GAAP as applicable to governmental units. All governmental funds are accounted for using a current financial resources-current assets and current liabilities-measurement focus. The modified accrual basis of accounting is utilized for governmental funds. Revenues are recognized when they are susceptible to accrual (both measurable and available). Expenditures are recognized when the related liability is incurred, except for interest on long-term debt which is recorded when due.

The measurement focus of the City's enterprise and internal service funds is on the flow of total economic resources (all assets and liabilities). The accrual basis of accounting (revenues are recognized when earned and expenses when incurred) is utilized for the enterprise and internal service funds.

The City's basis of accounting for budgetary purposes differs from GAAP in that revenues are recognized when received, rather than when susceptible to accrual (measurable and available), and encumbrances are included as expenditures rather than included in fund balances.

For the year ended December 31, 2004, the City changed its financial reporting to comply with GASB Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*. Accordingly, government-wide financial statements, which include all governmental and proprietary funds, are presented on the full accrual basis of accounting. As permitted under the implementation provisions of GASB Statement No. 34, the historical cost of infrastructure assets acquired, significantly reconstructed or that received significant improvements prior to January 1, 1980 have not been included as part of governmental capital assets in the government-wide financial statements. The City will include infrastructure assets placed in service after January 1, 1980 but prior to January 1, 2003 in the government-wide financial statements as permitted under the implementation provisions of GASB Statement No. 34. In conjunction with the implementation of GASB 34, the City has also adopted GASB Statement No. 38, *Certain Financial Statement Note Disclosures*, which rescinds some and modifies other financial statement disclosure requirements.

Budgeting Procedures

Detailed provisions for City budgeting, tax levies and appropriations are made in the Ohio Revised Code. The procedures involve review by Cuyahoga County officials at several steps.

City budgeting for a fiscal year formally begins with the preparation, and then the adoption after a public hearing in July, of a tax budget for the following fiscal year. For debt service, the tax budget must show the amounts required, the estimated receipts for payment from sources other than ad valorem property taxes, the net amount for which a property tax levy must be made, and the portions of that levy to be inside and outside the ten-mill limitation. The tax budget is then presented for review by the County Budget Commission comprised of the County Auditor, County Treasurer and Prosecuting Attorney.

As part of that review, the County Budget Commission determines and approves levies for debt service outside and inside the ten-mill limitation. The Ohio Revised Code provides that "if any debt charge is omitted from the budget, the commission shall include it therein."

Upon its approval of the tax budget, the County Budget Commission certifies its action to the City together with the estimate by the County Auditor of the tax rates outside and inside the ten-mill limitation. Thereafter, and before the end of the current calendar year, the Council approves the tax levies and certifies them to the proper County officials. The approved and certified tax rates are then reflected in the tax bills sent to property owners. Real property taxes are payable in two installments, the first usually in January and the second in July.

A temporary appropriation ordinance 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. Annual appropriations may not exceed the County Budget Commission's official certificate of estimated resources, and the County Auditor must certify that the City's appropriation measures do not appropriate monies in excess of the amounts set forth in those estimates.

Appropriations are adopted and control is maintained at the fund/department level for personal services and other expenditures. Estimated expenditure amounts must be encumbered prior to the release of purchase orders to vendors or finalization of other contracts.

Factors Affecting Financial Condition

The City provides the full range of municipal services. These services include a municipal court, police, fire, emergency medical, recreation (including parks, skating, swimming and golf), street construction, maintenance and repair, contracting refuse collection, sewer services and repair, community development, public health and welfare and general administrative services. The primary government includes all departments that provide these services.

Major Industries, Economic Conditions, and Employment

The Parma Metal Fabrication Division of General Motors Corporation continues to be the largest contributor to the City in the area of income and property tax. In a move to reduce future pension obligations and retiree health care costs, General Motors offered an employee buyout program this year. The Parma plant currently employs 2,250 workers. The Metal Fabrication Division serves a variety of General Motors product lines and is not heavily dependent on one vehicle type.

GrafTech International Ltd. moved its global headquarters from Wilmington, Delaware to Parma earlier this year. GrafTech has been operating a world class research development facility in Parma and manufactures high-tech thermal management products used in consumer electronics. The move to Parma created 25 very high paying jobs, with the possibility of an additional 30 to 40 jobs depending on state approval of incentives.

Parma voters approved a one half percent income tax increase in May 2006 raising the city's rate from two percent to two and one half percent. The vote was accompanied by a restoration of the income tax credit granted to residents working outside of the city. The credit is 100% of the first 2% paid as income tax to another city.

Current Year Projects

Construction has begun on two new fire stations that will replace the existing stations that serve the north end of the City. The new stations are expected to be completed in May, 2007.

Numerous vehicles and pieces of equipment have been received or are awaiting delivery to the City's Service, Police, and Fire departments. These purchases replace aging equipment and vehicles in those departments. Most acquisitions were financed as capital leases funded by the City's Income Tax Capital Acquisitions fund.

The City has been successful in receiving federal assistance of approximately \$280,000 to address neighborhood sanitary sewer projects. In addition, the City continues to receive assistance from the State of Ohio for these very costly projects. These funding sources will reduce the amount of project costs borne by benefiting property owners as special assessments.

Future Economic Outlook

Parma Community General Hospital (PCGH) continues to serve as an important resource for the community, not only as a health care provider but also as an employer and a philanthropic partner. The Hospital is the second largest employer behind General Motors. As a not-for-profit hospital, any earnings in excess of expenditures stay in the community and are fed back to improve residents' health status and enhance available services. Parma Hospital receives no taxpayer support.

Cash Management

The City strictly adhered to the regulations set forth in the Ohio Revised Code to ensure the safety of its investments. All deposits are made under contracts with local banking institutions.

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 one hundred five percent of the public funds on deposit. The collateral is held by trustees, including the Federal Reserve Bank and designated third party trustees, of the financial institutions.

The City's investment policies ensure efficient and profitable use of the City's cash resources and reduce the credit and market risks associated with the deposit and investment of City funds. Significant elements of the City's current cash management program include the following objectives:

- A more streamlined bank account structure;

- On-line connection to banks that advise the City of funds available each day for disbursement and investment;

- Improved control over the timing of disbursements;

- More sophisticated management of the City's investment portfolio;

- Reconciliation of investments to the market value of the collateral pledged;

- Investments transacted on a delivery versus payment basis.

Risk Management

During 2006, the City of Parma's Liability Self Insurance Program continued under the authority of Section 2744.08 of the Ohio Revised Code. The program's goal is to minimize loss potential in all areas of City operations. In order to reduce the City's loss potential, the City has instituted procedural changes in both its self insurance program and day-to-day operations, while initiating additional loss control policies.

The City's Self Insurance Risk Management Program has accepted the following types of potential loss exposures through its Self Insurance Risk Management program: general liability, automobile liability, law enforcement liability, fire department liability, fire department errors and/or omissions, public officials and employees legal liability, and property loss including contents and boilers.

The City is in the 19th year of a medical insurance self insurance program. The level of risk assumed is limited by the City's purchase of specific stop-loss coverage on a per-person basis.

The City continued to participate in the retrospective rating plan in accordance with the State of Ohio Bureau of Workers' Compensation. Under this plan, the City agrees to pay a fraction of the premium it would normally pay, while accepting the responsibility of reimbursing workers' claims as they become due. The City may benefit from this plan not only from lower initial minimum payments, but also from the cashflow accumulation the City realizes. The level of risk assumed by the City is limited to a maximum of two times the experience-rated annual premium with a \$250,000 per claim limit. The various safety and loss control programs initiated under the self insurance program have, as expected, impacted favorably on the workers' compensation costs to date and are expected to save the City additional amounts throughout the future. The City is comfortable with the degree of risk it has assumed under this plan.

Awards and Acknowledgements

The Independent Audit: The City of Parma is not legally required to prepare a CAFR. However, we believe that in these times of economic uncertainty, the City is best served by producing a CAFR that aspires to the highest level of national standards. Furthermore, we believe an independent audit is an essential element in financial control. We are pleased that Mary Taylor, CPA, Auditor of State, has chosen to audit the City of Parma. The Independent Accountants' Report on the basic financial statements is included in this report.

Acknowledgments: The preparation of this report could not have been accomplished without the efficient and dedicated service of the Office of the Auditor. We would also like to thank the Mayor, his cabinet, and members of City Council. Without their continued support, the Office of the Auditor could not have maintained the financial management practices required to ensure the financial integrity of the City. We would like to thank the representatives of the Auditor of the State of Ohio for their efforts and professional conduct throughout the audit engagement.

Sincerely,

Dennis M. Kish

Dennis M. Kish
Auditor



The Government Finance Officers Association
of the United States and Canada

presents this

AWARD OF FINANCIAL REPORTING ACHIEVEMENT

to

Dennis M. Kish

Auditor

City of Parma, Ohio



The award of Financial Reporting Achievement is presented by the Government Finance Officers Association to the individual(s) designated as instrumental in their government unit achieving a Certificate of Achievement for Excellence in Financial Reporting. A Certificate of Achievement is presented to those government units whose annual financial reports are judged to adhere to program standards and represents the highest award in government financial reporting.

Executive Director

Date January 31, 2007

PRINCIPAL CITY OFFICIALS

Mayor	Dean E. DePiero	Law Director	Timothy G. Dobeck
Auditor	Dennis M. Kish	Treasurer	Anthony Zielinski
Clerk of Courts	Martin E. Vittardi	Judge	Mary Dunning
Judge	Kenneth Spanagel	Judge	Timothy P. Gilligan

CITY COUNCIL

President of Council	Charles M. Germana	Clerk of Council	Tom Mastroianni
Ward 1	Mary Galinas	Ward 2	Sean Brennan
Ward 3	Nicholas Celebrezze	Ward 4	Brian Day
Ward 5	Thomas Regas	Ward 6	Larry Napoli
Ward 7	Kenneth Ramser	Ward 8	Scott Tuma
Ward 9	Roy J. Jech		

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Parma
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2005

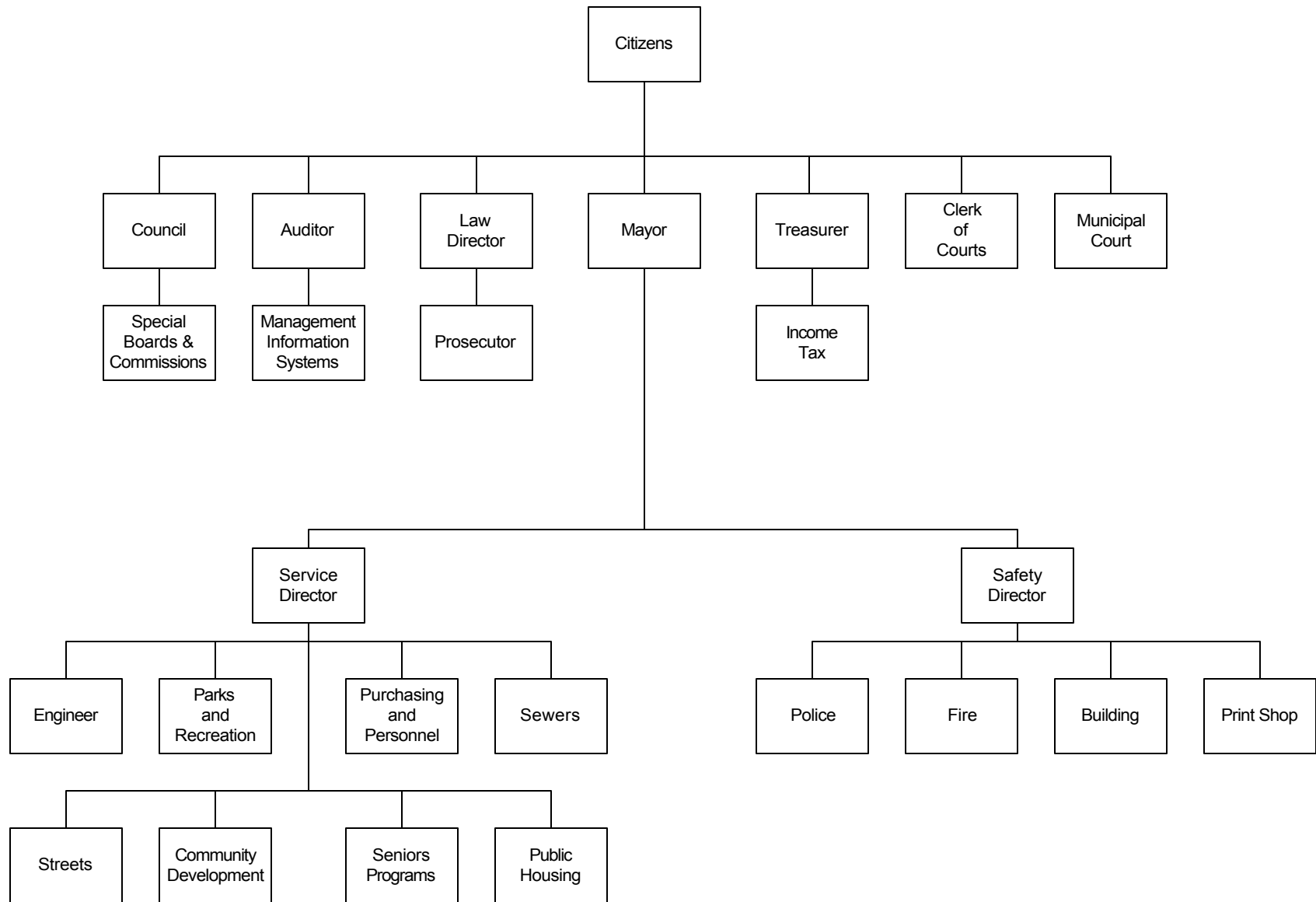
A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards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



President

Executive Director

ORGANIZATION CHART





Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

City of Parma
Cuyahoga County
6611 Ridge Road
Parma, Ohio 44129

To the Members of Council:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Parma, Cuyahoga County, Ohio, (the City), as of and for the year ended December 31, 2006, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure 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 our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Parma, Cuyahoga County, Ohio, as of December 31, 2006, and the respective changes in financial position and where applicable, cash flows, thereof and the budgetary comparison for the General Fund 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 January 26, 2009, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

Management's Discussion and analysis is not a required part of the basic financial statements but is supplementary information accounting principles generally accepted in the United States of America requires. We have applied certain limited procedures, consisting principally of inquiries of management regarding the methods of measuring and presenting the required supplementary information. However, we did not audit the information and express no opinion on it.

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We conducted our audit to opine on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual nonmajor fund statements and schedules and statistical tables provide additional information and are not a required part of the basic financial statements. We subjected the combining and individual nonmajor fund statements and schedules to the auditing procedures applied in the audit of the basic financial statements. In our opinion, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole. We did not subject the introductory section and statistical tables to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

A handwritten signature in cursive script that reads "Mary Taylor".

Mary Taylor, CPA
Auditor of State

January 26, 2009

City of Parma, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2006
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The discussion and analysis of the City of Parma's (the City) financial performance provides an overall review of the City's financial activities for the year ended December 31, 2006. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the transmittal letter and the basic financial statements to enhance their understanding of the City's financial performance.

FINANCIAL HIGHLIGHTS

Key financial highlights for 2006 are as follows:

- The assets of the City exceeded its liabilities at December 31, 2006 by \$43,770,028 (net assets). Of this amount, \$6,204,623 (unrestricted net assets) may be used to meet the government's ongoing obligations to citizens and creditors.
- Of the \$43,770,028 of net assets, business-type activities account for \$1,763,614 of net assets, while governmental activities net assets were \$42,006,414.
- The City's net assets increased by \$20,311,983 during 2006 due to close monitoring of expenses.
- Business-type net assets increased by \$87,194. The increase in business-type net assets was primarily attributed to a decrease in operating expenses.
- Governmental activities net assets increased by \$20,224,789. The primary component of the net increase was close monitoring of expenses.
- At the end of the current fiscal year, unreserved fund balance for the general fund was \$3,315,293 and is available for spending at the City's discretion. The unreserved fund balance equals 7.70 percent of total current year general fund expenditures.
- The City's total governmental activities long-term debt decreased by \$612,802 (1.4 percent) during the current fiscal year. The decrease was primarily attributable to payment of governmental activities debt agreements.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

Government-wide Financial Statements. The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business. The statement of net assets and the statement of activities provide information about the activities of the whole city, presenting both an aggregate view of the City's finances and a longer-term view of those assets. Major fund financial statements provide the next level of detail.

The statement of net assets presents information on all of the City's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

City of Parma, Ohio
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The statement of activities presents information showing how the City's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City principally include: general government, public service, public safety, human resources, community development, public health, parks and recreation, and economic development. The business-type activities of the City consist of a municipal golf course. The City also has liability self-insurance, medical insurance, and worker's compensation internal service funds.

The government-wide financial statements can be found starting on page 29 of this report.

Fund Financial Statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on the near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements. For governmental funds, these statements tell how services were financed in the short term as well as what dollars remain for future spending. The fund financial statements also look at the City's most significant funds with all other nonmajor funds presented in total in one column.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the City's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains 74 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Debt Service Fund, City Income Tax Capital Acquisitions Fund and Fire Department Building Fund; all of which are considered to be major funds. Data from the other 70 nonmajor governmental funds are combined into a single fund, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The City adopts an annual appropriated budget for each of its governmental funds. A budgetary comparison schedule (non-GAAP basis) has been provided for each major and nonmajor fund to demonstrate budgetary compliance.

The basic governmental fund financial statements can be found starting on page 32 of this report.

Proprietary funds. The City maintains four proprietary funds. Enterprise funds are used to report the same

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functions presented as business-type activities in the government-wide financial statements. The City uses an enterprise fund to account for its golf course operations. Internal service funds are an accounting device used to accumulate and allocate costs internally throughout the City's various functions. The City uses internal service funds to account for its liability self-insurance, medical insurance, and workers' compensation insurance operations. Because these services predominantly benefit governmental rather than business-type functions, they have been included within the governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Golf Course Fund, which is considered to be a major fund of the City. Conversely, internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.

The basic proprietary fund financial statements can be found starting on page 46 of this report

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The City only has agency funds.

The basic fiduciary fund financial statements can be found on page 50 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 51-82 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain other information that the City believes readers will find useful. After the notes to the financial statements, the combining statements referred to earlier in connection with nonmajor governmental and proprietary funds are presented, as well as individual detailed budgetary comparisons for nonmajor funds. This information can be found on pages 84 - 209 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

While this document contains information about the funds used by the City to provide services to our citizens, the view of the City as a whole looks at all financial transactions and asks the question "How did we do financially during 2006?" The Statement of Net Assets and the Statement of Activities answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by the private-sector. The basis of this accounting takes into account all of the current year's revenues and expenses regardless of when the cash is received or paid. These two statements report the City's net assets and the changes in those assets. The change in assets is important because it tells the reader whether, for the City as a whole, the financial position of the City has improved or diminished. However, in evaluating the overall position of the City, non-financial information such as changes in the City's tax base and the condition of the City's capital assets will also need to be evaluated. The Statement of Net Assets and the Statement of Activities are divided into the following categories:

- Assets
- Liabilities
- Net Assets (Assets minus Liabilities)
- Program Revenues and Expenses
- General Revenues
- Net Assets Beginning of Year and Year End

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The City of Parma as a Whole

Information regarding the government-wide net assets of the City is presented in the following table.

Table 1 Net Assets
Summary Statement of Net Assets

	Governmental Activities		Business-Type Activities		Total	
	2006	2005	2006	2005	2006	2005
Current and other assets	\$ 38,011,632	\$ 40,840,842	\$ 350,186	\$ 305,883	\$ 38,361,818	\$ 41,146,725
Capital assets	59,030,665	36,143,800	1,536,747	1,490,490	60,567,412	37,634,290
<i>Total assets</i>	<u>97,042,297</u>	<u>76,984,642</u>	<u>1,886,933</u>	<u>1,796,373</u>	<u>98,929,230</u>	<u>78,781,015</u>
Long-term liabilities outstanding	42,910,470	43,523,272	99,296	50,899	43,009,766	43,574,171
Other liabilities	12,125,413	11,679,745	24,023	69,054	12,149,436	11,748,799
<i>Total liabilities</i>	<u>55,035,883</u>	<u>55,203,017</u>	<u>123,319</u>	<u>119,953</u>	<u>55,159,202</u>	<u>55,322,970</u>
Invested in capital assets, net of related debt	22,203,519	1,039,333	1,488,573	1,439,591	23,692,092	2,478,924
Restricted for:						
Debt service	918,284	376,783	0	0	918,284	376,783
Security of persons and property	1,938,774	1,858,825	0	0	1,938,774	1,858,825
Transportation	1,015,098	1,158,788	0	0	1,015,098	1,158,788
Community environment	874,727	601,606	0	0	874,727	601,606
Basic utility services	0	28,438	0	0	0	28,438
Leisure time activities	416,415	398,793	0	0	416,415	398,793
Capital projects	8,710,015	13,128,871	0	0	8,710,015	13,128,871
Unrestricted	5,929,582	3,190,188	275,041	236,829	6,204,623	3,427,017
<i>Total net assets</i>	<u>\$ 42,006,414</u>	<u>\$ 21,781,625</u>	<u>\$ 1,763,614</u>	<u>\$ 1,676,420</u>	<u>\$ 43,770,028</u>	<u>\$ 23,458,045</u>

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. For the City, assets exceeded liabilities by \$43,770,028 at the close of the fiscal year.

The largest portion of the City's net assets (19.9 percent) is restricted for capital projects such as the construction and renovation of City buildings and the acquisition of new equipment. The second largest portion of the City's net assets (14.2 percent) is the unrestricted portion of net assets.

The portion of the City's net assets (54.1 percent) reflected its investments in capital assets (e.g., land, land improvements, buildings, and equipment), is less any related debt to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other resources, since the capital assets themselves cannot be used to liquidate these liabilities.

Total net assets increased \$20,311,983 with governmental net assets comprising \$20,224,789 and business-type activities comprising \$87,194 of that amount.

In order to further understand what makes up the changes in net assets for the current year, the following table gives readers further details regarding the results of activities for the current year.

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Table 2
Changes in Net Assets
For the Fiscal Year Ended December 31, 2006

	Governmental Activities		Business-Type Activities		Total	
	2006	2005	2006	2005	2006	2005
Revenues						
Program revenues						
Charges for services	\$ 8,716,848	\$ 8,104,262	\$ 1,097,743	\$ 1,109,855	\$ 9,814,591	\$ 9,214,117
Operating grants, contributions, and interest	10,923,055	11,170,879	0	0	10,923,055	11,170,879
Capital grants and contributions	15,098,839	1,284,645	0	0	15,098,839	1,284,645
General revenues						
Property taxes	7,099,183	9,567,256	0	0	7,099,183	9,567,256
Income taxes	34,227,638	32,379,903	0	0	34,227,638	32,379,903
Grants and entitlements						
not restricted to specific programs	6,606,382	7,274,856	0	0	6,606,382	7,274,856
Investment earnings	785,950	178,282	29,142	3,883	815,092	182,165
Other	22,454	219,401	0	0	22,454	219,401
Total revenues	<u>83,480,349</u>	<u>70,179,484</u>	<u>1,126,885</u>	<u>1,113,738</u>	<u>84,607,234</u>	<u>71,293,222</u>
Program expenses						
General government						
Legislative and executive	24,630,598	20,139,708	0	0	24,630,598	20,139,708
Security of persons and property	21,156,733	25,812,065	0	0	21,156,733	25,812,065
Public health and welfare	286,944	252,385	0	0	286,944	252,385
Transportation	3,475,493	5,787,684	0	0	3,475,493	5,787,684
Community environment	7,242,093	7,891,365	0	0	7,242,093	7,891,365
Basic utility services	1,692,226	4,118,042	0	0	1,692,226	4,118,042
Leisure time activities	3,103,218	3,868,265	0	0	3,103,218	3,868,265
Interest and fiscal charges	1,668,255	1,750,036	0	0	1,668,255	1,750,036
Golf course	0	0	1,039,691	1,137,156	1,039,691	1,137,156
Total expenses	<u>63,255,560</u>	<u>69,619,550</u>	<u>1,039,691</u>	<u>1,137,156</u>	<u>64,295,251</u>	<u>70,756,706</u>
Change in net assets	<u>\$ 20,224,789</u>	<u>\$ 559,934</u>	<u>\$ 87,194</u>	<u>\$ (23,418)</u>	<u>\$ 20,311,983</u>	<u>\$ 536,516</u>

Governmental Activities. Several types of revenues fund our governmental activities, with the City income tax being the biggest contributor. The income tax rate was 2 percent for 2006. Both residents and non-residents who work inside the City are subject to the income tax. However, if residents work in a locality that has municipal income tax, the City provides 0.50 percent credit to those who pay income tax to another city. The income tax revenue for 2006 was \$34,227,638. Of the \$83,480,349 in total revenues, income tax accounts for 41.0 percent of that total. Property taxes of \$7,099,183 account for 8.5 percent of total revenues. Operating grants, contributions, and interest, capital grants and contributions, and general revenues from grants and entitlements account for 40.1 percent of total revenues, and charges for services and other revenue make up the remaining 10.4 percent.

General revenues from grants and entitlements, such as local government funds, are also a large revenue generator. The City monitors its sources of revenues very closely for fluctuations, especially income tax.

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Total expenses of governmental activities for 2006 were \$63,255,560. The largest program function for the City relates to general government – legislative and executive. General government – legislative and executive accounted for program expenses of \$24,630,598 which is 38.9 percent of the program expenses for governmental activities. Security of persons and property is the next largest program expense at 33.4 percent, followed by community environment expenses of 11.5 percent. Public health and welfare, transportation, basic utility services, leisure time activities, and interest and fiscal charges comprised 16.2 percent.

Business-Type Activities. Business-type activities increased the City's net assets by \$87,194. Charges for services decreased by \$12,112 and operating expenses decreased by \$97,465. Total expenses of business-type activities were \$1,039,691 for the golf course operations.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. Information about the City's governmental funds begins on page 32. These funds are accounted for by using the modified accrual basis of accounting.

As of December 31, 2006, the City's governmental funds reported combined ending fund balances of \$17,772,811. Of that amount \$17,203,056 constitutes unreserved fund balances, which is available for spending at the government's discretion. The remainder of the fund balance, \$569,755, is reserved to indicate that it is not available for new spending because it has already been committed to liquidate contracts and purchase orders of the prior period or is reserved for inventory and loans.

The General Fund had total revenues of \$42,000,844 and expenditures of \$43,074,737, thereby decreasing the General Fund's fund balance by \$1,073,893 to \$3,681,075.

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, the unreserved fund balance of the General Fund was \$3,315,293, while the total fund balance was \$3,681,075. As a measure of the General Fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 7.70 percent of total general fund expenditures, while total fund balance represents 8.55 percent of that same amount.

Proprietary funds. The City's proprietary fund provides the same type of information found in the government-wide financial statements, but in more detail. Unrestricted net assets of the Ridgewood Municipal Golf Course at the end of the year amounted to \$275,041. Other factors concerning the finances of this fund have already been addressed in the discussion of the City's business-type activities.

GENERAL FUND BUDGETARY ANALYSIS

The City's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the General Fund.

During the course of 2006, the City amended its General Fund budget numerous times. All recommendations for a budget change come from the City Auditor to the Finance Committee of Council for review before going to the whole council for ordinance enactment on the change. With the general fund supporting many of our major activities

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such as our police and fire departments, as well as most legislative and executive activities, the General Fund is monitored closely looking for possible revenue shortfalls or over spending by individual departments.

For the General Fund, original and revised budgeted revenues were \$40,948,280 and \$41,210,696, respectively. Very conservative revenue projections at the beginning of the year played out as actual revenues were very close to projections. Actual revenues were \$42,297,215.

The City's ending unencumbered cash balance in the general fund was \$2,263,146.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital assets: The City's investment in capital assets for its governmental and business-type activities as of December 31, 2006, amounts to \$ 60,567,412 (net of accumulated depreciation). This investment in capital assets includes land, land improvements, buildings, equipment; vehicles, software, and infrastructure. As permitted under the implementation provisions of GASB Statement No. 34, the historical cost of infrastructure assets acquired, significantly reconstructed or that received significant improvements prior to January 1, 1980 have not been included as part of governmental capital assets in the government-wide financial statements. Infrastructure assets placed in service after December 31, 2002 have been included as part of governmental capital assets in the government-wide financial statements. The total increase in the City's investment in capital assets for the current fiscal year was 60.94 percent (a 63.32 percent increase for governmental activities and a 3.10 percent increase for business-type activities). A summary of the City's capital assets at December 31, 2006 is as follows:

Table 3
Capital Assets (net of depreciation)

	Governmental Activities		Business-type Activities		Total	
	2006	2005	2006	2005	2006	2005
Capital assets - non depreciable						
Land	\$6,423,324	6,169,266	1,078,077	1,078,077	7,501,401	7,247,343
Construction in progress	\$27,069,675	4,503,092	0	0	27,069,675	4,503,092
Total capital assets - non depreciable	33,492,999	10,672,358	1,078,077	1,078,077	34,571,076	11,750,435
Capital assets - depreciable						
Land improvements	213,085	188,115	263,700	263,700	476,785	451,815
Buildings	24,564,511	24,486,117	209,531	157,051	24,774,042	24,643,168
Equipment	4,442,459	4,008,887	648,209	623,693	5,090,668	4,632,580
Vehicles	9,728,920	10,134,057	47,307	25,732	9,776,227	10,159,789
Software	922,165	922,165	0	0	922,165	922,165
Infrastructure						
Roads	415,235	415,235	0	0	415,235	415,235
Total capital assets - depreciable	40,286,375	40,154,576	1,168,747	1,070,176	41,455,122	41,224,752
Accumulated depreciation	14,748,709	14,683,134	710,077	657,763	15,458,786	15,340,897
Total capital assets	\$59,030,665	36,143,800	1,536,747	1,490,490	60,567,412	37,634,290

See Note 9 of the Basic Financial Statements for additional information on the City's capital assets.

Debts At the end of the current fiscal year, the City had \$43,561,266 in bonds, loans, police and firemen's pension liability, notes, capital leases and compensated absences outstanding with \$3,640,833 due within one year. A summary of outstanding debt at December 31, 2006 follows:

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Table 4
Outstanding Debt

	Governmental Activities		Business-Type Activities		Total	
	2006	2005	2006	2005	2006	2005
Special assessment bonds	\$1,769,288	1,930,708	0	0	1,769,288	1,930,708
General obligation bonds	29,165,000	29,570,000	0	0	29,165,000	29,570,000
Ohio Public Works Commission loans	1,970,218	2,145,443	0	0	1,970,218	2,145,443
Ohio Water Development Authority loans	3,154,798	3,389,024	0	0	3,154,798	3,389,024
Police and Firemen's Pension liability	47,239	74,559	0	0	47,239	74,559
Notes payable	551,500	1,466,000	0	0	551,500	1,466,000
Capital leases	4,411,533	4,034,513	48,174	50,899	4,459,707	4,085,412
Compensated absences	2,392,394	2,379,025	51,122	50,131	2,443,516	2,429,156
Total	\$43,461,970	44,989,272	99,296	101,030	43,561,266	45,090,302

General Obligation Notes represent unvoted general obligation bond anticipation notes payable from ad valorem property taxes.

The General Obligation Bonds outstanding are comprised of unvoted general obligation bonds of the City payable from ad valorem property taxes and special obligation bonds.

The principal and interest for the Special Assessment Bonds outstanding will be retired with assessments levied against property owners and/or general levies of the City based on the improvements/benefit to the respective parties. Assessments are collected by the Cuyahoga County Auditor and will be received over periods ranging from five to ten years, with interest equal to the interest on the bonds and notes issued to finance the improvements.

The Ohio Public Works Commission Loans are paid semi-annually from the Debt Service Fund and will be paid in full in the year 2021.

The Ohio Water Development Authority Loans are paid semi-annually from the Debt Service Fund and will be paid in full in the year 2019.

The City's overall legal debt margin was \$158,650,100 at December 31, 2006.

See Note 14 and Note 15 of the Basic Financial Statements for additional information on the City's debt.

CURRENT FINANCIAL RELATED ACTIVITIES

The City of Parma, like all municipalities both locally and nationally, continues to face the challenges of economic recession. Basic operating costs continue to rise due to negotiated salary increases, higher benefit costs, and federal and state mandates placed upon municipalities while federal and state funding is being reduced.

CONTACTING THE CITY'S OFFICE OF THE AUDITOR

This financial report is designed to provide our citizens, taxpayers, creditors, and investors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact Dennis M. Kish, Parma City Auditor, 6611 Ridge Road, Parma, OH 44129.

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City of Parma, Ohio
Statement of Net Assets
December 31, 2006

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and cash equivalents	\$ 16,302,259	310,111	16,612,370
Cash and cash equivalents in segregated accounts	72,492	9,944	82,436
Cash and cash equivalents with fiscal & escrow agents	1,240,960	0	1,240,960
Taxes receivable	13,129,274	0	13,129,274
Special assessments receivable	2,035,432	0	2,035,432
Accrued interest receivable	1,573	0	1,573
Due from other governments	4,890,392	0	4,890,392
Materials and supplies inventory	326,645	30,131	356,776
Loans receivable	12,605	0	12,605
Capital assets, nondepreciable	33,492,999	1,078,077	34,571,076
Capital assets, depreciable, net	<u>25,537,666</u>	<u>458,670</u>	<u>25,996,336</u>
Total assets	<u>97,042,297</u>	<u>1,886,933</u>	<u>98,929,230</u>
Liabilities			
Accounts payable	1,211,438	11,845	1,223,283
Contracts payable	283,949	0	283,949
Claims and judgements payable	790,732	0	790,732
Accrued wages and benefits	731,365	4,553	735,918
Compensated absences payable	158,356	630	158,986
Due to other governments	581,904	4,887	586,791
Deferred revenue	7,663,090	0	7,663,090
Notes payable	551,500	0	551,500
Accrued interest payable	153,079	2,108	155,187
Long-term liabilities			
Due within one year	3,061,239	28,094	3,089,333
Due in more than one year	<u>39,849,231</u>	<u>71,202</u>	<u>39,920,433</u>
Total liabilities	<u>55,035,883</u>	<u>123,319</u>	<u>55,159,202</u>
Net assets			
Invested in capital assets, net of related debt	22,203,519	1,488,573	23,692,092
Restricted for:			
Debt service	918,284	0	918,284
Security of persons and property	1,938,774	0	1,938,774
Transportation	1,015,098	0	1,015,098
Community environment	874,727	0	874,727
Leisure time activities	416,415	0	416,415
Capital projects	8,710,015	0	8,710,015
Unrestricted	<u>5,929,582</u>	<u>275,041</u>	<u>6,204,623</u>
Total net assets	<u>\$ 42,006,414</u>	<u>1,763,614</u>	<u>43,770,028</u>

See accompanying notes to the basic financial statements

City of Parma, Ohio
Statement of Activities
For the Year Ended December 31, 2006

	Program Revenues			
	Expenses	Charges for Services	Operating Grants Contributions and Interest	Capital Grants and Contributions
Governmental Activities				
General government				
Legislative and executive	\$24,630,598	3,118,098	0	0
Security of persons and property	21,156,733	2,132,719	497,550	0
Public health and welfare	286,944	0	0	0
Transportation	3,475,493	2,025	3,594,120	15,098,839
Community environment	7,242,093	1,280,171	6,165,208	0
Basic utility services	1,692,226	1,126,122	56,990	0
Leisure time activities	3,103,218	1,057,713	609,187	0
Interest and fiscal charges	1,668,255	0	0	0
Total governmental activities	63,255,560	8,716,848	10,923,055	15,098,839
Business-Type Activity				
Golf course	1,039,691	1,097,743	0	0
Total primary government	\$64,295,251	9,814,591	10,923,055	15,098,839

General Revenues
Property taxes levied for:
 General purposes
 Special revenue
 Debt service
Income taxes levied for:
 General purposes
 Capital outlay
Grants and entitlements not restricted to specific programs
Investment earnings
Other

Total General Revenues

Change in Net Assets

Net Assets Beginning of Year

Net Assets End of Year

See accompanying notes to the basic financial statements

Net (Expense) Revenue
and Changes in Net Assets

Primary Government

Governmental Activities	Business-Type Activities	Total
(21,512,500)	0	(21,512,500)
(18,526,464)	0	(18,526,464)
(286,944)	0	(286,944)
15,219,491	0	15,219,491
203,286	0	203,286
(509,114)	0	(509,114)
(1,436,318)	0	(1,436,318)
<u>(1,668,255)</u>	<u>0</u>	<u>(1,668,255)</u>
(28,516,818)	0	(28,516,818)
<u>0</u>	<u>58,052</u>	<u>58,052</u>
<u>(28,516,818)</u>	<u>58,052</u>	<u>(28,458,766)</u>
4,019,377	0	4,019,377
2,766,857	0	2,766,857
312,949	0	312,949
26,861,815	0	26,861,815
7,365,823	0	7,365,823
6,606,382	0	6,606,382
785,950	29,142	815,092
<u>22,454</u>	<u>0</u>	<u>22,454</u>
<u>48,741,607</u>	<u>29,142</u>	<u>48,770,749</u>
20,224,789	87,194	20,311,983
<u>21,781,625</u>	<u>1,676,420</u>	<u>23,458,045</u>
<u>42,006,414</u>	<u>1,763,614</u>	<u>43,770,028</u>

City of Parma, Ohio
Balance Sheet
Governmental Funds
December 31, 2006

	General	Debt Service	City Income Tax Capital Acquisitions	Fire Department Building Fund
Assets				
Equity in pooled cash and cash equivalents	\$ 2,414,370	467,239	2,493,700	5,158,063
Cash and cash equivalents in segregated accounts	4	0	0	0
Cash and cash equivalents with fiscal and escrow agents	0	645,000	0	0
Taxes receivable	8,934,228	396,254	1,127,501	0
Interfund receivable	54,969	0	975,392	0
Special assessments receivable	0	2,029,133	0	0
Accrued interest receivable	0	0	0	0
Due from other governments	2,904,037	16,770	0	0
Materials and supplies inventory	156,223	0	0	0
Loans receivable	0	0	0	0
Total assets	<u><u>\$ 14,463,831</u></u>	<u><u>3,554,396</u></u>	<u><u>4,596,593</u></u>	<u><u>5,158,063</u></u>
Liabilities				
Accounts payable	\$ 192,950	0	163,360	548,223
Contracts payable	270,893	0	75	0
Interfund payable	0	27,066	0	0
Accrued wages and benefits	569,586	0	0	0
Compensated absences payable	144,992	0	0	0
Due to other funds	1,248,691	0	0	0
Due to other governments	480,504	0	1,024	0
Deferred revenue	7,873,997	2,382,406	518,012	0
Accrued interest payable	1,143	0	0	0
Notes payable	0	0	0	0
Total liabilities	<u><u>10,782,756</u></u>	<u><u>2,409,472</u></u>	<u><u>682,471</u></u>	<u><u>548,223</u></u>
Fund balance				
Reserved for encumbrances	209,559	0	0	0
Reserved for inventory	156,223	0	0	0
Reserved for loans	0	0	0	0
Unreserved, undesignated (deficit), reported in:				
General fund	3,315,293	0	0	0
Special revenue funds	0	0	0	0
Debt service fund	0	1,144,924	0	0
Capital projects funds	0	0	3,914,122	4,609,840
Total fund balance	<u><u>3,681,075</u></u>	<u><u>1,144,924</u></u>	<u><u>3,914,122</u></u>	<u><u>4,609,840</u></u>
Total liabilities and fund balances	<u><u>\$ 14,463,831</u></u>	<u><u>3,554,396</u></u>	<u><u>4,596,593</u></u>	<u><u>5,158,063</u></u>

Nonmajor Governmental Funds	Total Governmental Funds
4,938,625	15,471,997
72,488	72,492
595,960	1,240,960
2,671,291	13,129,274
0	1,030,361
6,299	2,035,432
1,573	1,573
1,969,585	4,890,392
170,422	326,645
12,605	12,605
<u>10,438,848</u>	<u>38,211,731</u>

306,905	1,211,438
12,981	283,949
1,002,995	1,030,061
158,778	728,364
13,364	158,356
0	1,248,691
97,806	579,334
3,871,669	14,646,084
0	1,143
551,500	551,500
<u>6,015,998</u>	<u>20,438,920</u>

20,946	230,505
170,422	326,645
12,605	12,605
0	3,315,293
4,081,390	4,081,390
0	1,144,924
137,487	8,661,449
<u>4,422,850</u>	<u>17,772,811</u>
<u>10,438,848</u>	<u>38,211,731</u>

City of Parma, Ohio
 Reconciliation of Total Governmental Fund Balances to
 Net Assets of Governmental Activities
 December 31, 2006

Total Governmental Fund Balances \$17,772,811

Amounts reported for governmental activities in the
 statement of net assets are different because:

Capital assets used in governmental activities are not financial
 resources and therefore are not reported in the funds 59,030,665

Other long-term assets are not available to pay for current-period
 expenditures and therefore are deferred in the funds:

Property and other taxes	341,907	
Municipal income taxes	2,437,704	
Special assessments	2,058,524	
Intergovernmental	2,144,863	
		6,982,998

In the Statement of Activities, interest is accrued on outstanding
 bonds whereas, in governmental funds, an interest expenditure is
 reported when due (146,456)

Internal Service Funds are used by management to charge the
 costs of certain activities, such as insurance, to individual funds.
 The assets and liabilities of the internal service funds are
 included in the governmental activities in the statement of net
 assets 28,175

Long-term liabilities, including bonds payable and accrued
 interest payable, are not due and payable in the current period
 and therefore are not reported in the funds:

General obligation bonds	(27,916,309)	
Special assessment bonds	(1,769,288)	
OPWC loans	(1,970,218)	
OWDA loans	(3,154,798)	
Police and firemen's pension liability	(47,239)	
Compensated absences	(2,392,394)	
Capital lease payable	(4,411,533)	
		(41,661,779)

Net Assets of Governmental Activities \$42,006,414

See accompanying notes to the basic financial statements

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City of Parma, Ohio
Statement of Revenues, Expenditures
and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2006

	General	Debt Service	City Income Tax Capital Acquisitions	Fire Department Building Fund
Revenues				
Municipal income tax	\$26,861,815	0	7,365,823	0
Property and other taxes	4,506,384	312,949	0	0
Charges for services	667,871	0	0	654,757
Fees, licenses and permits	1,401,403	0	0	0
Fines and forfeitures	1,933,184	0	0	0
Intergovernmental	6,218,448	233,816	0	0
Donations	8,141	0	0	0
Rents	247,384	0	0	0
Special assessments	0	245,138	0	0
Interest	101,858	54,276	0	395,022
Other	13,371	0	0	0
Total revenues	<u>41,959,859</u>	<u>846,179</u>	<u>7,365,823</u>	<u>1,049,779</u>
Expenditures				
Current				
Legislative and executive	13,904,736	2,432	2,293,642	4,732,470
Security of persons and property	21,973,594	0	0	0
Public health and welfare	286,944	0	0	0
Transportation	0	0	0	0
Community environment	706,644	0	0	0
Basic utility services	0	0	0	0
Leisure time activities	2,196,256	0	0	0
Capital outlay	17,099	0	1,785,806	180,328
Debt service				
Principal retirement	0	2,180,871	713,804	0
Interest and fiscal charges	0	1,404,268	78,951	0
Total expenditures	<u>39,085,273</u>	<u>3,587,571</u>	<u>4,872,203</u>	<u>4,912,798</u>
Excess of revenues over (under) expenditures	<u>2,874,586</u>	<u>(2,741,392)</u>	<u>2,493,620</u>	<u>(3,863,019)</u>
Other financing sources (uses)				
Proceeds of bonds	0	0	0	0
Proceeds of refunding bonds	0	10,200,000	0	0
Payment to refunded bond escrow agent	0	(9,555,000)	0	0
Bond premium	0	1,574	0	0
Operating transfers - in	40,985	2,691,129	1,132	0
Operating transfers - out	(3,989,464)	0	(2,427,184)	(369,324)
Inception of capital leases	0	0	1,202,449	0
Total other financing sources (uses)	<u>(3,948,479)</u>	<u>3,337,703</u>	<u>(1,223,603)</u>	<u>(369,324)</u>
Net change in fund balances	(1,073,893)	596,311	1,270,017	(4,232,343)
Fund balances at beginning of year (Restated - See Note 19B)	<u>4,754,968</u>	<u>548,613</u>	<u>2,644,105</u>	<u>8,842,183</u>
Fund balances at end of year	<u><u>3,681,075</u></u>	<u><u>1,144,924</u></u>	<u><u>3,914,122</u></u>	<u><u>4,609,840</u></u>

<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
0	34,227,638
2,766,857	7,586,190
1,493,652	2,816,280
28,406	1,429,809
365,325	2,298,509
10,924,930	17,377,194
317,822	325,963
268,639	516,023
1,166,261	1,411,399
220,178	771,334
7,509	20,880
<u>17,559,579</u>	<u>68,781,219</u>
1,364,834	22,298,114
5,157,470	27,131,064
0	286,944
5,141,003	5,141,003
6,460,733	7,167,377
1,653,363	1,653,363
873,878	3,070,134
222,581	2,205,814
112,648	3,007,323
60,160	1,543,379
<u>21,046,670</u>	<u>73,504,515</u>
<u>(3,487,091)</u>	<u>(4,723,296)</u>
560,000	560,000
0	10,200,000
0	(9,555,000)
0	1,574
5,574,602	8,307,848
(1,811,453)	(8,597,425)
0	1,202,449
<u>4,323,149</u>	<u>2,119,446</u>
836,058	(2,603,850)
<u>3,586,792</u>	<u>20,376,661</u>
<u>4,422,850</u>	<u>17,772,811</u>

City of Parma, Ohio
 Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances
 of Governmental Funds to the Statement of Activities
 For the Year Ended December 31, 2006

Net Change in Fund Balances - Total Governmental Funds (\$2,603,850)

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

Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period

Capital outlay	24,433,292	
Depreciation	<u>(1,453,462)</u>	
 Total		 22,979,830

Governmental funds only report the gain from the disposal of capital assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal 6,759

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

Property and other taxes	(487,007)	
Special assessments	228,287	
Intergovernmental	<u>(72,584)</u>	
 Total		 (331,304)

Other financing sources in the governmental funds that increase long-term liabilities in the statement of net assets. These sources were attributed to the inception of capital leases and debt issuance (11,962,449)

Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets 12,483,045

Internal Service Funds are used by management to charge the costs of certain activities, such as insurance, to individual funds. The net revenue (expense) of the internal service funds are reported with governmental activities (214,155)

Some expenses reported in the statement of activities do not require the use of current financial resources and are therefore not reported as expenditures in governmental funds

Compensated Absences	13,369	
Accrued Interest on Bonds	<u>(146,456)</u>	
 Total		 <u>(133,087)</u>

Change in Net Assets of Governmental Activities \$20,224,789

See accompanying notes to the basic financial statements

City of Parma, Ohio
Statement of Revenues,
Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
Revenues				
Municipal income tax				
Individual	25,373,624	25,373,624	25,444,410	70,786
Businesses	1,383,376	1,383,376	1,548,383	165,007
Total municipal income tax	<u>26,757,000</u>	<u>26,757,000</u>	<u>26,992,793</u>	<u>235,793</u>
Property and other taxes				
Real estate and public utility	5,189,104	3,448,316	3,963,430	515,114
Tangible personal property	330,000	330,000	318,010	(11,990)
Other local	90,200	90,200	141,997	51,797
Total property and other taxes	<u>5,609,304</u>	<u>3,868,516</u>	<u>4,423,437</u>	<u>554,921</u>
Charges for services				
General government	152,000	264,410	282,530	18,120
Parks and recreation	256,600	264,100	286,535	22,435
Health and vital statistics	98,000	98,000	98,106	106
Miscellaneous services	400	400	700	300
Total charges for services	<u>507,000</u>	<u>626,910</u>	<u>667,871</u>	<u>40,961</u>
Fees, licenses, and permits				
Licenses	258,900	269,900	256,752	(13,148)
Fees and permits	993,545	1,040,545	1,125,324	84,779
Penalties	2,000	26,500	19,327	(7,173)
Total fees, licenses, and permits	<u>1,254,445</u>	<u>1,336,945</u>	<u>1,401,403</u>	<u>64,458</u>
Fines and forfeitures				
Fines and forfeitures	1,718,500	1,780,500	1,935,738	155,238
Total fines and forfeitures	<u>1,718,500</u>	<u>1,780,500</u>	<u>1,935,738</u>	<u>155,238</u>
Intergovernmental				
Homestead	45,000	45,000	41,632	(3,368)
10% reimbursement	430,000	430,000	349,036	(80,964)
2.5% property tax rollback	80,000	80,000	78,858	(1,142)
Local government fund - sales tax	3,340,000	3,340,000	3,344,517	4,517
Local government fund - state	403,000	403,000	404,207	1,207
Inheritance tax	0	1,500,000	1,618,536	118,536
Local government revenue assistance fund	353,000	353,000	355,289	2,289
Grants	17,600	64,200	108,765	44,565
Other	91,650	91,650	84,952	(6,698)
Total intergovernmental	<u>4,760,250</u>	<u>6,306,850</u>	<u>6,385,792</u>	<u>78,942</u>

City of Parma, Ohio
 Statement of Revenues,
 Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Basis) and Actual
 General Fund - continued
 For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
Donations				
Donations	0	5,000	8,141	3,141
Total donations	<u>0</u>	<u>5,000</u>	<u>8,141</u>	<u>3,141</u>
Rentals and leases				
Rentals and leases	67,500	237,500	247,384	9,884
Total rentals and leases	<u>67,500</u>	<u>237,500</u>	<u>247,384</u>	<u>9,884</u>
Interest				
Interest	90,000	90,000	101,858	11,858
Total interest	<u>90,000</u>	<u>90,000</u>	<u>101,858</u>	<u>11,858</u>
Royalties and commissions				
Royalties and commissions	25,000	9,400	13,371	3,971
Total royalties and commissions	<u>25,000</u>	<u>9,400</u>	<u>13,371</u>	<u>3,971</u>
Total revenues	<u>40,788,999</u>	<u>41,018,621</u>	<u>42,177,788</u>	<u>1,159,167</u>

City of Parma, Ohio
Statement of Revenues,
Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
General Fund - continued
For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
Expenditures				
Current				
General government				
Mayor				
Personal services	441,005	434,509	425,379	9,130
All other expenditures	4,550	6,550	4,670	1,880
Total mayor	<u>445,555</u>	<u>441,059</u>	<u>430,049</u>	<u>11,010</u>
Auditor				
Personal services	413,610	420,963	415,620	5,343
All other expenditures	14,050	19,250	14,144	5,106
Total auditor	<u>427,660</u>	<u>440,213</u>	<u>429,764</u>	<u>10,449</u>
Treasurer				
Personal services	329,180	328,426	320,951	7,475
All other expenditures	37,850	37,850	18,432	19,418
Total treasurer	<u>367,030</u>	<u>366,276</u>	<u>339,383</u>	<u>26,893</u>
City income tax				
Personal services	798,533	790,295	757,873	32,422
All other expenditures	935,435	804,044	802,766	1,278
Total city income tax	<u>1,733,968</u>	<u>1,594,339</u>	<u>1,560,639</u>	<u>33,700</u>
Management information systems				
Personal services	268,547	268,425	259,548	8,877
All other expenditures	14,775	20,465	18,323	2,142
Total management information systems	<u>283,322</u>	<u>288,890</u>	<u>277,871</u>	<u>11,019</u>
Law director				
Personal services	732,681	731,473	692,146	39,327
All other expenditures	122,550	118,300	104,522	13,778
Total law director	<u>855,231</u>	<u>849,773</u>	<u>796,668</u>	<u>53,105</u>
Civil service				
Personal services	118,255	120,449	118,824	1,625
All other expenditures	39,385	45,467	42,580	2,887
Total civil service	<u>157,640</u>	<u>165,916</u>	<u>161,404</u>	<u>4,512</u>
Service director				
Personal services	863,173	855,655	839,112	16,543
All other expenditures	3,214,300	3,189,510	3,183,101	6,409
Total service director	<u>4,077,473</u>	<u>4,045,165</u>	<u>4,022,213</u>	<u>22,952</u>

City of Parma, Ohio
Statement of Revenues,
Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
General Fund - continued
For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
City engineer				
Personal services	483,903	482,863	455,243	27,620
All other expenditures	18,950	19,350	16,922	2,428
Total city engineer	<u>502,853</u>	<u>502,213</u>	<u>472,165</u>	<u>30,048</u>
Public lands and buildings				
Personal services	262,029	274,766	274,278	488
All other expenditures	521,200	536,341	532,335	4,006
Total public lands and buildings	<u>783,229</u>	<u>811,107</u>	<u>806,613</u>	<u>4,494</u>
Purchasing and personnel				
Personal services	316,981	322,304	301,384	20,920
All other expenditures	226,200	216,868	192,003	24,865
Total purchasing and personnel	<u>543,181</u>	<u>539,172</u>	<u>493,387</u>	<u>45,785</u>
City council				
Personal services	632,955	632,501	609,424	23,077
All other expenditures	34,700	43,200	40,239	2,961
Total city council	<u>667,655</u>	<u>675,701</u>	<u>649,663</u>	<u>26,038</u>
Municipal court				
Personal services	1,433,039	1,428,956	1,413,190	15,766
All other expenditures	117,750	128,832	112,152	16,680
Total municipal court	<u>1,550,789</u>	<u>1,557,788</u>	<u>1,525,342</u>	<u>32,446</u>
Clerk of courts				
Personal services	1,178,052	1,182,231	1,172,147	10,084
All other expenditures	125,500	160,500	155,051	5,449
Total clerk of courts	<u>1,303,552</u>	<u>1,342,731</u>	<u>1,327,198</u>	<u>15,533</u>
Print shop				
All other expenditures	36,000	44,000	41,790	2,210
Total print shop	<u>36,000</u>	<u>44,000</u>	<u>41,790</u>	<u>2,210</u>
Miscellaneous executive				
Claims	0	20,000	20,000	0
All other expenditures	833,105	735,000	732,010	2,990
Total miscellaneous executive	<u>833,105</u>	<u>755,000</u>	<u>752,010</u>	<u>2,990</u>
Total general government	<u>14,568,243</u>	<u>14,419,343</u>	<u>14,086,159</u>	<u>333,184</u>

City of Parma, Ohio
Statement of Revenues,
Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
General Fund - continued
For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
Security of persons and property				
Police				
Personal services	10,018,340	10,243,291	10,064,482	178,809
All other expenditures	677,186	682,245	673,255	8,990
Total police	<u>10,695,526</u>	<u>10,925,536</u>	<u>10,737,737</u>	<u>187,799</u>
Fire				
Personal services	7,853,444	7,852,849	7,769,874	82,975
All other expenditures	336,550	343,350	328,886	14,464
Total fire	<u>8,189,994</u>	<u>8,196,199</u>	<u>8,098,760</u>	<u>97,439</u>
Safety				
Personal services	397,596	396,637	385,672	10,965
All other expenditures	4,800	5,647	5,409	238
Total safety	<u>402,396</u>	<u>402,284</u>	<u>391,081</u>	<u>11,203</u>
Traffic lighting				
Personal services	146,205	146,006	142,845	3,161
All other expenditures	64,700	88,853	81,907	6,946
Total traffic lighting	<u>210,905</u>	<u>234,859</u>	<u>224,752</u>	<u>10,107</u>
Communications center				
Personal services	919,936	1,007,363	1,004,973	2,390
All other expenditures	16,800	19,461	16,128	3,333
Total communications center	<u>936,736</u>	<u>1,026,824</u>	<u>1,021,101</u>	<u>5,723</u>
Detention center				
Personal services	1,204,480	1,257,955	1,248,503	9,452
All other expenditures	46,550	49,980	44,443	5,537
Total detention center	<u>1,251,030</u>	<u>1,307,935</u>	<u>1,292,946</u>	<u>14,989</u>
Total security of persons and property	<u>21,686,587</u>	<u>22,093,637</u>	<u>21,766,377</u>	<u>327,260</u>

City of Parma, Ohio
 Statement of Revenues,
 Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Basis) and Actual
 General Fund - continued
 For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
Public health and welfare				
Health district				
All other expenditures	286,944	286,944	286,944	0
Total health district	<u>286,944</u>	<u>286,944</u>	<u>286,944</u>	<u>0</u>
Total public health and welfare	<u>286,944</u>	<u>286,944</u>	<u>286,944</u>	<u>0</u>
Community environment				
Building department				
Personal services	681,152	671,127	650,757	20,370
All other expenditures	36,702	61,221	56,429	4,792
Total building department	<u>717,854</u>	<u>732,348</u>	<u>707,186</u>	<u>25,162</u>
Total community environment	<u>717,854</u>	<u>732,348</u>	<u>707,186</u>	<u>25,162</u>
Leisure time activities				
Recreation				
Personal services	1,137,941	1,159,145	1,151,250	7,895
All other expenditures	113,590	111,823	105,492	6,331
Total recreation	<u>1,251,531</u>	<u>1,270,968</u>	<u>1,256,742</u>	<u>14,226</u>
Concessions				
Personal services	72,430	77,216	72,107	5,109
All other expenditures	26,000	44,803	41,403	3,400
Total concessions	<u>98,430</u>	<u>122,019</u>	<u>113,510</u>	<u>8,509</u>
Skating rink				
Personal services	172,799	176,513	173,651	2,862
All other expenditures	140,200	164,867	161,504	3,363
Total skating rink	<u>312,999</u>	<u>341,380</u>	<u>335,155</u>	<u>6,225</u>
Swimming pools				
Personal services	166,028	162,574	162,186	388
All other expenditures	47,500	49,367	47,271	2,096
Total swimming pools	<u>213,528</u>	<u>211,941</u>	<u>209,457</u>	<u>2,484</u>
Sixty plus				
Personal services	269,070	273,059	261,238	11,821
All other expenditures	20,314	27,314	21,131	6,183
Total sixty plus	<u>289,384</u>	<u>300,373</u>	<u>282,369</u>	<u>18,004</u>
Total leisure time activities	<u>2,165,872</u>	<u>2,246,681</u>	<u>2,197,233</u>	<u>49,448</u>

City of Parma, Ohio
Statement of Revenues,
Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
General Fund - continued
For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
Capital outlay	0	20,642	18,227	2,415
Total expenditures	39,425,500	39,799,595	39,062,126	737,469
Excess of revenues over (under) expenditures	1,363,499	1,219,026	3,115,662	1,896,636
Other financing sources (uses)				
Advances - in	78,000	78,000	78,442	442
Advances - out	(250,000)	(70,000)	(54,969)	15,031
Transfers - in	81,281	114,075	40,985	(73,090)
Transfers - out	(4,075,295)	(4,304,537)	(3,989,464)	315,073
Total other financing sources (uses)	(4,166,014)	(4,182,462)	(3,925,006)	257,456
Net change in fund balance	(2,802,515)	(2,963,436)	(809,344)	2,154,092
Fund balance at beginning of year	2,862,891	2,862,891	2,862,891	0
Prior year encumbrances appropriated	209,599	209,599	209,599	0
Fund balance (deficit) at end of year	269,975	109,054	2,263,146	2,154,092

City of Parma, Ohio
Statement of Fund Net Assets
Proprietary Funds
December 31, 2006

	Business - Type Activity - Golf Course	Governmental Activities - Internal Service Funds
	<u> </u>	<u> </u>
Assets		
Current assets		
Cash and cash equivalents	\$ 310,111	830,262
Cash and cash equivalents in segregated accounts	9,944	0
Accrued interest receivable	0	0
Due from other funds	0	1,248,691
Materials and supplies inventory	30,131	0
Total current assets	<u>350,186</u>	<u>2,078,953</u>
Non-current assets		
Capital assets, nondepreciable	1,078,077	0
Capital assets, depreciable, net	458,670	0
Total non-current assets	<u>1,536,747</u>	<u>0</u>
Total assets	<u>1,886,933</u>	<u>2,078,953</u>
Liabilities		
Current liabilities		
Accounts payable	11,845	0
Claims and judgements payable	0	790,732
Accrued wages and benefits	4,553	3,001
Compensated absences payable	630	0
Interfund payable	0	0
Due to other governments	4,887	2,570
Accrued interest payable	2,108	5,784
Notes payable	0	0
Capital lease - current portion	22,982	0
Bonds payable - current portion	0	109,215
Total current liabilities	<u>47,005</u>	<u>911,302</u>
Long-term liabilities		
Capital leases	25,192	0
Bonds payable	0	1,139,476
Compensated absences	51,122	0
Total long-term liabilities	<u>76,314</u>	<u>1,139,476</u>
Total liabilities	<u>123,319</u>	<u>2,050,778</u>
Net assets		
Invested in capital assets, net of related debt	1,488,573	0
Unrestricted	275,041	28,175
Total net assets	<u>\$1,763,614</u>	<u>28,175</u>

See accompanying notes to the basic financial statements

City of Parma, Ohio
Statement of Revenues,
Expenses, and Changes in Fund Net Assets
Proprietary Funds
For the Year Ended December 31, 2006

	<u>Business Type Activity - Golf Course</u>	<u>Governmental Activities - Internal Service Funds</u>
Operating revenues		
Charges for services	\$ 693,232	5,868,591
Other	<u>404,511</u>	<u>0</u>
Total operating revenues	<u>1,097,743</u>	<u>5,868,591</u>
Operating expenses		
Personal services	531,118	164,150
Contractual services	0	31,848
Claims	0	5,978,663
Materials and supplies	447,876	212,069
Depreciation	58,589	0
Capital outlay	<u>0</u>	<u>0</u>
Total operating expenses	<u>1,037,583</u>	<u>6,386,730</u>
Operating income (loss)	<u>60,160</u>	<u>(518,139)</u>
Other non-operating revenues (expenses)		
Interest income	29,142	14,616
Interest and fiscal charges	<u>(2,108)</u>	<u>(80,632)</u>
Total non-operating revenues (expenses)	<u>27,034</u>	<u>(66,016)</u>
Income (Loss) before transfers	87,194	(584,155)
Transfers - in	<u>0</u>	<u>370,000</u>
Change in net assets	87,194	(214,155)
Net assets at beginning of year	<u>1,676,420</u>	<u>242,330</u>
Net assets at end of year	<u>\$ 1,763,614</u>	<u>28,175</u>

See accompanying notes to the basic financial statements

City of Parma, Ohio
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2006

	<u>Business Type Activity - Golf Course</u>	<u>Governmental Activities - Internal Service Funds</u>
Cash Flows from Operating Activities:		
Cash received from customers	\$671,657	0
Cash received from quasi-external operating transactions with other funds	0	5,862,354
Other operating revenues	404,511	0
Cash payments for other operating expenses	0	0
Cash payments to suppliers for goods and services	(438,566)	(218,125)
Cash payments for claims	0	(5,836,021)
Cash payments for employee services and benefits	(530,934)	(163,669)
Cash payments for contractual services	0	(31,848)
Cash payments for capital outlay	<u>(62,607)</u>	<u>0</u>
Net cash provided by (used in) operating activities	<u>44,061</u>	<u>(387,309)</u>
Cash Flows from Noncapital Financing Activities:		
Transfer - in	0	370,000
Transfer - out	<u>0</u>	<u>(180,423)</u>
Net cash provided by noncapital financing activities	<u>0</u>	<u>189,577</u>
Cash Flows from Capital and Related Financing Activities:		
Principal lease payment	(33,516)	0
Interest paid on lease	<u>(2,108)</u>	<u>0</u>
Net cash used in capital and related financing activities	<u>(35,624)</u>	<u>0</u>
Cash Flows from Investing Activities:		
Interest	<u>29,142</u>	<u>14,616</u>
Cash provided by investing activities	<u>29,142</u>	<u>14,616</u>
Net increase in cash and cash equivalents	37,579	(183,116)
Cash and cash equivalents beginning of year	<u>282,476</u>	<u>1,013,378</u>
Cash and cash equivalents end of year	<u><u>320,055</u></u>	<u><u>830,262</u></u> (continued)

See accompanying notes to the basic financial statements

City of Parma, Ohio
Statement of Cash Flows - continued
Proprietary Funds
For the Year Ended December 31, 2006

	<u>Business Type Activity - Golf Course</u>	<u>Governmental Activities - Internal Service Funds</u>
Reconciliation of operating income to net cash used in operating activities		
Operating income (loss)	60,160	(518,139)
Adjustments to reconcile operating income (loss) to net cash used in operating activities:		
Depreciation	58,589	0
Change in assets and liabilities:		
Decrease in due from others	0	105,575
Increase (Decrease) in inventory	(6,724)	0
Increase/(Decrease) in accounts payable	4,013	(183,528)
(Decrease) in contracts payable	(73,195)	0
Increase/(Decrease) in compensated absences payable	(2,133)	(1,638)
Increase/(Decrease) in due to other governments	3,351	2,119
Increase in claims payable	<u>0</u>	<u>208,302</u>
Net cash provided by (used in) operating activities	<u>\$44,061</u>	<u>(387,309)</u>

See accompanying notes to the basic financial statements.

City of Parma, Ohio
Statement of Fiduciary Assets and Liabilities
Agency Funds
December 31, 2006

	<u>Total Agency Funds</u>
Assets	
Equity in pooled cash and cash equivalents	\$ 1,370,478
Cash and cash equivalents in segregated accounts	12,351
Cash and cash equivalents with fiscal and escrow agents	142,007
Due from other governments	<u>397,140</u>
Total assets	<u><u>\$1,921,976</u></u>
Liabilities	
Due to other governments	\$ 445,732
Deposits held and due to others	<u>1,476,244</u>
Total liabilities	<u><u>\$ 1,921,976</u></u>

See accompanying notes to the basic financial statements

City of Parma, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2006

NOTE 1 - DESCRIPTION OF CITY OPERATIONS AND REPORTING ENTITY

The City: The City of Parma, Ohio (the “City”) is a political subdivision of the State of Ohio operated pursuant to state statute. The City was originally established as a township in 1826, incorporated as a village in 1924, and organized as a city in 1931. The City is organized as a Mayor/Council form of government. The Mayor, Council, Auditor, Treasurer and Law Director are elected, as are three Municipal Court Judges and a Clerk of Courts. The mayoral election was held in November 2003 and the new mayor took office in January of 2004.

Reporting Entity:

In evaluating how to define the governmental reporting entity, the City complies with the provisions of Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, under which the financial statements include all the organizations, activities, functions, and component units for which the City (“primary government”) is financially accountable. Financial accountability is defined as the appointment of a voting majority of the component unit’s board, and either (1) the City’s ability to impose its will over the component unit, or (2) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the City.

On this basis, the City’s financial reporting entity has no component units but includes in its financial statements the financial activities of all departments, agencies, boards and commissions that are part of the primary government, including police and fire protection, parks and recreation, health, certain social services and general administrative services. In addition, the City owns and operates one enterprise activity, a municipal golf course.

Included as part of the City’s primary government in the determination of the City’s reporting entity is the Parma Municipal Court (the “Court”). Although the Court’s territorial jurisdiction extends beyond the boundaries of the City and the judges of the Court are separately elected, the Court’s operations are not legally separate from the City. In addition, the City is responsible for budgeting and appropriating funds for the operation of the Court, establishing the compensation of certain Court employees, and is ultimately responsible for any operating deficits sustained by the Court. The City’s share of the fines collected by the Court, along with its share of the Court’s administration and operating costs are recorded in the City’s General Fund. Monies held by the Court in a fiduciary capacity are included in an agency fund in the accompanying financial statements.

The City is associated with certain organizations that are identified as jointly governed organizations; however, the City has no ongoing financial interest or responsibility. These organizations are presented in Note 16 to the basic financial statements. These organizations are:

Parma Community General Hospital Association
Southwest Council of Governments

The City is also associated with the Parma Community Improvement Corporation (PCIC). The PCIC is a not-for-profit corporation that was founded in 1996. The five-member board, which consists of two members appointed by the City and three local residents, promotes industrial, commercial, distribution and research activities within the City. The PCIC has been excluded from the reporting entity.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements as of December 31, 2006 and for the year then ended have been prepared in conformity with accounting principles generally accepted in the United States of America (“GAAP”) applicable to local governments. The Governmental Accounting Standards Board (“GASB”) is the standard-setting body for establishing governmental accounting and financial reporting principles, which are primarily set forth in the GASB’s Codification of Governmental Accounting and Financial Reporting Standards (“GASB Codification”). Pursuant to

City of Parma, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2006

GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that use Proprietary Fund Accounting*, the City complies with GASB guidance applicable to its governmental and business-type activities. The City also complies with Financial Accounting Standards Board Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins issued after November 30, 1989 to its governmental and business type activities and to its proprietary funds that do not conflict with or contradict GASB pronouncements. The most significant of the City's accounting policies are described below.

A. *Basis of Presentation*

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

Government-wide financial statements consist of a statement of net assets and a statement of activities. These statements report all of the assets, liabilities, revenues, expenses, and gains and losses of the City. Governmental activities are reported separately from business-type activities. Governmental activities are normally supported by taxes and intergovernmental revenues whereas business-type activities are normally supported by fees and charges for services and are usually intended by management to be financially self-sustaining. Fiduciary funds of the City are not included in these government-wide financial statements.

Interfund receivables and payables and bonds and notes issued by the City and held by the City as investments within governmental and business-type activities have been eliminated in the government-wide statement of net assets. Related interest amounts are eliminated in the government-wide statement of activities. These eliminations minimize the duplicating effect on assets and liabilities within the governmental and business-type activities total column.

Internal service fund balances, whether positive or negative, have been eliminated against the expenses and program revenues shown in the governmental activities statement of activities.

The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the City's governmental activities and for the business-type activities of the City.

Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenue includes (a) charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions, including special assessments that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues. General revenues identify the extent to which each governmental program or business activity is self-financing or draws from the general revenues of the City.

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

B. *Fund Accounting*

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

City of Parma, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2006

fiduciary.

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

General Fund – The General Fund is the primary operating fund of the City. It is used to account for all financial resources, except those required to be accounted for in other funds. Its revenues consist primarily of income and property taxes, investment earnings, shared revenues, charges for services, and licenses, fees, and fines.

General Fund expenditures represent the costs of legislative and executive (general government); security of persons and property (including police and fire); public health and welfare; transportation, community environment, basic utility services, and leisure time activities. General Fund resources are also transferred annually to support other services that are accounted for in other separate funds.

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

City Income Tax Capital Acquisitions Fund – The City Income Tax Capital Acquisitions Fund is used to account for the portion of the City's income tax to be used for the acquisition and maintenance of capital assets.

Fire Department Building Fund – The Fire Department Building Fund is used to account for activity associated with the acquisition and renovation of fire department buildings.

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

Proprietary Funds – Proprietary fund reporting focuses on the determination of operating income, changes in net assets, financial position and cash flows. Proprietary funds are classified as either enterprise or internal service.

Enterprise Funds - The Enterprise 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 has one major enterprise fund.

Municipal Golf Course – The Municipal Golf Course fund is used to account for the financial activities of the Ridgewood Municipal Golf Course.

Internal Service Funds - The Internal Service Funds are used to account for the financing of goods or services provided by one department to other departments or to other governments on a cost-reimbursement basis. The City's internal service funds report on liability insurance, medical insurance and worker's compensation.

Fiduciary Funds – Fiduciary funds reporting focuses on net assets and changes in net assets. Private-purpose trust funds are used to account for trust arrangements that benefit individuals, private organizations, or other governments. For accounting measurement purposes, the private-purpose trust

City of Parma, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2006

funds are accounted for in essentially the same manner as proprietary funds. During 2006, the City did not utilize any private-purpose trust funds. Agency funds are used to account for assets held by the City as an agent for individuals, private organizations, and other governments. For accounting measurement purposes, the agency funds are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operations. Other fiduciary funds include pension trust funds and investment trust funds. During 2006, the City did not utilize any such trust funds. Fiduciary funds are not included in the government-wide statements.

C. *Measurement Focus*

Government-Wide Financial Statements

The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the City are included on the Statement of Net Assets. The Statement of Activities presents increases (i.e., revenues) and decreases (i.e., expenses) in total net assets.

Fund Financial Statements

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

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

D. *Basis of Accounting*

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

Revenues – Exchange and Non-Exchange Transactions

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

City of Parma, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2006

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlements and donations. On an accrual basis, revenue from income taxes is recognized in the period in which the income is earned.

Revenue from property taxes is recognized in the year for which the taxes are levied (see Note 5). Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year-end: income tax, state-levied locally shared taxes (including gasoline tax), fees, fines and forfeitures, licenses and permits, interest, and grants and entitlements.

Deferred Revenue

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

Property taxes for which there is an enforceable legal claim as of December 31, 2006, but which were levied to finance year 2007 operations, have been recorded as deferred revenue. Special assessments not received within the available period and grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

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

Expenses/Expenditures

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

E. *Budgetary Procedures*

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriation ordinance, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriations ordinance are subject to amendment through 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. For the Parma Public Housing Agency, the City maintained a budget only for salary and fringe benefit costs. However, all activity has been included as part of the reporting entity in the combined schedules prepared in accordance with GAAP.

The legal level of budgetary control is at the fund/department level (personal services and other expenditures). Any budgetary modifications at this level may only be made by resolution of the City Council.

City of Parma, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2006

During the first Council meeting in July, the Mayor presents the annual operating budget for the following fiscal year to the City Council for consideration and passages. The adopted budget is submitted to the County Auditor, as Secretary of the County Budget Commission, by July 20 of each year, for the period January 1 to December 31 of the following year.

The County Budget Commission determines if the budget substantiates a need to levy all or part of previously authorized taxes and reviews estimated revenues. As part of this determination, the City receives the official certificate of estimated resources, which states the projected revenue of each fund. Prior to December 31, the City must revise its budget so that the total contemplated expenditures from any fund during the ensuing fiscal year will not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriation ordinance.

On or about January 1, the certificate of estimated resources is amended to include any unencumbered balances at December 31 of the preceding year. Upon a determination by the Auditor that the revenue to be collected by the City will be greater or less than the amount included in the official certificate, the Auditor shall certify the amount of the excess or deficiency to the County Budget Commission, and if it is deemed reasonable by the Commission, the County Budget Commission shall certify an amended official certificate reflecting the deficiency or excess. The amounts reported on the budgetary statements reflect the amounts in the final amended official certificate of estimated resources issued during 2006.

A temporary appropriation ordinance 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 level (personal services and other expenditures). 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.

Funds appropriated may not be expended for purposes other than those designated in the appropriation measure. The allocation of appropriations among departments and major objects within a fund may be modified during the year only by an ordinance of Council. During the year, several supplemental appropriation measures were passed. None of these supplemental appropriations had any significant effect on the original appropriations. The "original budget" designation that appears in the statements of budgetary comparisons represents the original budget amounts adopted in the annual appropriation ordinance; the "final budget" designation represents the budget amount including all amendments and modifications passed by Council during the year.

As part of formal budgetary control, purchase orders, contracts and other commitments for the expenditure of monies are recorded as the equivalent of expenditures on the non-GAAP budgetary basis in order to reserve that portion of the applicable appropriation, and to determine and maintain legal compliance.

The Ohio Revised Code prohibits expenditures plus encumbrances from exceeding appropriations. On the fund financial level, encumbrances outstanding at year-end are reported as reservations of fund balances for subsequent year expenditures for governmental funds and reported in the notes to the basic financial statements for proprietary funds.

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

City of Parma, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2006

While reporting financial position, results of operations, and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The Statement of Revenue, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Basis) and Actual – General Fund 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 identified as follows:

- (a) Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis);
- (b) Expenditures/Expenses are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis);
- (c) In order to determine compliance with Ohio law, and to reserve that portion of the applicable appropriation, encumbrances are recorded as the equivalent of an expenditure (budget basis) as opposed to a reservation of fund balance for Governmental Funds.

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the general fund.

Net Change in Fund Balance	General
GAAP Basis	\$ (1,073,893)
Increase (decrease) due to:	
Revenue accruals	296,371
Expenditure accruals	(31,822)
Budget basis	\$ (809,344)

F. *Other Significant Accounting Policies*

Cash and Cash Equivalents: Cash resources of certain individual funds are combined to form a pool of cash and investments that is managed by the City Treasurer. Investments in the Pooled Cash Account, consisting of certificates of deposit, repurchase agreements, U.S. government securities, StarOhio and time deposits, are carried at fair value (see Note 4) based on quoted market values. Interest earned on pooled cash and investments is distributed to the appropriate funds utilizing a formula based on the month-end balance of cash and investments of each fund.

Cash equivalents are defined as highly liquid investments with a maturity of three months or less at the time they are purchased by the City.

Investments: The City reports its investments at fair value based on quoted market values and recognizes the corresponding change in the fair value of the investments recorded in investment earnings in the year in which the change occurs. The City reports its investment in StarOhio at fair market value as of the date of the StarOhio statement.

City of Parma, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2006

Prepaid Items: Payments made to vendors for services that will benefit periods beyond December 31, 2006, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount at the time of the purchase and the expenditure/expense in the year in which services are consumed. The City did not have any prepaid items as of December 31, 2006.

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

Capital Assets: Capital assets, which include property, plant, and equipment are reported in the applicable governmental or business-type activities columns in the government-wide financial statements to the extent the City's capitalization threshold is met. The City defines capital assets as assets with an estimated useful life in excess of 5 years and an individual cost of more than \$5,000. Assets are recorded at historical cost or estimated historical cost, if historical cost is not available. Contributed fixed assets are recorded at their estimated fair market value on the date contributed.

As permitted under the implementation provisions of GASB Statement No. 34, the historical cost of infrastructure assets acquired, significantly reconstructed or that received significant improvements prior to January 1, 1980 have not been included as part of governmental capital assets in the government-wide financial statements. The City will include infrastructure assets placed in service after January 1, 1980 but prior to January 1, 2003 in the government-wide financial statements as permitted under the implementation provisions of GASB Statement No. 34.

Capital assets in the proprietary funds are capitalized in the fund in which they are utilized. The valuation threshold for proprietary fund capital assets are the same as those used for the general capital assets.

Costs for maintenance and repairs are expensed when incurred. However, costs for repairs and upgrades that materially add to the value or life of an asset and meet the above criteria are capitalized.

The City depreciates capital assets on a straight-line basis using the following estimated useful lives:

Description	Estimated Lives
Land	Not depreciated
Land Improvements	10 - 20 years
Buildings	70 years
Equipment and vehicles	10 years for governmental activities 15 years for business-type activities
Computer software	15 years
Infrastructure	5 - 50 years

City of Parma, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2006

Compensated Absences: The liability for compensated absences is based on GASB Statement No. 16, "Accounting for Compensated Absences."

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means. Normally, all vacation time is to be taken in the year available.

Sick days not taken may be accumulated until retirement. An employee is paid one-third of accumulated sick leave upon retirement, calculated at current wage rates, with the balance being forfeited. The City uses the vesting method to calculate its sick leave liability. Under this method, a liability for severance is based on sick leave accumulated at the balance sheet date by those employees who are currently eligible to receive termination (severance) payments according to City union agreements.

In the government-wide and proprietary funds financial statements, the entire amount of unpaid compensated absences is reported as a liability. A liability for compensated absences is accrued in the governmental funds only if the amount is currently due and payable at year-end. These amounts are recorded as accrued wages and benefits in the fund from which the employees who have accumulated leave are paid.

For governmental funds, the current portion of unpaid compensated absences is the amount expected to be paid using expendable available resources. These amounts are recorded in the account "compensated absences payable" in the fund from which the employees who have accumulated unpaid leave are paid.

Long-Term Obligations: In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statements of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Losses on advance refundings are deferred and amortized over the life of the new debt, or the life of the advance refunded debt, whichever is shorter. Bonds payable are reported net of the applicable unamortized bond premium, discount or advance refunding losses. Bond issuance costs are reported as other assets and amortized over the term of the related debt.

In the governmental fund financial statements, bond premiums and discounts, as well as bond issuance costs, are recognized as revenues or expenditures during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as other financing uses.

Fund Balances/Reserves: In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for a specific purpose. Reservations include amounts for open encumbrances, inventory and loans receivable. Designations of fund balances represent tentative management plans that are subject to change.

Grants and Other Intergovernmental Revenues: Grants and assistance awards made on the basis of entitlement programs are recorded as intergovernmental receivables and revenues when entitlement occurs. Reimbursement type grants are recorded as intergovernmental receivables and revenues when the related expenditures (expenses) are incurred. The City accounts for loans receivable related to the Community Development Block Grants as a reservation of fund balance in the fund financial statements to the extent that these loans do not have to be repaid to the Federal government. The loan proceeds are earmarked for future reprogramming under federal guidelines and are not available to fund current operating expenditures of the City.

City of Parma, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2006

Encumbrances: Encumbrance accounting is employed in all City funds with the exception of Parma Public Housing. As part of the City's 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. Encumbrances outstanding at year-end are reported as a reservation of fund balances in the fund financial statements since they do not constitute expenditures or liabilities and are carried forward to the next fiscal year.

Interfund Transactions: During the course of normal operations, the City has numerous transactions between funds, including the allocation of centralized expenses and transfers of resources to provide services, construct assets and service debt. Such transactions are generally reflected as operating transfers or direct expenses of the fund that is ultimately charged for such costs. Quasi-external transactions are accounted for as revenues and expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. Non-recurring or non-routine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

Operating Revenues and Expenses: Operating revenues are those that are generated directly from the primary activity of the proprietary funds. For the City, those revenues are charges for services for the golf course. Operating expenses are necessary costs incurred to provide the service for the primary activity of the fund. Revenues and expenses not meeting these definitions are reported as non-operating.

Net Assets: Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consisted of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through constitutional provisions or enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The City applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

Extraordinary and Special Items: Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the City Administration and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during 2006.

Statement of Cash Flows: The City utilizes the direct method of reporting cash flows from operating activities in the Statement of Cash Flows as defined by the GASB Statement No. 9 "Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities that use Proprietary Fund Accounting". In the statement of cash flows, cash receipts and cash payments are classified according to operating, noncapital financing, capital and related financing, and investing activities.

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

City of Parma, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2006

NOTE 3 - COMPLIANCE AND ACCOUNTABILITY

Legal Compliance

Contrary to Ohio Revised Code Section 5705.39, the Liability Insurance Fund had original appropriations in excess of original estimated resources as reported on the Official Certificate of Estimated Resources and the Fire Pension Fund had final appropriations in excess of final estimated resources as reported on the Official Certificate of Estimated Resources.

<u>Fund</u>	<u>Estimated Resources</u>	<u>Appropriations</u>	<u>Variance</u>
Liability Insurance Fund	\$ 605,227	\$ 686,545	\$ (81,318)
Fire Pension Fund	\$ 1,725,126	\$ 1,751,100	\$ (25,974)

In order to address these budgetary violations of Ohio Revised Code Section 5705.39, the City intends to closely monitor these budgetary accounts to eliminate these weaknesses in future periods.

Deficit Fund Balances

Contrary to Ohio Revised Code Section 5705.10, the following funds had a negative cash fund balance:

<u>Non-Major Funds</u>	<u>Negative Cash Balance</u>
<u>December 31, 2006</u>	
Parma Public Housing Fund	\$ (13,625)
<u>September 30, 2006</u>	
Buffer Zone Protection Plan Grant Fund	\$ (48,523)
Community Development Block Grant Fund	(88,589)
Parma Public Housing Fund	(141,691)
Land Acquisitions Fund	(55,124)
Housing Maintenance Code Fund	(14,710)
Sewer Construction Fund	(994,710)
Noxious Weeds Fund	(13,181)
Street Lighting Fund	(175,212)
West Creek Preservation Fund	(6,502)
Henninger Homestead Fund	(485)

In order to address these budgetary violations of Ohio Revised Code Section 5705.10, the City intends to closely monitor these budgetary accounts to eliminate these weaknesses in future periods.

City of Parma, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2006

Contrary to Ohio Revised Code Section 5705.41(B), the following funds had expenditures in excess of appropriations and expenditures plus encumbrances in excess of appropriations at the legal level of control at December 31, 2006:

Fund	Appropriations	Expenditures Plus Encumbrances	Variance
Fire Levy Fund			
Fire Levy			
All Other Expenditures	\$ 81,870	\$ 81,899	\$ (29)
Animal Shelter Fund			
Animal Shelter			
Personal Services	-	75	(75)
Sidewalks Fund			
Sidewalks			
All Other Expenditures	-	62	(62)

In order to address these budgetary violations of Ohio Revised Code Section 5705.41(B), the City intends to closely monitor these budgetary accounts to eliminate these weaknesses in future periods.

In addition, the following individual funds had GAAP deficit fund balances at year-end:

Non-Major Funds

Street Lighting	\$170,385
West Creek Preservation	6,502
Henninger Homestead	486
Buffer Zone Protection	48,523
State Disaster Relief	16,900
Sewer Construction	795,398
Liability Insurance	106,526
Traffic Signalization	92,410

Management is aware of these deficits and is analyzing the fund operations to determine the appropriate action to alleviate each fund's deficit. The general fund is liable for any deficits in these funds and provides operating transfers when cash is required, not when accruals occur.

NOTE 4 - POOLED AND SEGREGATED CASH AND INVESTMENTS

Except for monies of the Parma Public Housing Agency and the Parma Municipal Court, whose depository accounts are presented as "Cash and cash equivalents in segregated accounts" or as "Cash and cash equivalents with fiscal and escrow agents", monies of all other funds of the City are maintained or invested in a common group of bank accounts. Collectively these common bank accounts and investments are presented as "Equity in pooled cash and cash equivalents" on the statement of net assets. Individual fund integrity is maintained through the City's accounting records.

City of Parma, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2006

Certain funds have made cash disbursements in excess of their individual equities in the pooled cash accounts. Such amounts have been classified as due to other funds and due from other funds between the General Fund and the respective funds that have made disbursements in excess of their individual equities in the pooled cash accounts.

Public depositories must give security for all public funds on deposit. These institutions may either specifically collateralize individual accounts in lieu of amounts insured by the Federal Deposit Insurance Corporation or may pledge a pool of government securities the face value of which is at least 105% of the total value of public monies on deposit at the institution. Repurchase agreements must be secured by the specific government securities upon which the repurchase agreements are based. These securities must be obligations of, or guaranteed by, the United States and mature or be redeemable within five years of the date of the related repurchase agreement. The market value of the securities subject to a repurchase agreement must exceed the value of the principal by 2% and be marked to market daily. State law does not require security for public deposits and investments to be maintained in the City's name.

The City is prohibited from investing in any financial instrument, contract, or obligation whose value or return is based upon or linked to another asset or index, or both, separate from the financial instrument, contract, or obligation itself (commonly known as a "derivative"). The City is also prohibited from investing in reverse purchase agreements.

During 2006, the City complied with the provisions of these statutes pertaining to the types of investments held and institutions in which deposits were made, as well as the provisions of the statutes concerning security deposits. The City will continue to monitor compliance with applicable statutes in the future pertaining to its deposits and investments. At December 31, 2006, all of the City's deposits and investments (excluding Star Ohio) were held by local banks or financial institutions that qualify under Section 135.14 (M)(I) of the Ohio Revised Code.

Deposits: Ohio law requires that deposits be placed in eligible banks or savings and loan associations located in Ohio.

At year-end, the carrying amount of the City's deposits including certificates of deposit was \$18,080,493 and the actual bank balance totaled \$17,582,938. The difference represents outstanding warrants payable and normal reconciling items. Based on the criteria described in GASB Statement No. 40, \$1,251,164 of the bank balance was insured or collateralized with securities held by the City or by its agent in the City's name. The remaining balance of \$16,331,774 was uninsured and uncollateralized, as defined by the GASB, (which includes any bank balance that is collateralized with securities held by the pledging financial institution or by its trust department but not in the City's name).

Investments: The City's investment policies are governed by state statutes and City ordinances which authorize the City to invest in obligations of the U.S. Treasury, agencies and instrumentalities; bonds and other State of Ohio obligations; certificates of deposit; U.S. Government Money Market Mutual Funds; State Treasurer Asset Reserve Fund (STAROhio); guaranteed investment contracts and repurchase transactions. Such repurchase transactions must be purchased from financial institutions as discussed in "Deposits" above or registered broker/dealers. Repurchase transactions are not to exceed a period of one year and confirmation of securities pledged must be obtained. Under City policy, investments are limited to repurchase agreements, U.S. government securities, certificates of deposit, investments in certain money market mutual funds and State Treasurer Asset Reserve Fund (StarOhio). Generally, investments are recorded in segregated accounts by way of book entry through the bank's commercial or trust department and are kept at the Federal Reserve Bank in the depository institution's separate custodial account for the City, apart from the assets of the depository institution. Ohio statute prohibits the use of reverse repurchase agreements as of September 1996.

It is the policy of the City to invest public funds in a manner which will provide the highest investment return with the maximum security, safety and preservation of principal while meeting the daily cash flow demands of the City. To the extent possible, the City attempts to match its investments with anticipated cash flow requirements.

City of Parma, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2006

At December 31, 2006, the fair value of the City's investments were as follows:

Investment	Fair Value / Carrying Value
STAR Ohio	\$ 383,000
FHLB	997,109
	\$ 1,380,109

Interest Rate Risk: In accordance with its investment policy, the City does not invest in securities that mature more than five (5) years from the date of purchase if such securities bear interest at a fixed rate or securities that mature more than two (2) years from the date of settlement if such securities bear interest at a variable rate. Other than these two requirements, the City has no written policy regarding interest rate risk.

At December 31, 2006, the City's investments had maturities as follows:

	Portfolio Weighted Average Maturity
Less than 1 year	100.00%
1 to 5 years	0.00%

Credit Risk: State law limits investments in corporate debt to the top two ratings issued by nationally recognized statistical rating organizations. The City does not have a written policy limiting its corporate debt investments to the top ratings. However, U.S. Agencies are rated AAA, which is the top rating available for those investment types. In addition, the underlying securities supporting the repurchase agreements in which the City invests are obligations of the U.S. government. The City also invests in StarOhio, which is rated AAA by Standard & Poor's.

Custodial Credit Risk: For an investment, custodial credit risk is the risk that, in the event of the failure of the counter party, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. As noted earlier, at December 31, 2006, the carrying amount of the City's deposits was \$18,080,493 and the bank balance was \$17,582,938. Of the bank balance \$1,251,164 was covered by federal depository insurance and \$16,331,774 was covered by pooled and /or pledged collateral, as allowed by the Ohio Revised Code, but not necessarily held in the City's name (uncollateralized). The City has no written policy limiting the dollar amount of holdings by any single counterparty.

City of Parma, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2006

Reconciliation to Combined Balance Sheet Classification:

A summary of the deposits and investments as of December 31, 2006 follows:

Deposits	\$ 18,080,493
Investments	<u>1,380,109</u>
 Total	 <u><u>\$ 19,460,602</u></u>

Reconciliation to Financial Statements: Total cash and investments are reported as follows:

Government-wide financial statements	
Unrestricted:	
Equity in pooled cash and cash equivalents	\$ 16,612,370
Cash and cash equivalents in segregated accounts	82,436
Cash and cash equivalents with fiscal and escrow agents	1,240,960
Investments	<u>-</u>
	<u><u>\$ 17,935,766</u></u>
 Fund financial statements	
Balance sheet - governmental funds:	
Equity in pooled cash and cash equivalents	\$ 15,471,997
Cash and cash equivalents in segregated accounts	72,492
Cash and cash equivalents with fiscal and escrow agents	1,240,960
Investments	-
 Statement of net assets - proprietary funds:	
Cash and cash equivalents	1,140,373
Cash and cash equivalents in segregated accounts	9,944
Investments	<u>-</u>
Total governmental and proprietary funds	17,935,766
 Statement of fiduciary net assets:	
Equity in pooled cash and cash equivalents	1,370,478
Cash and cash equivalents in segregated accounts	12,351
Cash and cash equivalents with fiscal and escrow agents	142,007
Investments	<u>-</u>
	<u><u>\$ 19,460,602</u></u>

City of Parma, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2006

NOTE 5 - PROPERTY TAXES

Property taxes include amounts levied against all real, public utility and tangible property (used in business) located in the City. The 2006 levy was based upon an assessed valuation of approximately \$1,813,999,757. Ohio law prohibits taxation of property from all taxing authorities in excess of 10 mills of assessed value without a vote of the people. Under current procedures, the City's share is 5.10 mills, of which 0.20 mills is dedicated to debt service and 0.60 mills is dedicated to the payment of police and fire pension obligations. A revaluation of all property is required to be completed no less than every six years, with a statistical update every third year. Assessed values are established by the Cuyahoga County Auditor. The County Treasurer collects property taxes on behalf of all taxing districts in the County including the City.

Real property taxes, excluding public utility property, are all assessed at 35% of appraised market value. Pertinent real property tax dates are:

Collection Dates	January 20 and June 20 of the current year
Lien Date	January 1 of the year preceding the collection year
Levy Date	October 1 of the year preceding the collection year

Public utility tangible personal property is currently assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2006 public utility property taxes which became a lien December 31, 2005, are levied after October 1, 2006, and are collected in 2007 with real property taxes.

2006 tangible personal property taxes are levied after October 1, 2005, on the values as of December 31, 2005. Collections are made in 2006. Tangible personal property assessments are being phased out; the assessment percentage for all property including inventory for 2006 is 18.75 percent. This will be reduced to 12.5 percent for 2007, 6.25 percent for 2008 and zero for 2009. Payments by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30, with the remainder payable by September 20.

The full tax rate for all City operations for the year ended December 31, 2006, was \$5.10 per \$1,000 of assessed value. The assessed values of real and tangible personal property certified for tax year 2006 are as follows:

Real Property	\$1,712,381,640
Tangible Personal Property	71,452,487
Public Utility Property	30,165,630
	<hr/>
Total Valuation	<u><u>\$1,813,999,757</u></u>

City of Parma, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2006

NOTE 6 - INCOME TAXES

The City levies a municipal income tax of 2% on all salaries, wages, commissions and other compensation earned within the City. A portion of the City income tax is restricted in its use to capital expenditures and debt service and is included in the City Income Tax Capital Acquisitions Fund. All other income tax proceeds are included in the General Fund. Employers are required to withhold this income tax from all their employees working within the City's limits, without regard to where the employees reside. The income tax withheld by employers must be remitted to the City on a monthly basis if the amount exceeds \$100 per month, otherwise quarterly. Persons under 18 years of age are not subject to the City income tax.

Corporations and area businesses are also subject to the 2% City income tax. All net profits earned by resident business are subject to City income tax, less the amount credited for taxes paid to another municipality. All non-resident businesses' net profits earned within the City are subject to the City income tax.

City residents are also subject to a 2% income tax on all income earned outside the City's limits. A credit of 50% is recognized on all municipal income taxes paid to another community. This credit cannot exceed the City's income tax rate of 2% or the tax rate of the municipality in which the income was generated, whichever is less.

All taxpayers incurring a liability that exceeds \$100 are required to pay estimated taxes on a quarterly basis.

In 2006, income tax proceeds were credited, on a cash basis, 78.75% to the General Fund and 21.25% to the City Income Tax Capital Acquisitions capital projects fund.

NOTE 7 - INTERGOVERNMENTAL RECEIVABLES

A summary of the governmental activities principal items of the intergovernmental receivables follows:

	<u>Amount</u>
Local government	\$ 2,052,008
Gasoline tax	1,268,663
Permissive motor vehicle license tax	268,864
Motor vehicle license registration	263,871
Homestead and rollback	386,311
Liquor permits	41,611
Estate tax	200,921
Parma Municipal Court	397,140
Miscellaneous	<u>11,003</u>
Total	<u>\$ 4,890,392</u>

City of Parma, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2006

NOTE 8 – COMPENSATED ABSENCES

Accumulated Vacation

City employees earn vacation leave at varying rates based upon length of service. Vacation leave is earned in one year and must be used in the next year. Any unused vacation leave is eliminated from the employee's vacation leave balance. In the case of death or retirement, an employee (or his estate) is paid for his unused vacation leave to a maximum of the amount of vacation leave earned in the prior year but not yet used and, on a pro rata basis, vacation leave earned during the current year. At December 31, 2006, the total vacation obligation for the City as a whole amounted to \$9,512.

Accumulated Unpaid Sick Leave

City employees earn sick leave at the rate of four and six tenths hours per eighty hours of service. Sick leave is cumulative without limit. In the case of death or retirement, an employee (or his estate) with ten or more years of service (except five or more years of service for American Federation of State, County, and Municipal Employees union members) is paid for one-third of his accumulated sick leave not to exceed various ceilings depending on the department for which the employee worked. The total obligation for sick leave accrual for the City as a whole as of December 31, 2006, was \$1,188,998.

Accumulated Overtime

All City employees earn overtime for work performed in excess of regular hours. Limitations of maximum accumulation of overtime hours are specified in the union agreements. During 2006, overtime was accumulated at a rate of one and one-half hours of overtime for each excess hour worked. All unpaid, accumulated overtime is paid to employees upon separation or death. Overtime is paid at the current wage rate in effect when the overtime is paid. At December 31, 2006, accumulated, unpaid overtime for the City as a whole was \$1,405,492.

City of Parma, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2006

NOTE 9 – CAPITAL ASSET ACTIVITY

Capital asset activity for the year ended December 31, 2006 was as follows:

	Balances 12/31/2005	Additions	Disposals	Balances 12/31/2006
Governmental activities				
Nondepreciable assets				
Land	\$6,169,266	271,758	(17,700)	6,423,324
Construction in progress	4,503,092	22,566,583	0	27,069,675
Total nondepreciable assets	<u>10,672,358</u>	<u>22,838,341</u>	<u>(17,700)</u>	<u>33,492,999</u>
Depreciable assets:				
Land improvements	188,115	24,970	0	213,085
Buildings	24,486,117	78,394	0	24,564,511
Equipment	4,008,887	445,434	(11,862)	4,442,459
Vehicles	10,134,057	1,046,153	(1,451,290)	9,728,920
Software	922,165	0	0	922,165
Infrastructure				
Roads	415,235	0	0	415,235
Total depreciable assets	<u>40,154,576</u>	<u>1,594,951</u>	<u>(1,463,152)</u>	<u>40,286,375</u>
Less accumulated depreciation:				
Land improvements	30,384	14,206	0	44,590
Buildings	4,876,174	350,356	0	5,226,530
Equipment	2,337,665	345,392	(11,862)	2,671,195
Vehicles	7,105,379	668,189	(1,376,025)	6,397,543
Software	319,691	61,478	0	381,169
Infrastructure				
Roads	13,841	13,841	0	27,682
Total accumulated depreciation	<u>14,683,134</u>	<u>1,453,462</u>	<u>(1,387,887)</u>	<u>14,748,709</u>
Total depreciable assets, net	<u>25,471,442</u>	<u>141,489</u>	<u>(75,265)</u>	<u>25,537,666</u>
Governmental activities capital assets, net	<u>\$36,143,800</u>	<u>22,979,830</u>	<u>(92,965)</u>	<u>59,030,665</u>
Business-Type Activities				
Nondepreciable assets				
Land	\$1,078,077	0	0	1,078,077
Total nondepreciable assets	<u>1,078,077</u>	<u>0</u>	<u>0</u>	<u>1,078,077</u>
Depreciable assets:				
Land improvements	263,700	0	0	263,700
Buildings	157,051	52,480	0	209,531
Equipment	623,693	30,791	(6,275)	648,209
Vehicles	25,732	21,575	0	47,307
Total depreciable assets	<u>1,070,176</u>	<u>104,846</u>	<u>(6,275)</u>	<u>1,168,747</u>
Less accumulated depreciation:				
Land improvements	128,640	0	0	128,640
Buildings	85,268	2,994	0	88,262
Equipment	425,239	41,636	(6,275)	460,600
Vehicles	18,616	13,959	0	32,575
Total accumulated depreciation	<u>657,763</u>	<u>58,589</u>	<u>(6,275)</u>	<u>710,077</u>
Total depreciable assets, net	<u>412,413</u>	<u>46,257</u>	<u>0</u>	<u>458,670</u>
Business-type activities capital assets, net of accumulated depreciation	<u>\$1,490,490</u>	<u>46,257</u>	<u>0</u>	<u>1,536,747</u>

City of Parma, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2006

Depreciation expense was charged to governmental activities as follows:

General government	\$760,962
Security of persons and property	434,705
Transportation	13,841
Community environment	65,148
Basic utility services	38,863
Leisure time activities	<u>139,943</u>
 Total	 <u><u>\$1,453,462</u></u>

Depreciation expense was charged to business-type activities as follows:

Golf course	<u>\$58,589</u>
 Total:	 <u>\$58,589</u>

NOTE 10 - RISK MANAGEMENT

Self Insurance: The City is exposed to various risks of loss related to torts, thefts of, damage to and destruction of assets, errors and omissions, injuries to employees, and natural disasters. The City does not carry commercial insurance for such risks. An excess coverage insurance (stop loss) policy covers claims in excess of \$250,000 per occurrence and an aggregate of \$10,000,000 per occurrence. Settled claims have not exceeded coverage in any of the last three years and there has been no significant reduction in coverage from the prior year.

In accordance with GASB Statement No. 10, claims liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported ("IBNRs"). Claims that meet this criteria are reported as liabilities of either governmental or business-type activities in the government-wide statement of net assets. In the fund financial statements, claims liabilities that relate to internal service funds are reported; however, the long-term portion of claims liabilities is not reported for governmental funds.

The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors, such as inflation, changes in legal doctrines, and damage awards. Accordingly, claims are re-evaluated periodically to consider the effects of inflation, recent claim settlement trends (including frequency and amount of payouts), and other economic and social factors. The estimate of the claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expenses, regardless of whether allocated to specific claims. Estimated recoveries, for example from salvage or subrogation, are another component of the claims liability estimate.

A liability of \$254,500 provided by the City's Law Director has been recorded. Changes in the Liability Insurance Self-Insurance Fund claims liability amount for 2004 through 2006 were:

	Balance at <u>January 1</u>	Current Year <u>Claims</u>	Claim <u>Payments</u>	Balance at <u>December 31</u>
2004	\$230,000	\$116,311	(\$297,811)	\$48,500
2005	48,500	119,330	(81,330)	86,500
2006	86,500	242,787	(74,787)	254,500

City of Parma, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2006

Medical Self Insurance: In October 1988, the City replaced its major health insurance with a Medical Insurance Self Insurance fund. A third-party administrator, Medical Mutual of Ohio, reviews all claims that are then paid by the Medical Insurance Self Insurance fund. The City pays a premium for reinsurance specific stop-loss coverage for the claim period October 1 through September 30, which carries a deductible of \$100,000 per person.

The Medical Insurance Self Insurance fund generates revenues by charging an actuarially determined premium to each fund based on the number of employees enrolled in the self-insured plan and their type of coverage. The Medical Insurance Self Insurance fund subsequently pays for all costs of providing claims servicing and claims payment.

A liability, estimated by the third party administrator, in the amount of \$471,853 has been recorded to reflect unpaid claims cost including incurred but not reported claims as of December 31, 2006. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expense. Changes in the Medical Insurance Self-Insurance Fund claims liability amount for 2004 through 2006 were:

	Balance at January 1	Current Year Claims	Claim Payments	Balance at December 31
2004	\$374,720	\$4,676,761	(\$4,530,707)	\$520,774
2005	520,774	4,908,428	(4,982,484)	446,718
2006	446,718	5,266,455	(5,241,320)	471,853

Workers Compensation Insurance Fund (WCIF): Effective January 1, 2006, the City commenced participation in the Ohio Bureau of Workers' Compensation retrospective rating and payment plan under which the City assumes a portion of the risk in return for a possible reduction in premiums. Under this plan, the City pays a minimum premium for administrative services and stop-loss coverage plus the actual claims cost for any injured employees, with a claim limit of \$250,000. The City previously participated in the retroactive rating plan through December 31, 1996. A liability in the amount of \$64,379, based on information provided by the Ohio Bureau of Workers' Compensation, has been recorded to reflect unpaid claims cost, including incurred but not reported claims, as of December 31, 2006. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expense.

All costs of workers claims, premiums, administrative costs and other additional assessments are paid out of the WCIF. Changes in the Workers' Compensation Insurance Fund claims liability amount for 2004 through 2006 were:

	Balance at January 1	Current Year Claims	Claim Payments	Balance at December 31
2004	\$113,869	\$447,500	(\$458,942)	\$102,427
2005	102,427	525,757	(578,972)	49,212
2006	49,212	722,536	(707,369)	64,379

City of Parma, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2006

NOTE 11– INTERFUND TRANSACTIONS AND BALANCES

Interfund Transactions: During the course of normal operations, the City records numerous transactions between funds including expenditures and transfers of resources to provide services, subsidize operations, and service debt. The City has the following types of transactions among funds:

Reciprocal interfund services provided and used – Purchases and sales of goods and services between funds for a price approximating their external exchange value. These activities include liability, medical, and workers’ compensation insurance and storeroom operations.

Nonreciprocal interfund transfers – Flows of assets between funds without equivalent flows of assets in return and without a requirement for repayment. This includes operating transfers to subsidize various funds.

Nonreciprocal interfund reimbursements – Repayments from the funds responsible for particular expenditures or expenses to the funds that initially paid for them.

Interfund balances: Interfund balances at December 31, 2006 represent charges for services or reimbursable expenses. These remaining balances resulted from the time lag between the dates that (1) interfund goods or services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting records, and (3) payments between funds are made. All are expected to be paid within one year.

Detailed listings of interfund receivables and payables as of December 31, 2006 are as follows:

<u>Governmental Activities</u>	<u>Receivables</u>	<u>Payables</u>
General fund	\$ 54,969	0
Debt service fund	0	27,066
City income tax capital acquisitions fund	975,392	0
Other governmental funds	<u>0</u>	<u>1,002,995</u>
Total	<u>\$1,030,361</u>	<u>1,030,061</u>

Detailed listings of due to/due from other funds as of December 31, 2006 are as follows:

<u>Governmental Activities</u>	<u>Due to</u>	<u>Due from</u>
General fund	\$ -	1,248,691
Internal service funds	<u>1,248,691</u>	<u>-</u>
Total	<u>\$ 1,248,691</u>	<u>1,248,691</u>

City of Parma, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2006

Detailed listings of transfers as of December 31, 2006 are as follows:

<u>Governmental Activities</u>	<u>Transfers - in</u>	<u>Transfers - out</u>
General fund	\$ 40,985	3,989,464
Debt service fund	2,691,129	-
City income tax capital acquisition fund	1,132	2,427,184
Fire department building fund	-	369,324
Other governmental funds	5,574,602	1,811,453
Internal service funds	370,000	-
Total	<u>\$ 8,677,848</u>	<u>8,597,425</u>

The Transfers-in and Transfers-out do not balance due to a \$100,000 transfer-in to an agency fund and a \$180,423 transfer-out to the Debt Service Fund, which net to \$80,423.

NOTE 12 - DEFINED BENEFIT PENSION PLANS

Ohio Public Employees Retirement System: The City participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The Traditional Pension Plan (TP) is a cost-sharing, multiple-employer defined benefit pension plan. The Member-Directed Plan (MD) is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20% per year). Under the Member-Directed Plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earnings. The Combined Plan (CO) is a cost sharing, multiple employer defined benefit pension plan that has elements of both a defined benefit and a defined contribution plan. Under the Combined Plan, employer contributions are invested by the retirement system to provide a formula retirement benefit similar to the Traditional Pension Plan benefit. Member contributions, whose investment is self-directed by the member, accumulate retirement assets in a manner similar to the Member-Directed Plan.

OPERS provides retirement, disability, survivor, and death benefits and annual cost of living adjustments to members of the Traditional Pension and Combined plans. Members of the Member-Directed plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report which may be obtained by writing to the OPERS, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling 614.222.5601 or 800.222.7377.

For the year ended December 31, 2006, the members of all three plans, except those in law enforcement participating in the Traditional Pension Plan, were required to contribute 9 percent of their annual covered salaries. Members participating in the Traditional Pension Plan who were in law enforcement contributed 10.1 percent of their annual covered salary. The City's contribution rate for pension benefits for 2006 was 13.7 percent, except for those plan members in law enforcement or public safety. For those classifications, the City's pension contributions were 16.93 percent of covered payroll. The Ohio Revised Code provides statutory authority for member and employer contributions.

The City's required contributions for pension obligations to the traditional and combined plans for the year ended December 31, 2006, 2005, and 2004 were \$1,510,447, \$1,579,314, and \$1,576,338, respectively; 100 percent has been contributed for 2006, 2005, and 2004.

City of Parma, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2006

Ohio Police and Fire Pension Fund: The City contributes to the Ohio Police and Fire Pension Fund (“OP&F”), a cost-sharing multiple-employer defined benefit pension plan. OP&F provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the Ohio Revised Code. OP&F issues a publicly available financial report that includes financial information and required supplementary information for the plan. That report may be obtained by writing to the Ohio Police and Fire Pension Fund, 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 while the City is required to contribute 19.5 percent for police and 24 percent for firefighters. Contributions are authorized by State statute. The City’s contributions to the Fund for police and firefighters were \$816,241 and \$1,188,365 for the year ended December 31, 2006, \$754,255 and \$1,119,368 for the year ended December 31, 2005, and \$797,246 and \$1,198,755 for the year ended December 31, 2004, respectively. The full amount has been contributed for 2005 and 2004. 71.5 percent for police and 72.8 percent for firefighters has been contributed for 2006, with the remainder being reported as a liability.

In addition to current contributions, the City pays installments on the accrued liability incurred when the State of Ohio established the statewide pension system for police and firefighters in 1967. As of December 31, 2006, the unfunded liability of the City was \$47,239, payable in semi-annual payments through the year 2008. This is an accounting liability of the City that will not vary. The liability is reported as “long-term liabilities” in the governmental activities column on the statement of net assets.

NOTE 13 - OTHER POSTEMPLOYMENT BENEFITS

Ohio Public Employees Retirement System: The Ohio Public Employees Retirement System (OPERS) provides postretirement health care coverage to age and service retirees with ten or more years of qualifying Ohio service credit with either the traditional or the combined plans. Health care coverage for disability recipients and qualified survivor benefit recipients is available. Members of the member-directed plan do not qualify for postretirement health care coverage. A portion of each employer’s contribution to the traditional or combined plans is set aside for funding postretirement health care based on authority granted by State statute. The 2006 local government employer contribution rate was 13.7 percent of covered payroll (16.93 percent for public safety and law enforcement); 4.50 percent of covered payroll was the portion that was used to fund health care.

Benefits are advance-funded using the individual entry age actuarial cost method. Significant actuarial assumptions, based on OPERS’s latest actuarial review performed as of December 31, 2005, include a rate of return on investments of 6.50 percent, an annual increase in active employee total payroll of 4.00 percent compounded annually (assuming no change in the number of active employees) and an additional increase in total payroll of between 0.50 percent and 6.30 percent based on additional annual pay increases. Health care costs were assumed to increase 0.50 to 6.00 percent annually for the next nine years and 4.00 percent annually after nine years.

All investments are carried at market value. For actuarial valuation purposes, a smoothed market approach is used. Assets are adjusted to reflect 25 percent of unrealized market appreciation or depreciation on investment assets annually, not to exceed a 12 percent corridor.

The number of active contributing participants in the Traditional and Combined plans was 369,214. The number of active contributing participants for both plans used in the December 31, 2005 actuarial valuation was 358,804. Actual employer contributions for 2006 that were used to fund postemployment benefits were \$738,806. The actual contribution and the actuarially required contribution amounts are the same. OPERS’s net assets available for payment of benefits at December 31, 2005 were \$11.1 billion. The actuarially accrued liability and the unfunded actuarial accrued liability were \$31.3 billion and \$20.2 billion, respectively.

City of Parma, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2006

On September 9, 2004, the OPERS Retirement Board adopted a Health Care Preservation Plan (HCPP) with an effective date of January 1, 2007. To improve the solvency of the Health Care Fund, OPERS created a separate investment pool for health care assets. Member and employer contribution rates increased as of January 1, 2006, and January 1, 2007, which will allow additional funds to be allocated to the health care plan.

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

The Ohio Revised Code provides the authority allowing the Ohio Police and Fire Pension Fund's board of trustees to provide health care coverage and states that health care costs paid from the funds of the OP&F shall be included in the employer's contribution rate. Health care funding and accounting is on a pay-as-you-go basis. The total police employer contribution is 19.5 percent of covered payroll and the total firefighter employer contribution is 24 percent of covered payroll, of which 7.75 percent of covered payroll was applied to the postemployment health care program during 2006 and 2005. In addition, since July 1, 1992, most retirees and survivors have been required to contribute a portion of the cost of their health care coverage through a deduction from their monthly benefit payment. Beginning in 2001, all retirees and survivors have monthly health care contributions.

The City's actual contributions for 2006 that were used to fund post employment benefits were \$538,372 for police and \$566,758 for firefighters. The OP&F's total health care expense for the year ended December 31, 2005, was \$108,039,449, which was net of member contributions of \$55,271,881. The number of OP&F participants eligible to receive health care benefits as of December 31, 2005 was 13,922 for police and 10,537 for firefighters.

City of Parma, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2006

NOTE 14 – LONG-TERM OBLIGATIONS

Changes in long-term obligations during 2006 are as follows:

	Original Issue	Principal Balance 12/31/2005	Increase	Decrease	Principal Balance 12/31/2006	Amount Due Within One Year
Governmental Activities:						
Special Assessment Bonds						
7.040% - (1991) Ridgewood Water Line	\$ 310,000	20,000	0	20,000	0	0
3.790% - (1999 OWDA) Bruening Drive	185,005	152,288	0	8,052	144,236	4,141
5.250% - (2000) Street Improvements	2,255,000	1,710,000	0	130,000	1,580,000	135,000
4.120% - (1997 OWDA) Burden Drive	65,984	48,420	0	3,368	45,052	1,736
Total Special Assessment Bonds	2,815,989	1,930,708	0	161,420	1,769,288	140,877
General Obligation Bonds						
Unvoted:						
5.561% - (1995) Various Purpose General Obligation Bonds	2,535,700	544,585	0	265,000	279,585	275,000
5.561% (1995) Various Purpose Bonds	2,184,300	1,354,266	0	105,575	1,248,691	109,215
5.533% - (1995) Refunding Bonds	3,900,000	1,741,149	0	39,425	1,701,724	40,785
5.173% - (1998) Justice Center Bonds	12,000,000	10,675,000	0	9,910,000	765,000	375,000
5.402% - (1999) Justice Center Bonds	1,610,000	1,280,000	0	65,000	1,215,000	65,000
2.000% - (2003) Health District Bonds	2,700,000	2,500,000	0	105,000	2,395,000	105,000
2.000% - (2003) Park Acquisition Bonds	3,000,000	2,775,000	0	115,000	2,660,000	120,000
4.280% - (2005) Fire Station Improvement Bonds	7,000,000	7,000,000	0	240,000	6,760,000	245,000
4.280% - (2005) Road Improvement Bonds	1,700,000	1,700,000	0	145,000	1,555,000	155,000
4.070% - (2006) Refunding Bonds	10,200,000	0	10,200,000	175,000	10,025,000	50,000
4.878% - (2006) Various Purpose General Obligation Bonds	560,000	0	560,000	0	560,000	15,000
Total Unvoted General Obligation Bonds	47,390,000	29,570,000	10,760,000	11,165,000	29,165,000	1,555,000
Total General Obligation Bonds		29,570,000	10,760,000	11,165,000	29,165,000	1,555,000
Ohio Public Works Commission Loans						
0% - (1993) Brookdale Watermain	287,007	107,627	0	14,350	93,277	7,175
0% - (1994) Broadview Road Watermain	116,419	46,568	0	5,821	40,747	2,910
0% - (1995) State Road Watermain	139,367	69,685	0	6,968	62,717	3,484
0% - (1995) West 24th Street Watermain	70,711	38,076	0	3,626	34,450	1,813
0% - (1996) Brookpark Road Watermain	385,263	231,157	0	19,263	211,894	9,632
0% - (1997) State Road Watermain III	250,242	150,146	0	12,512	137,634	6,256
0% - (1999) State Road Sewer Rejuvenation	1,197,683	748,552	0	59,884	688,668	29,942
0% - (1999) Ridge Road Watermain II	383,897	268,728	0	19,195	249,533	9,597
0% - (1999) Gabriella Drive Watermain	383,825	268,680	0	19,191	249,489	9,596
0% - (1999) Chestnut Hills Sanitary Sewer	288,298	216,224	0	14,415	201,809	7,207
Total Ohio Public Works	3,502,712	2,145,443	0	175,225	1,970,218	87,612

(Continued)

City of Parma, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2006

	Original Issue	Principal Balance 12/31/2005	Increase	Decrease	Principal Balance 12/31/2006	Amount Due Within One Year
Ohio Water Development Authority Loans						
4.350% - (1996) West 16th Sanitary Sewer	157,250	112,975	0	9,238	103,737	4,770
4.350% - (1996) Ackley Road Sanitary Sewer	51,304	36,860	0	3,014	33,846	1,556
4.040% - (1999) Chestnut Hills Sewer	1,901,141	1,431,611	0	105,709	1,325,902	54,461
4.120% - (1999) Brookpark/W60th Sewer	306,381	229,363	0	15,955	213,408	8,225
4.120% - (1999) Ridge Road Watermain	737,688	559,588	0	36,896	522,692	19,020
4.120% - (1999) State Road Watermain	1,095,912	831,326	0	54,813	776,513	28,256
4.120% - (1999) Broadview Road Sewer	178,917	137,396	0	8,601	128,795	4,434
3.910% - (1999) Brookpark/Roseside Sewer	110,112	49,905	0	0	49,905	0
Total Ohio Water Development Authority	<u>4,538,705</u>	<u>3,389,024</u>	<u>0</u>	<u>234,226</u>	<u>3,154,798</u>	<u>120,722</u>
Other General Long-Term Obligations						
Police and Firemen's Pension Liability		74,559	0	27,320	47,239	28,494
Capital Leases		4,034,513	1,202,449	825,429	4,411,533	889,295
Compensated Absences		<u>2,379,025</u>	<u>295,107</u>	<u>281,738</u>	<u>2,392,394</u>	<u>239,239</u>
Total Other Long-Term Obligations		<u>6,488,097</u>	<u>1,497,556</u>	<u>1,134,487</u>	<u>6,851,166</u>	<u>1,157,028</u>
Total Governmental Activities		<u>43,523,272</u>	<u>12,257,556</u>	<u>12,870,358</u>	<u>42,910,470</u>	<u>3,061,239</u>
Totals All Obligations		<u>\$ 43,523,272</u>	<u>12,257,556</u>	<u>12,870,358</u>	<u>42,910,470</u>	<u>3,061,239</u>
Business-Type Activities:						
Capital Leases		50,899	30,791	33,516	48,174	22,982
Compensated Absences		<u>50,131</u>	<u>1,586</u>	<u>595</u>	<u>51,122</u>	<u>5,112</u>
Total Other Long-Term Obligations		<u>101,030</u>	<u>32,377</u>	<u>34,111</u>	<u>99,296</u>	<u>28,094</u>
Total Business-Type Activities		<u>\$ 101,030</u>	<u>32,377</u>	<u>34,111</u>	<u>99,296</u>	<u>28,094</u>

All bonds are secured by the full faith and credit of the City. Such bonds and notes are payable from ad valorem property taxes levied within the limitations provided by law, irrespective of whether such bonds or notes are secured by other receipts of the City in addition to such ad valorem property taxes.

Special assessment bonds will be paid from the proceeds of special assessments levied against benefited property owners. In the event that a property owner fails to pay the assessment, payment would be made by the City. General obligations bonds, with the exception of the internal service fund various purpose bonds, will be paid from the general bond retirement debt service fund. The OPWC and OWDA loans will be repaid from the debt service fund. The police and firemen's pension liability will be paid from levied taxes in the police and fire special revenue fund, and the law enforcement special revenue fund. Compensated absences will be paid from the fund from which the employees' salaries are paid. The capital leases will be paid from the city income tax capital acquisitions fund, municipal golf course enterprise fund and other governmental funds.

City of Parma, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2006

The City's overall legal debt margin was \$158,650,100 at December 31, 2006.

Principal and interest requirements to retire the City's, general obligation bonds, special assessment bonds, police and firemen's pension liability, OWDA loans and OPWC loans payable at December 31, 2006 are as follows:

Governmental Activities

	General Obligation Bonds		Special Assessment Bonds		Police and Firemen's Pension	
	Principal	Interest	Principal	Interest	Principal	Interest
2007	\$ 1,555,000	1,731,025	\$ 140,877	84,164	\$ 28,494	1,708
2008	1,610,000	1,669,273	152,099	81,068	18,745	484
2009	1,685,000	1,130,103	162,574	73,873	0	0
2010	1,745,000	1,063,590	168,068	66,104	0	0
2011	1,810,000	991,463	193,581	57,996	0	0
2012-2016	7,930,000	3,866,650	896,335	129,300	0	0
2017-2021	7,555,000	2,160,031	55,754	4,569	0	0
2022-2026	5,275,000	503,040	0	0	0	0
	<u>\$ 29,165,000</u>	<u>\$ 13,115,175</u>	<u>\$ 1,769,288</u>	<u>\$ 497,074</u>	<u>\$ 47,239</u>	<u>\$ 2,192</u>

	Ohio Water Development Authority Loans		Ohio Public Works Commission Loans		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2007	\$ 120,722	63,589	\$ 87,612	0	\$ 1,932,705	\$ 1,880,486
2008	248,914	119,710	175,226	0	2,204,984	1,870,535
2009	259,214	109,410	175,226	0	2,282,014	1,313,386
2010	269,940	98,683	175,226	0	2,358,234	1,228,377
2011	284,040	88,577	175,226	0	2,462,847	1,138,036
2012-2016	1,613,295	260,438	815,044	0	11,254,674	4,256,388
2017-2021	358,673	13,736	366,658	0	8,336,085	2,178,336
2022-2026	0	0	0	0	5,275,000	503,040
	<u>\$ 3,154,798</u>	<u>\$ 754,143</u>	<u>\$ 1,970,218</u>	<u>\$ -</u>	<u>\$ 36,106,543</u>	<u>\$ 14,368,584</u>

Other Governmental Obligations

Capital Lease Arrangements: The City has entered into leases for the acquisition of vehicles and equipment. These lease obligations meet the criteria of a capital lease as defined by Statement of Financial Accounting Standards Number 13, "Accounting for Leases," which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee. For governmental funds, capital lease payments are reflected as debt service expenditures in the basic financial statements. In the enterprise fund, capital lease principal payments have been reclassified to reduce the liability and the interest payments have been reclassified as interest and fiscal charges expense.

City of Parma, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2006

The assets recorded by the City under capital leases were as follows as of December 31, 2006:

	Governmental Activities	Business-Type Activities
Equipment	\$744,680	\$180,058
Vehicles	4,347,752	0
Software	739,000	0
Less: accumulated depreciation	<u>(2,484,502)</u>	<u>(51,808)</u>
Carrying value	<u><u>\$3,346,930</u></u>	<u><u>\$119,684</u></u>

The following is a schedule of the future minimum lease payments required under the capital leases and the present value of the minimum lease payments as of December 31, 2006:

Year	Governmental Activities	Business-Type Activities
2007	\$ 1,049,614	24,794
2008	968,021	6,981
2009	783,912	6,982
2010	589,350	6,982
2011	383,763	6,982
2012-2016	<u>1,283,916</u>	<u>0</u>
Total minimum lease payments	5,058,576	52,721
Less: amount representing interest	<u>647,043</u>	<u>4,547</u>
Present value of minimum lease payments	<u><u>\$ 4,411,533</u></u>	<u><u>48,174</u></u>

Defeasance of Debt: On August 15, 1995, the City of Parma issued \$3.9 million in General Obligation Bonds. Proceeds were used to defease \$3,500,000 of its 1990 various-purpose general obligation bonds scheduled to mature in 2011 by placing the proceeds of the new bond issue in an irrevocable trust with an escrow agent to provide for all future debt service payments on the 1990 series bonds. On December 31, 2006, \$1,480,000 of bonds outstanding are considered defeased.

On March 23, 2006, the City issued general obligation bonds (Series 2006 Refunding Bonds) to advance refund the Series 1998 Justice Center Bonds General Obligation Bonds. This refunded debt is considered defeased (in-substance) and accordingly, has been removed from the statement of net assets. The balance of the refunded current interest bonds at December 31, 2006, is \$9,555,000. This advance refunding was undertaken to reduce the combined total debt service payments over the next 16 years by \$346,871 and resulted in an economic gain of \$248,479. On December 31, 2006, \$9,555,000 of bonds outstanding are considered defeased.

City of Parma, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2006

NOTE 15 – NOTES PAYABLE

Note debt activity for governmental activities for the year ended December 31, 2006 consisted of the following:

	Balance at 12/31/2005	Issued	Retired	Balance at 12/31/2006
2.80% Broadview Road Sanitary Sewer Improvement notes	\$ 400,000	0	(400,000)	0
3.15% West Pleasant Valley Road Sanitary Sewer Improvement notes	1,066,000	0	(1,066,000)	0
4.00% Broadview Road Sanitary Sewer Improvement notes	0	419,000	(419,000)	0
3.95% Traffic Signalization Road Improvement notes	0	551,500	0	551,500
Total	\$ 1,466,000	970,500	(1,885,000)	551,500

All notes are backed by the full faith and credit of the City and mature within one year. The liability for the \$551,000 Traffic Signalization notes outstanding at year-end are reflected in the Traffic Signalization fund. The \$551,500 Notes Payable are reflected on the Governmental Funds Balance Sheet and on the Statement of Net Assets.

NOTE 16 - JOINTLY GOVERNED ORGANIZATIONS

Parma Community General Hospital Association The Parma Community General Hospital Association is a not-for-profit adult care hospital controlled by a Board of Trustees that is composed of mayoral appointees from the cities of Parma, North Royalton, Brooklyn, Parma Heights, Seven Hills, and Brooklyn Heights. Each city has two representatives on the Board, other than Parma, which has six. The operations, maintenance, and management of the Hospital are the exclusive charge of the Parma Community General Hospital Association. The City's degree of control is limited to its appointments to the Board of Trustees.

Additions to the Hospital have been financed by the issuance of hospital revenue bonds. The bonds are backed solely by the revenues of the Hospital. The Cities have no responsibility for the payment of the bonds, nor is there any ongoing financial interest or responsibility by the City to the Hospital.

Because there is no ongoing equity interest, there is no requirement to disclose the investment in the jointly governed organization in the Government-Wide Financial Statements. There does exist, however, a residual equity interest upon the dissolution or sale of the Hospital, according to the terms of the original agreement among the Cities. The City of Parma has made no contributions to the Hospital during the year. The Hospital's financial statements may be obtained by contacting the Parma Community General Hospital, Parma, Ohio.

City of Parma, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2006

Southwest Council of Governments: The Southwest Council of Governments helps foster cooperation between municipalities in areas affecting health, safety, welfare, education, economic conditions and regional development. The board is comprised of one member from each of the sixteen participating entities. The board exercises total control over the operation of the Council including budgeting, appropriating, contracting and designating management. Budgets are adopted by the board. Each City's degree of control is limited to its representation on the board.

The Council has established two subsidiary organizations, the Hazardous Material Response Team ("Haz Mat") which provides hazardous material protection and assistance and the Southwest Enforcement Bureau that provides extra assistance to cities in the form of a Special Weapons and Tactics Team ("SWAT Team"). The Council's financial statements may be obtained by contacting the Southwest Council of Governments, Parma Heights, Ohio.

NOTE 17 - CONTINGENCIES

General Contingencies: Various claims and lawsuits are pending against the City. In accordance with GASB Statement No. 10, those claims which are considered "probable" are accrued (see Note 10), while those claims that are considered "reasonably possible" are disclosed but not accrued.

As of December 31, 2006, the amount of claims against the City for which an unfavorable outcome is deemed to be reasonably possible, aggregated \$254,500 for governmental funds.

These estimates were based on a case-by-case review of outstanding claims by the City's Law Director.

Contingencies Under Grant Programs: The City participates in a number of federally assisted Investment Act grant programs, principal of which are Community Development Block Grants. These programs are subject to financial and compliance audits by the grantors or their representatives. Audits have been completed by granting agencies for the Parma Public Housing Agency grants. The City believes that disallowed costs on other grants, if any, would not be material.

NOTE 18 – NEW ACCOUNTING STANDARDS

In 2006, the Governmental Accounting Standards Board (GASB) issued Statement No. 48, *Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues* (an amendment of GASB Statement No. 34). This Statement establishes accounting and reporting standards for transactions in which a government receives, or is entitled to, resources in exchange for future cash flows generated by collecting specific receivables or specific future revenues. It also contains provisions that apply to certain situations in which a government does not receive resources but, nevertheless, pledges or commits future cash flows generated by collecting specific future revenues. Statement No. 48 will not be effective for the City until 2007 and, therefore, the City has not determined the impact, if any, that this statement will have on its financial statements.

In 2006, the GASB issued Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligations* (an amendment of NCGA Statements Nos. 1 and 4, NCGA Interpretation No. 6, GASB Statement No. 10, and GASB Interpretation No. 6). This Statement establishes standards for accounting and financial reporting for pollution remediation obligations. Statement No. 49 will not be effective for the City until 2008 and, therefore, the City has not determined the impact, if any, that this statement will have on its financial statements.

City of Parma, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2006

NOTE 19 – CHANGE IN ACCOUNTING PRINCIPLES AND RESTATEMENT OF PRIOR YEAR FUND BALANCES/NET ASSETS

A. *Change in Accounting Principles*

For 2006, the City implemented GASB Statement No. 47, “Accounting for Termination Benefits.” GASB Statement No. 47 established standards of accounting and financial reporting for termination benefits.

The implementation of GASB Statement No. 47 did not affect the presentation of the financial statements of the City.

B. *Restatement of Fund Balances*

During 2006, it was determined that the liability for retainage payable in the amount of \$35,752 and accrued interest receivable in the amount of \$650 in the Senior Citizens Center capital projects fund no longer existed. The net of these adjustments of \$35,102 resulted in a restatement of the fund balance in the fund from (\$34,526) at December 31, 2005 to an adjusted fund balance at December 31, 2005 of \$576.

NOTE 20 – SUBSEQUENT EVENTS

On February 13, 2006, the Parma City Council, in Ordinance No. 52-06, voted to change the City’s municipal income tax rate from 2.0% to 2.5%, effective January 1st, 2007.

At the May 2nd, 2006 primary election, the voters of the City of Parma approved, effective January 1st, 2007, an increase in the municipal income tax credit, for municipal income tax paid to another municipality by City of Parma residents, to 2.0%.

At the May 8th, 2007 primary election, the voters of the City of Parma approved, effective January 1st, 2007, an additional property tax levy at a rate not exceeding two mills for each one dollar of valuation for a period of five years, for the purpose of providing and maintaining motor vehicles, communications, and other equipment used directly in the operation of the Police Department, and the payment of salaries of permanent police personnel.

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CITY OF PARMA, OHIO
NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes. The City's special revenue funds are described below.

Paramedic Levy - To account for tax revenues restricted to providing emergency medical services within the City.

Land Acquisitions - To account for revenues designated for the purchase of land for park purposes.

Parks and Recreation - To account for revenues received from insurance fees, gifts, donations, rents, and contributions designated for recreation programs.

Parma Public Housing - To account for revenues received from the federal government to operate the Parma Public Housing department.

Community Development Block Grant - To account for revenues received from the federal government and expenditures for the Community Development Block Grant Program.

Street Construction, Maintenance and Repair - To account for that portion of the state gasoline tax and motor vehicle registration fees designated for maintenance 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 of state highways within the City.

Municipal Motor Vehicle License Tax - To account for that portion of both city and county license tax designated for maintenance of streets within the City.

Noxious Weeds - To account for the cost of providing care to property not maintained by the property owner.

Street Lighting - To account for revenues and expenditures related to lighting the City's streets.

Police Pension - To accumulate property taxes for the partial payment of the current and accrued liability for police disability and pension benefits.

Fire Pension - To accumulate property taxes for the partial payment of the current and accrued liability for fire disability and pension benefits.

(continued)

SPECIAL REVENUE FUNDS (continued)

Law Enforcement - To account for certain law enforcement revenue to be expended for incarceration costs.

Police Levy - To account for revenue from the police operating levy.

Fire Levy - To account for revenue from the fire operating levy.

Sewer Maintenance - To account for the revenues and expenditures of the sewer department.

Fair Housing - To account for grant revenue to assure fair housing within the City.

Community Center - To account for the revenues and expenditures of the community center.

Title III Grant - To account for grant revenues for senior citizens programs.

Senior Donations - To account for donations to senior citizens programs.

Housing Maintenance Code - To account for activity associated with the enforcement of City property maintenance standards.

Roadway Industrial Parkway - To account for activity associated with the Roadway Industrial Parkway.

Enterprise Zone Monitoring - To account for activity associated with the City's enterprise zone.

Local Law Enforcement Block Grant - To account for grant revenues and expenditures as prescribed by the Local Law Enforcement Block Grant program.

EMS Grant - To account for activity associated with the emergency medical services grant.

Court Security Grant - To account for activity associated with the court security grant.

Juvenile Diversion Program - To account for activity associated with the Juvenile Diversion Program.

Victims of Crime Compensation Program - To account for activity associated with the Victims of Crime Compensation Program.

Traffic Intervention Program - To account for activity associated with Traffic Intervention Program.

Senior Facility Grant - To account for activity associated with the senior facility grant.

Schaff Community Center - To account for activity associated with the Schaff Community Center grant.

Stearns Farm - To account for activity associated with the Stearns Farm grant.

Litter Prevention and Recycling - To account for activity associated with the Litter Prevention and Recycling grant.

(continued)

SPECIAL REVENUE FUNDS (continued)

Customer Service Center - To account for activity associated with the Customer Service Center grant.

Nature Works - To account for activity associated with the Nature Works grant.

America Beautiful - To account for activity associated with the America Beautiful grant.

West Creek Preservation – To account for activity associated with the West Creek Preservation recreational preserve.

Ohio and Erie Canal – To account for activity associated with the Ohio and Erie Canal recreational area.

C.O.P.S. Grant – To account for activity associated with the C.O.P.S. Grant fund.

Disaster Preparedness – To account for activity associated with the Disaster Preparedness fund.

County Health Loan – To account for activity associated with the County Health Loan fund.

James A. Lovell Park – To account for activity associated with the park named in honor of U.S. Navy captain (retired) and Apollo astronaut James A. Lovell.

Animal Shelter – To account for activity associated with the City’s animal shelter.

DUI Prevention Task Force – To account for activity associated with the DUI Prevention Task Force fund.

Recreation Trust – To account for activity associated with the Recreation Trust fund.

Curb Cutting – To account for activity associated with the Curb Cutting fund.

Tree Planting – To account for activity associated with the City’s Tree Planting fund.

Vista Ridge – To account for activity associated with the Vista Ridge subdivision fund.

FEMA Assistance to Firefighters – To account for activity associated with the FEMA Assistance to Firefighters grant.

Community Emergency Response Team – To account for activity associated with the Community Emergency Response Team grant.

PMC Clerk Computerization – To account for activity associated with the Parma Municipal Court Clerk Computerization program.

Henninger Homestead – To account for activity associated with the acquisition and improvement of the Henninger Homestead.

Brownfield Redevelopment – To account for activity associated with brownfield redevelopment activity within the City.

SPECIAL REVENUE FUNDS (continued)

Urban Area Security Initiative Grant - To account for activity associated with the Urban Area Security Initiative Grant.

Transportation for Livable Communities Initiative - To account for activity associated with the Transportation for Livable Communities Initiative.

Capability Enhancement via Technology - To account for activity associated with the Capability Enhancement via Technology Grant.

Buffer Zone Protection Plan Grant - To account for activity associated with the Buffer Zone Protection Plan Grant.

Traffic Signalization Program - To account for activity associated with the Traffic Signalization Program.

James Day Park - To account for activity associated with the James Day Park fund.

Tax Increment Financing - To account for activity associated with the Tax Increment Financing fund.

State Disaster Relief Program - To account for activity associated with the State Disaster Relief Program fund.

CAPITAL PROJECTS FUNDS

Capital project funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds). The City's capital project funds are described below.

Library - To account for activity associated with the conversion of the Royal Ridge Elementary School into a branch of the Cuyahoga County Public Library.

Sewer Construction - To account for activity associated with the financing and construction of City sanitary sewers.

Street Improvement - To account for activity associated with the financing and improvement of City streets.

Sidewalks - To account for special assessments for sidewalk installation and maintenance.

Senior Citizens Center - To account for activity associated with the financing and construction of the Senior Citizens Center.

Courts Capital Improvement - To account for activity associated with capital improvements at the Parma Municipal Court District.

City Hall Capital Improvements - To account for activity associated with improvements to city hall.

Justice Center - To account for activity associated with the construction of the court and jail facility.

Gannett Land Purchase – To account for activity associated with the Gannet Land Purchase fund.

West Creek Pollution Abatement - To account for activity associated with the West Creek Pollution Abatement fund.

City of Parma, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2006

	<u>Paramedic Levy</u>	<u>Land Acquisitions</u>	<u>Parks and Recreation</u>	<u>Parma Public Housing</u>	<u>Community Development Block Grant</u>
Assets					
Equity in pooled cash and cash equivalents	\$ 58,507	11	172,139	(13,626)	176,950
Cash and cash equivalents in segregated accounts	0	0	0	0	72,488
Cash and cash equivalents with fiscal and escrow agents	0	0	0	595,960	0
Taxes receivable	0	0	0	0	0
Special assessments receivable	0	0	0	0	0
Accrued interest receivable	0	0	0	0	0
Due from other funds	0	0	0	0	0
Due from other governments	0	0	0	0	0
Materials and supplies inventory	0	0	0	0	0
Loans receivable	0	0	0	0	12,605
Total assets	<u>\$ 58,507</u>	<u>11</u>	<u>172,139</u>	<u>582,334</u>	<u>262,043</u>
Liabilities					
Accounts payable	\$ 44	0	680	0	2,552
Contracts payable	0	0	0	0	0
Interfund payable	0	0	0	0	0
Accrued wages and benefits	1,455	0	0	7,263	3,969
Compensated absences payable	57	0	0	1,334	1,330
Due to other governments	1,241	0	0	5,810	3,218
Deferred revenue	0	0	0	0	0
Notes payable	0	0	0	0	0
Total liabilities	<u>2,797</u>	<u>0</u>	<u>680</u>	<u>14,407</u>	<u>11,069</u>
Fund balances					
Reserved for encumbrances	0	0	20,946	0	0
Reserved for inventory	0	0	0	0	0
Reserved for loans	0	0	0	0	12,605
Unreserved, undesignated (deficit)	55,710	11	150,513	567,927	238,369
Total fund balance (deficit)	<u>55,710</u>	<u>11</u>	<u>171,459</u>	<u>567,927</u>	<u>250,974</u>
Total liabilities and fund balances	<u>\$ 58,507</u>	<u>11</u>	<u>172,139</u>	<u>582,334</u>	<u>262,043</u>

<u>Street Construction, Maintenance and Repair</u>	<u>State Highway</u>	<u>Municipal Motor Vehicle License Tax</u>	<u>Noxious Weeds</u>	<u>Street Lighting</u>	<u>Police Pension</u>	<u>Fire Pension</u>	<u>Law Enforcement</u>
266,362	40,511	42,923	2,234	37,886	103,184	8,316	1,123,667
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	509,547	509,547	0
22	168	395	0	0	0	0	0
0	0	0	0	0	0	0	5,985
1,422,211	115,316	263,871	0	0	25,155	25,155	0
170,422	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
<u>1,859,017</u>	<u>155,995</u>	<u>307,189</u>	<u>2,234</u>	<u>37,886</u>	<u>637,886</u>	<u>543,018</u>	<u>1,129,652</u>

12,353	967	0	0	208,271	0	0	1,273
12,981	0	0	0	0	0	0	0
0	0	0	0	0	0	0	6,143
103,330	5,495	0	0	0	0	0	0
8,383	376	0	0	0	0	0	0
58,748	3,351	0	0	0	0	0	0
1,190,527	96,531	225,032	0	0	445,081	445,081	0
0	0	0	0	0	0	0	0
<u>1,386,322</u>	<u>106,720</u>	<u>225,032</u>	<u>0</u>	<u>208,271</u>	<u>445,081</u>	<u>445,081</u>	<u>7,416</u>

0	0	0	0	0	0	0	0
170,422	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
302,273	49,275	82,157	2,234	(170,385)	192,805	97,937	1,122,236
<u>472,695</u>	<u>49,275</u>	<u>82,157</u>	<u>2,234</u>	<u>(170,385)</u>	<u>192,805</u>	<u>97,937</u>	<u>1,122,236</u>
<u>1,859,017</u>	<u>155,995</u>	<u>307,189</u>	<u>2,234</u>	<u>37,886</u>	<u>637,886</u>	<u>543,018</u>	<u>1,129,652</u>

(continued)

City of Parma, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds - continued
December 31, 2006

	<u>Police Levy</u>	<u>Fire Levy</u>	<u>Sewer Maintenance</u>	<u>Fair Housing</u>	<u>Community Center</u>
Assets					
Equity in pooled cash and cash equivalents	\$ 1,318	76,176	65,020	47,604	36,865
Cash and cash equivalents in segregated accounts	0	0	0	0	0
Taxes receivable	0	1,652,197	0	0	0
Accrued interest receivable	0	0	0	0	0
Due from other funds	0	0	0	0	0
Due from other governments	0	84,468	0	0	0
Materials and supplies inventory	0	0	0	0	0
Loans receivable	0	0	0	0	0
Total assets	<u>1,318</u>	<u>1,812,841</u>	<u>65,020</u>	<u>47,604</u>	<u>36,865</u>
Liabilities					
Accounts payable	\$ 0	8,598	823	0	2,857
Contracts payable	0	0	0	0	0
Interfund payable	0	0	0	0	0
Accrued wages and benefits	0	3,557	18,581	1,392	1,972
Compensated absences payable	0	0	546	232	121
Due to other governments	0	1,046	11,262	1,217	1,816
Deferred revenue	0	1,463,118	0	0	0
Notes payable	0	0	0	0	0
Total liabilities	<u>0</u>	<u>1,476,319</u>	<u>31,212</u>	<u>2,841</u>	<u>6,766</u>
Fund balance					
Reserved for encumbrances	0	0	0	0	0
Reserved for inventory	0	0	0	0	0
Reserved for loans	0	0	0	0	0
Unreserved, undesignated (deficit)	1,318	336,522	33,808	44,763	30,099
Total fund balance (deficit)	<u>1,318</u>	<u>336,522</u>	<u>33,808</u>	<u>44,763</u>	<u>30,099</u>
Total liabilities and fund balances	<u>\$ 1,318</u>	<u>1,812,841</u>	<u>65,020</u>	<u>47,604</u>	<u>36,865</u>

<u>Title III</u>	<u>Senior Donations</u>	<u>Housing Maintenance Code</u>	<u>Roadway Industrial Parkway</u>	<u>Enterprise Zone Monitoring</u>	<u>Local Law Enforcement Block Grant</u>	<u>EMS Grant</u>	<u>Court Security Grant</u>
44,598	113,053	11,237	492,279	9,202	2,402	7,703	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	5	0	0
0	0	2,310	0	0	0	0	0
0	0	0	0	0	11,003	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
<u>44,598</u>	<u>113,053</u>	<u>13,547</u>	<u>492,279</u>	<u>9,202</u>	<u>13,410</u>	<u>7,703</u>	<u>0</u>

0	6,283	72	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
3,660	2,299	5,097	0	0	0	0	0
378	0	405	0	0	0	0	0
5,106	2,086	2,134	0	0	58	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
<u>9,144</u>	<u>10,668</u>	<u>7,708</u>	<u>0</u>	<u>0</u>	<u>58</u>	<u>0</u>	<u>0</u>

0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
35,454	102,385	5,839	492,279	9,202	13,352	7,703	0
<u>35,454</u>	<u>102,385</u>	<u>5,839</u>	<u>492,279</u>	<u>9,202</u>	<u>13,352</u>	<u>7,703</u>	<u>0</u>
<u>44,598</u>	<u>113,053</u>	<u>13,547</u>	<u>492,279</u>	<u>9,202</u>	<u>13,410</u>	<u>7,703</u>	<u>0</u>

(continued)

City of Parma, Ohio
 Combining Balance Sheet
 Nonmajor Governmental Funds - continued
 December 31, 2006

	Juvenile Diversion Program	Victims of Crime Compensation Program	Traffic Intervention Program	Senior Facility Grant	Schaff Community Center
Assets					
Equity in pooled cash and cash equivalents	\$ 4,124	8,833	35,961	0	10,458
Cash and cash equivalents in segregated accounts	0	0	0	0	0
Taxes receivable	0	0	0	0	0
Accrued interest receivable	0	0	0	0	0
Due from other funds	0	0	3,823	0	0
Due from other governments	0	0	0	0	0
Materials and supplies inventory	0	0	0	0	0
Loans receivable	0	0	0	0	0
Total assets	<u>4,124</u>	<u>8,833</u>	<u>39,784</u>	<u>0</u>	<u>10,458</u>
Liabilities					
Accounts payable	\$ 0	0	0	0	0
Contracts payable	0	0	0	0	0
Interfund payable	0	0	0	0	0
Accrued wages and benefits	0	708	0	0	0
Compensated absences payable	0	202	0	0	0
Due to other governments	0	713	0	0	0
Deferred revenue	0	0	0	0	0
Notes payable	0	0	0	0	0
Total liabilities	<u>0</u>	<u>1,623</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund balance					
Reserved for encumbrances	0	0	0	0	0
Reserved for inventory	0	0	0	0	0
Reserved for loans	0	0	0	0	0
Unreserved, undesignated (deficit)	4,124	7,210	39,784	0	10,458
Total fund balance (deficit)	<u>4,124</u>	<u>7,210</u>	<u>39,784</u>	<u>0</u>	<u>10,458</u>
Total liabilities and fund balances	<u>\$ 4,124</u>	<u>8,833</u>	<u>39,784</u>	<u>0</u>	<u>10,458</u>

<u>Stearns Farm</u>	<u>Litter Prevention and Recycling</u>	<u>Customer Service Center</u>	<u>Nature Works</u>	<u>America Beautiful</u>	<u>West Creek Preservation</u>	<u>Ohio and Erie Canal</u>
29,525	878	2,543	3,200	97	12,993	5,848
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>29,525</u>	<u>878</u>	<u>2,543</u>	<u>3,200</u>	<u>97</u>	<u>12,993</u>	<u>5,848</u>
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	19,495	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>19,495</u>	<u>0</u>
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
29,525	878	2,543	3,200	97	(6,502)	5,848
<u>29,525</u>	<u>878</u>	<u>2,543</u>	<u>3,200</u>	<u>97</u>	<u>(6,502)</u>	<u>5,848</u>
<u>29,525</u>	<u>878</u>	<u>2,543</u>	<u>3,200</u>	<u>97</u>	<u>12,993</u>	<u>5,848</u>

(continued)

City of Parma, Ohio
 Combining Balance Sheet
 Nonmajor Governmental Funds - continued
 December 31, 2006

	<u>Disaster Preparedness</u>	<u>County Health Loan</u>	<u>James A. Lovell Park</u>	<u>Animal Shelter</u>
Assets				
Equity in pooled cash and cash equivalents	\$ 17,155	0	1,442	2,234
Cash and cash equivalents in segregated accounts	0	0	0	0
Taxes receivable	0	0	0	0
Accrued interest receivable	0	0	0	0
Due from other funds	0	0	0	0
Due from other governments	0	0	0	0
Materials and supplies inventory	0	0	0	0
Loans receivable	0	0	0	0
Total assets	<u><u>\$ 17,155</u></u>	<u><u>0</u></u>	<u><u>1,442</u></u>	<u><u>2,234</u></u>
Liabilities				
Accounts payable	\$ 0	0	0	219
Contracts payable	0	0	0	0
Interfund payable	0	0	0	0
Accrued wages and benefits	0	0	0	0
Compensated absences payable	0	0	0	0
Due to other governments	0	0	0	0
Deferred revenue	0	0	0	0
Notes payable	0	0	0	0
Total liabilities	<u><u>0</u></u>	<u><u>0</u></u>	<u><u>0</u></u>	<u><u>219</u></u>
Fund balance				
Reserved for encumbrances	0	0	0	0
Reserved for inventory	0	0	0	0
Reserved for loans	0	0	0	0
Unreserved, undesignated (deficit)	17,155	0	1,442	2,015
Total fund balance (deficit)	<u><u>17,155</u></u>	<u><u>0</u></u>	<u><u>1,442</u></u>	<u><u>2,015</u></u>
Total liabilities and fund balances	<u><u>\$ 17,155</u></u>	<u><u>0</u></u>	<u><u>1,442</u></u>	<u><u>2,234</u></u>

DUI Prevention Task Force	Recreation	Curb Cutting	Tree Planting	Vista Ridge
1	24,569	17,698	3,900	27,568
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
<u>1</u>	<u>24,569</u>	<u>17,698</u>	<u>3,900</u>	<u>27,568</u>

0	0	600	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
<u>0</u>	<u>0</u>	<u>600</u>	<u>0</u>	<u>0</u>

0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
1	24,569	17,098	3,900	27,568
<u>1</u>	<u>24,569</u>	<u>17,098</u>	<u>3,900</u>	<u>27,568</u>
<u>1</u>	<u>24,569</u>	<u>17,698</u>	<u>3,900</u>	<u>27,568</u>

(continued)

City of Parma, Ohio
 Combining Balance Sheet
 Nonmajor Governmental Funds - continued
 December 31, 2006

	FEMA Assistance to Firefighters	Community Emergency Response Team	PMC Clerk Computerization	Henninger Homestead
Assets				
Equity in pooled cash and cash equivalents	\$ 206	162	80,409	1,184
Cash and cash equivalents in segregated accounts	0	0	0	0
Taxes receivable	0	0	0	0
Accrued interest receivable	0	0	0	0
Due from other funds	0	0	10,258	0
Due from other governments	0	0	0	0
Materials and supplies inventory	0	0	0	0
Loans receivable	0	0	0	0
Total assets	<u>\$ 206</u>	<u>162</u>	<u>90,667</u>	<u>1,184</u>
Liabilities				
Accounts payable	\$ 0	0	0	0
Contracts payable	0	0	0	0
Interfund payable	0	0	0	1,670
Accrued wages and benefits	0	0	0	0
Compensated absences payable	0	0	0	0
Due to other governments	0	0	0	0
Deferred revenue	0	0	0	0
Notes payable	0	0	0	0
Total liabilities	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,670</u>
Fund balance				
Reserved for encumbrances	0	0	0	0
Reserved for inventory	0	0	0	0
Reserved for loans	0	0	0	0
Unreserved, undesignated (deficit)	206	162	90,667	(486)
Total fund balance (deficit)	<u>206</u>	<u>162</u>	<u>90,667</u>	<u>(486)</u>
Total liabilities and fund balances	<u>\$ 206</u>	<u>162</u>	<u>90,667</u>	<u>1,184</u>

<u>Brownfield Redevelopment</u>	<u>Transportation for Livable Communities</u>	<u>Capability Enhancement via Technology</u>	<u>Urban Area Security Initiative</u>	<u>Buffer Zone Protection</u>	<u>Traffic Signalization</u>
0	14,500	0	17,305	0	459,090
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>0</u>	<u>14,500</u>	<u>0</u>	<u>17,305</u>	<u>0</u>	<u>459,090</u>
0	12,600	0	0	0	0
0	0	0	0	0	0
0	0	0	0	48,523	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	551,500
<u>0</u>	<u>12,600</u>	<u>0</u>	<u>0</u>	<u>48,523</u>	<u>551,500</u>
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	1,900	0	17,305	(48,523)	(92,410)
<u>0</u>	<u>1,900</u>	<u>0</u>	<u>17,305</u>	<u>(48,523)</u>	<u>(92,410)</u>
<u>0</u>	<u>14,500</u>	<u>0</u>	<u>17,305</u>	<u>0</u>	<u>459,090</u>

(continued)

City of Parma, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds - continued
December 31, 2006

	James Day Park	Tax Increment Financing	State Disaster Relief	All Nonmajor Special Revenue
Assets				
Equity in pooled cash and cash equivalents	\$ 6,410	128,360	75,085	3,918,259
Cash and cash equivalents in segregated accounts	0	0	0	72,488
Cash and cash equivalents with fiscal and escrow agents	0	0	0	595,960
Taxes receivable	0	0	0	2,671,291
Special assessments receivable	0	0	0	0
Accrued interest receivable	0	0	0	590
Due from other funds	0	0	0	22,376
Due from other governments	0	0	0	1,947,179
Materials and supplies inventory	0	0	0	170,422
Loans receivable	0	0	0	12,605
Total assets	<u>\$ 6,410</u>	<u>128,360</u>	<u>75,085</u>	<u>9,411,170</u>
Liabilities				
Accounts payable	\$ 0	0	0	258,192
Contracts payable	0	0	0	12,981
Interfund payable	0	0	91,985	167,816
Accrued wages and benefits	0	0	0	158,778
Compensated absences payable	0	0	0	13,364
Due to other governments	0	0	0	97,806
Deferred revenue	0	0	0	3,865,370
Notes payable	0	0	0	551,500
Total liabilities	<u>0</u>	<u>0</u>	<u>91,985</u>	<u>5,125,807</u>
Fund balance				
Reserved for encumbrances	0	0	0	20,946
Reserved for inventory	0	0	0	170,422
Reserved for loans	0	0	0	12,605
Unreserved, undesignated (deficit)	6,410	128,360	(16,900)	4,081,390
Total fund balance (deficit)	<u>6,410</u>	<u>128,360</u>	<u>(16,900)</u>	<u>4,285,363</u>
Total liabilities and fund balances	<u>\$ 6,410</u>	<u>128,360</u>	<u>75,085</u>	<u>9,411,170</u>

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City of Parma, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds - continued
December 31, 2006

	<u>Library</u>	<u>Sewer Construction</u>	<u>Street Improvement</u>	<u>Sidewalks</u>
Assets				
Equity in pooled cash and cash equivalents	\$ 0	69,814	572,635	22,608
Cash and cash equivalents in segregated accounts	0	0	0	0
Cash and cash equivalents with fiscal and escrow agents	0	0	0	0
Taxes receivable	0	0	0	0
Special assessments receivable	0	0	0	6,299
Accrued interest receivable	125	0	0	0
Due from other funds	0	0	0	0
Due from other governments	0	0	0	0
Materials and supplies inventory	0	0	0	0
Loans receivable	0	0	0	0
Total assets	<u><u>\$ 125</u></u>	<u><u>69,814</u></u>	<u><u>572,635</u></u>	<u><u>28,907</u></u>
Liabilities				
Accounts payable	\$ 0	30,033	17,720	0
Contracts payable	0	0	0	0
Interfund payable	0	835,179	0	0
Accrued wages and benefits	0	0	0	0
Compensated absences payable	0	0	0	0
Due to other governments	0	0	0	0
Deferred revenue	0	0	0	6,299
Notes payable	0	0	0	0
Total liabilities	<u><u>0</u></u>	<u><u>865,212</u></u>	<u><u>17,720</u></u>	<u><u>6,299</u></u>
Fund balance				
Reserved for encumbrances	0	0	0	0
Reserved for inventory	0	0	0	0
Reserved for loans	0	0	0	0
Unreserved, undesignated (deficit)	125	(795,398)	554,915	22,608
Total fund balance (deficit)	<u><u>125</u></u>	<u><u>(795,398)</u></u>	<u><u>554,915</u></u>	<u><u>22,608</u></u>
Total liabilities and fund balances	<u><u>\$ 125</u></u>	<u><u>69,814</u></u>	<u><u>572,635</u></u>	<u><u>28,907</u></u>

<u>Senior Citizens Center</u>	<u>Courts Capital Improvements</u>	<u>City Hall Capital Improvements</u>	<u>Justice Center</u>	<u>Gannett Land Purchase</u>	<u>West Creek Pollution Abatement</u>
632	7,495	7,444	51,038	0	288,700
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	858	0	0
0	30	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>632</u>	<u>7,525</u>	<u>7,444</u>	<u>51,896</u>	<u>0</u>	<u>288,700</u>
0	960	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>0</u>	<u>960</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
632	6,565	7,444	51,896	0	288,700
<u>632</u>	<u>6,565</u>	<u>7,444</u>	<u>51,896</u>	<u>0</u>	<u>288,700</u>
<u>632</u>	<u>7,525</u>	<u>7,444</u>	<u>51,896</u>	<u>0</u>	<u>288,700</u>

(continued)

City of Parma, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds - continued
December 31, 2006

	All Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
	<u> </u>	<u> </u>
Assets		
Equity in pooled cash and cash equivalents	\$ 1,020,366	4,938,625
Cash and cash equivalents in segregated accounts	0	72,488
Cash and cash equivalents with fiscal and escrow agents	0	595,960
Taxes receivable	0	2,671,291
Special assessments receivable	6,299	6,299
Accrued interest receivable	983	1,573
Due from other funds	30	22,406
Due from other governments	0	1,947,179
Materials and supplies inventory	0	170,422
Loans receivable	0	12,605
	<u>\$ 1,027,678</u>	<u>10,438,848</u>
Total assets		
 Liabilities		
Accounts payable	\$ 48,713	306,905
Contracts payable	0	12,981
Interfund payable	835,179	1,002,995
Accrued wages and benefits	0	158,778
Compensated absences payable	0	13,364
Due to other governments	0	97,806
Deferred revenue	6,299	3,871,669
Notes payable	0	551,500
	<u>890,191</u>	<u>6,015,998</u>
Total liabilities		
 Fund balance		
Reserved for encumbrances	0	20,946
Reserved for inventory	0	170,422
Reserved for loans	0	12,605
Unreserved, undesignated (deficit)	137,487	4,218,877
	<u>137,487</u>	<u>4,422,850</u>
Total fund balance (deficit)		
Total liabilities and fund balances	<u>\$ 1,027,678</u>	<u>10,438,848</u>

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City of Parma, Ohio
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2006

	<u>Paramedic Levy</u>	<u>Land Acquisitions</u>	<u>Parks and Recreation</u>	<u>Parma Public Housing</u>	<u>Community Development Block Grant</u>
Revenues					
Property and other taxes	\$ 0	0	0	0	0
Charges for services	917,048	0	54,991	366,368	17,781
Fees, licenses and permits	0	0	0	0	0
Fines and forfeitures	0	0	0	0	0
Intergovernmental	0	0	0	4,880,379	1,164,252
Donations	0	34,945	33,688	0	0
Rents	0	0	194,166	0	0
Special assessments	0	0	0	0	0
Interest	6,830	0	19,292	5,013	379
Other	0	0	7,509	0	0
Total revenues	<u>923,878</u>	<u>34,945</u>	<u>309,646</u>	<u>5,251,760</u>	<u>1,182,412</u>
Expenditures					
Current					
Legislative and executive	0	0	0	0	0
Security of persons and property	998,639	0	0	0	0
Transportation	0	0	0	0	0
Community environment	0	0	0	4,982,153	1,108,686
Basic utility services	0	0	0	0	0
Leisure time activities	0	59,000	139,385	0	0
Capital outlay	0	0	74,733	0	0
Debt service					
Principal retirement	0	0	43,550	0	0
Interest and fiscal charges	0	0	4,239	0	0
Total expenditures	<u>998,639</u>	<u>59,000</u>	<u>261,907</u>	<u>4,982,153</u>	<u>1,108,686</u>
Excess of revenues over (under) expenditures	<u>(74,761)</u>	<u>(24,055)</u>	<u>47,739</u>	<u>269,607</u>	<u>73,726</u>
Other financing sources (uses)					
Proceeds of bonds	0	0	0	0	0
Operating transfers - in	0	20,135	0	0	0
Operating transfers - out	(2,664)	0	(50,000)	0	(72,000)
Total other financing sources (uses)	<u>(2,664)</u>	<u>20,135</u>	<u>(50,000)</u>	<u>0</u>	<u>(72,000)</u>
Net change in fund balances	(77,425)	(3,920)	(2,261)	269,607	1,726
Fund balances (deficit) at beginning of year - (Restated - See Note 19B)	<u>133,135</u>	<u>3,931</u>	<u>173,720</u>	<u>298,320</u>	<u>249,248</u>
Fund balances (deficit) at end of year	<u>\$ 55,710</u>	<u>11</u>	<u>171,459</u>	<u>567,927</u>	<u>250,974</u>

(continued)

<u>Street Construction, Maintenance and Repair</u>	<u>State Highway</u>	<u>Municipal Motor Vehicle License Tax</u>	<u>Noxious Weeds</u>	<u>Street Lighting</u>	<u>Police Pension</u>	<u>Fire Pension</u>	<u>Law Enforcement</u>
0	0	0	0	0	546,549	465,815	0
0	0	0	0	0	0	0	20,774
2,025	0	0	0	0	0	0	0
0	0	0	0	0	0	0	200,626
2,869,627	218,305	489,990	0	0	50,307	50,307	73,037
0	0	0	0	0	0	0	49
0	0	0	0	0	0	0	17,563
0	0	0	33,797	747,709	0	0	0
0	4,172	43,196	0	0	0	0	59,064
0	0	0	0	0	0	0	0
<u>2,871,652</u>	<u>222,477</u>	<u>533,186</u>	<u>33,797</u>	<u>747,709</u>	<u>596,856</u>	<u>516,122</u>	<u>371,113</u>
0	0	0	18,121	0	0	0	0
0	0	0	0	0	1,233,387	1,699,947	231,118
4,759,459	257,752	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	839,804	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	137,135
0	0	0	0	0	27,320	0	5,747
0	0	0	0	0	2,882	0	0
<u>4,759,459</u>	<u>257,752</u>	<u>0</u>	<u>18,121</u>	<u>839,804</u>	<u>1,263,589</u>	<u>1,699,947</u>	<u>374,000</u>
<u>(1,887,807)</u>	<u>(35,275)</u>	<u>533,186</u>	<u>15,676</u>	<u>(92,095)</u>	<u>(666,733)</u>	<u>(1,183,825)</u>	<u>(2,887)</u>
0	0	0	0	0	0	0	0
1,850,000	20,000	0	0	130,000	832,000	1,159,000	0
0	0	(550,000)	0	0	0	0	0
<u>1,850,000</u>	<u>20,000</u>	<u>(550,000)</u>	<u>0</u>	<u>130,000</u>	<u>832,000</u>	<u>1,159,000</u>	<u>0</u>
(37,807)	(15,275)	(16,814)	15,676	37,905	165,267	(24,825)	(2,887)
<u>510,502</u>	<u>64,550</u>	<u>98,971</u>	<u>(13,442)</u>	<u>(208,290)</u>	<u>27,538</u>	<u>122,762</u>	<u>1,125,123</u>
<u>472,695</u>	<u>49,275</u>	<u>82,157</u>	<u>2,234</u>	<u>(170,385)</u>	<u>192,805</u>	<u>97,937</u>	<u>1,122,236</u>

(continued)

City of Parma, Ohio
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Nonmajor Governmental Funds - continued
For the Year Ended December 31, 2006

	<u>Police Levy</u>	<u>Fire Levy</u>	<u>Sewer Maintenance</u>	<u>Fair Housing</u>	<u>Community Center</u>
Revenues					
Property and other taxes	\$ 0	1,626,133	0	0	0
Charges for services	0	0	47,314	0	6,800
Fees, licenses and permits	0	0	21,615	0	0
Fines and forfeitures	0	0	0	0	0
Intergovernmental	0	168,935	0	120,577	0
Donations	0	0	0	0	0
Rents	0	0	0	0	56,910
Special assessments	0	0	0	0	0
Interest	0	0	0	0	0
Other	0	0	0	0	0
Total revenues	<u>0</u>	<u>1,795,068</u>	<u>68,929</u>	<u>120,577</u>	<u>63,710</u>
Expenditures					
Current					
Legislative and executive	0	0	0	0	0
Security of persons and property	0	654,565	0	0	0
Transportation	0	0	0	0	0
Community environment	0	0	0	187,976	0
Basic utility services	0	0	813,559	0	0
Leisure time activities	0	0	0	0	212,395
Capital outlay	0	0	0	0	0
Debt service					
Principal retirement	0	0	0	0	0
Interest and fiscal charges	0	0	0	0	0
Total expenditures	<u>0</u>	<u>654,565</u>	<u>813,559</u>	<u>187,976</u>	<u>212,395</u>
Excess of revenues over (under) expenditures	<u>0</u>	<u>1,140,503</u>	<u>(744,630)</u>	<u>(67,399)</u>	<u>(148,685)</u>
Other financing sources (uses)					
Proceeds of bonds	0	0	0	0	0
Operating transfers - in	0	0	750,000	93,928	190,000
Operating transfers - out	0	(1,100,000)	0	0	0
Total other financing sources (uses)	<u>0</u>	<u>(1,100,000)</u>	<u>750,000</u>	<u>93,928</u>	<u>190,000</u>
Net change in fund balances	0	40,503	5,370	26,529	41,315
Fund balances (deficit) at beginning of year - (Restated - See Note 19B)	<u>1,318</u>	<u>296,019</u>	<u>28,438</u>	<u>18,234</u>	<u>(11,216)</u>
Fund balances (deficit) at end of year	<u>\$ 1,318</u>	<u>336,522</u>	<u>33,808</u>	<u>44,763</u>	<u>30,099</u>

<u>Title III</u>	<u>Senior Donations</u>	<u>Housing Maintenance Code</u>	<u>Roadway Industrial Parkway</u>	<u>Enterprise Zone Monitoring</u>	<u>Local Law Enforcement Block Grant</u>	<u>EMS Grant</u>	<u>Court Security Grant</u>
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	4,706	0	0	0	0	0
0	0	15,493	0	0	0	0	0
80,965	9,182	0	0	1,875	0	32,959	0
88,736	97,240	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	43,896	0	0	0	0
0	0	0	0	0	0	0	0
<u>169,701</u>	<u>106,422</u>	<u>20,199</u>	<u>43,896</u>	<u>1,875</u>	<u>0</u>	<u>32,959</u>	<u>0</u>
0	0	0	0	0	0	0	0
0	0	0	0	0	0	32,690	0
0	0	0	31,382	0	0	0	0
0	0	151,806	0	0	0	0	0
0	0	0	0	0	0	0	0
272,005	116,793	0	0	0	0	0	0
1,298	0	600	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
<u>273,303</u>	<u>116,793</u>	<u>152,406</u>	<u>31,382</u>	<u>0</u>	<u>0</u>	<u>32,690</u>	<u>0</u>
<u>(103,602)</u>	<u>(10,371)</u>	<u>(132,207)</u>	<u>12,514</u>	<u>1,875</u>	<u>0</u>	<u>269</u>	<u>0</u>
0	0	0	0	0	0	0	0
106,683	0	120,000	0	0	0	0	0
0	0	0	0	0	0	(32,794)	0
<u>106,683</u>	<u>0</u>	<u>120,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(32,794)</u>	<u>0</u>
3,081	(10,371)	(12,207)	12,514	1,875	0	(32,525)	0
<u>32,373</u>	<u>112,756</u>	<u>18,046</u>	<u>479,765</u>	<u>7,327</u>	<u>13,352</u>	<u>40,228</u>	<u>0</u>
<u>35,454</u>	<u>102,385</u>	<u>5,839</u>	<u>492,279</u>	<u>9,202</u>	<u>13,352</u>	<u>7,703</u>	<u>0</u>

(continued)

City of Parma, Ohio
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Nonmajor Governmental Funds - continued
For the Year Ended December 31, 2006

	Juvenile Diversion Program	Victims of Crime Compensation Program	Traffic Intervention Program	Senior Facility Grant	Schaff Community Center
Revenues					
Property and other taxes	\$ 0	0	0	0	0
Charges for services	0	0	46,118	0	0
Fees, licenses and permits	0	0	0	0	0
Fines and forfeitures	0	0	1,094	0	0
Intergovernmental	18,000	36,961	0	0	0
Donations	0	0	0	0	0
Rents	0	0	0	0	0
Special assessments	0	0	0	0	0
Interest	0	0	0	0	0
Other	0	0	0	0	0
Total revenues	<u>18,000</u>	<u>36,961</u>	<u>47,212</u>	<u>0</u>	<u>0</u>
Expenditures					
Current					
Legislative and executive	0	0	0	0	0
Security of persons and property	37,503	47,942	23,713	0	0
Transportation	0	0	0	0	0
Community environment	0	0	0	0	0
Basic utility services	0	0	0	0	0
Leisure time activities	0	0	0	0	0
Capital outlay	0	0	0	0	0
Debt service					
Principal retirement	0	0	0	0	0
Interest and fiscal charges	0	0	0	0	0
Total expenditures	<u>37,503</u>	<u>47,942</u>	<u>23,713</u>	<u>0</u>	<u>0</u>
Excess of revenues over (under) expenditures	<u>(19,503)</u>	<u>(10,981)</u>	<u>23,499</u>	<u>0</u>	<u>0</u>
Other financing sources (uses)					
Proceeds of bonds	0	0	0	0	0
Operating transfers - in	20,497	19,359	0	0	0
Operating transfers - out	0	0	0	0	0
Total other financing sources (uses)	<u>20,497</u>	<u>19,359</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net change in fund balances	994	8,378	23,499	0	0
Fund balances (deficit) at beginning of year - (Restated - See Note 19B)	<u>3,130</u>	<u>(1,168)</u>	<u>16,285</u>	<u>0</u>	<u>10,458</u>
Fund balances (deficit) at end of year	<u>\$ 4,124</u>	<u>7,210</u>	<u>39,784</u>	<u>0</u>	<u>10,458</u>

<u>Stearns Farm</u>	<u>Litter Prevention and Recycling</u>	<u>Customer Service Center</u>	<u>Nature Works</u>	<u>America Beautiful</u>	<u>West Creek Preservation</u>	<u>Ohio and Erie Canal</u>
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	230,340	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>230,340</u>	<u>0</u>
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	1,285	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	8,498	0
0	0	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>0</u>	<u>1,285</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>8,498</u>	<u>0</u>
<u>0</u>	<u>(1,285)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>221,842</u>	<u>0</u>
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
0	(1,285)	0	0	0	221,842	0
<u>29,525</u>	<u>2,163</u>	<u>2,543</u>	<u>3,200</u>	<u>97</u>	<u>(228,344)</u>	<u>5,848</u>
<u>29,525</u>	<u>878</u>	<u>2,543</u>	<u>3,200</u>	<u>97</u>	<u>(6,502)</u>	<u>5,848</u>

(continued)

City of Parma, Ohio
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Nonmajor Governmental Funds - continued
For the Year Ended December 31, 2006

	<u>Disaster Preparedness</u>	<u>County Health Loan</u>	<u>James A. Lovell Park</u>	<u>Animal Shelter</u>
Revenues				
Property and other taxes	\$ 0	0	0	0
Charges for services	0	0	0	1,620
Fees, licenses and permits	0	0	0	60
Fines and forfeitures	0	0	0	0
Intergovernmental	534	0	0	0
Donations	0	0	0	10
Rents	0	0	0	0
Special assessments	0	0	0	0
Interest	0	0	0	0
Other	0	0	0	0
Total revenues	<u>534</u>	<u>0</u>	<u>0</u>	<u>1,690</u>
Expenditures				
Current				
Legislative and executive	0	0	0	0
Security of persons and property	1,365	0	0	0
Transportation	0	0	0	0
Community environment	0	0	0	12,727
Basic utility services	0	0	0	0
Leisure time activities	0	0	0	0
Capital outlay	0	0	0	0
Debt service				
Principal retirement	0	0	0	0
Interest and fiscal charges	0	0	0	0
Total expenditures	<u>1,365</u>	<u>0</u>	<u>0</u>	<u>12,727</u>
Excess of revenues over (under) expenditures	<u>(831)</u>	<u>0</u>	<u>0</u>	<u>(11,037)</u>
Other financing sources (uses)				
Proceeds of bonds	0	0	0	0
Operating transfers - in	0	0	0	0
Operating transfers - out	0	0	0	0
Total other financing sources (uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net change in fund balances	(831)	0	0	(11,037)
Fund balances (deficit) at beginning of year - (Restated - See Note 19B)	<u>17,986</u>	<u>0</u>	<u>1,442</u>	<u>13,052</u>
Fund balances (deficit) at end of year	<u>\$ 17,155</u>	<u>0</u>	<u>1,442</u>	<u>2,015</u>

DUI Prevention Task Force	Recreation	Curb Cutting	Tree Planting	Vista Ridge
0	0	0	0	0
0	7,398	5,000	1,800	0
0	0	0	0	0
0	0	0	0	0
13,696	0	0	0	0
0	13,400	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
<u>13,696</u>	<u>20,798</u>	<u>5,000</u>	<u>1,800</u>	<u>0</u>
0	0	3,625	0	0
13,696	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	15,957	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
<u>13,696</u>	<u>15,957</u>	<u>3,625</u>	<u>0</u>	<u>0</u>
<u>0</u>	<u>4,841</u>	<u>1,375</u>	<u>1,800</u>	<u>0</u>
0	0	0	0	0
0	0	0	0	0
<u>(3,995)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>(3,995)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
(3,995)	4,841	1,375	1,800	0
<u>3,996</u>	<u>19,728</u>	<u>15,723</u>	<u>2,100</u>	<u>27,568</u>
<u>1</u>	<u>24,569</u>	<u>17,098</u>	<u>3,900</u>	<u>27,568</u>

(continued)

City of Parma, Ohio
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Nonmajor Governmental Funds - continued
For the Year Ended December 31, 2006

	FEMA Assistance to Firefighters	Community Emergency Response Team	PMC Clerk Computerization	Henninger Homestead
Revenues				
Property and other taxes	\$ 0	0	0	0
Charges for services	0	0	0	0
Fees, licenses and permits	0	0	0	0
Fines and forfeitures	0	0	148,082	0
Intergovernmental	0	0	0	0
Donations	0	0	0	0
Rents	0	0	0	0
Special assessments	0	0	0	0
Interest	0	0	5,569	0
Other	0	0	0	0
Total revenues	<u>0</u>	<u>0</u>	<u>153,651</u>	<u>0</u>
Expenditures				
Current				
Legislative and executive	0	0	0	0
Security of persons and property	0	898	51,075	0
Transportation	0	0	0	0
Community environment	0	0	0	0
Basic utility services	0	0	0	0
Leisure time activities	0	0	0	6,501
Capital outlay	0	0	0	0
Debt service				
Principal retirement	0	0	36,031	0
Interest and fiscal charges	0	0	2,565	0
Total expenditures	<u>0</u>	<u>898</u>	<u>89,671</u>	<u>6,501</u>
Excess of revenues over (under) expenditures	<u>0</u>	<u>(898)</u>	<u>63,980</u>	<u>(6,501)</u>
Other financing sources (uses)				
Proceeds of bonds	0	0	0	0
Operating transfers - in	0	0	0	0
Operating transfers - out	0	0	0	0
Total other financing sources (uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net change in fund balances	0	(898)	63,980	(6,501)
Fund balances (deficit) at beginning of year - (Restated - See Note 19B)	<u>206</u>	<u>1,060</u>	<u>26,687</u>	<u>6,015</u>
Fund balances (deficit) at end of year	<u>\$ 206</u>	<u>162</u>	<u>90,667</u>	<u>(486)</u>

<u>Brownfield Redevelopment</u>	<u>Transportation for Livable Communities</u>	<u>Capability Enhancement via Technology</u>	<u>Urban Area Security Initiative</u>	<u>Buffer Zone Protection</u>	<u>Traffic Signalization</u>
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	52,814	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>52,814</u>	<u>0</u>	<u>0</u>
0	0	0	0	0	0
0	0	30,000	35,509	48,523	0
0	0	0	0	0	92,410
0	16,100	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>0</u>	<u>16,100</u>	<u>30,000</u>	<u>35,509</u>	<u>48,523</u>	<u>92,410</u>
<u>0</u>	<u>(16,100)</u>	<u>(30,000)</u>	<u>17,305</u>	<u>(48,523)</u>	<u>(92,410)</u>
0	0	0	0	0	0
0	13,000	0	0	0	0
0	0	0	0	0	0
<u>0</u>	<u>13,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
0	(3,100)	(30,000)	17,305	(48,523)	(92,410)
<u>0</u>	<u>5,000</u>	<u>30,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>0</u>	<u>1,900</u>	<u>0</u>	<u>17,305</u>	<u>(48,523)</u>	<u>(92,410)</u>

(continued)

City of Parma, Ohio
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Nonmajor Governmental Funds - continued
For the Year Ended December 31, 2006

	James Day Park	Tax Increment Financing	State Disaster Relief	All Nonmajor Special Revenue
Revenues				
Property and other taxes	\$ 0	128,360	0	2,766,857
Charges for services	0	0	0	1,493,012
Fees, licenses and permits	0	0	0	28,406
Fines and forfeitures	0	0	0	365,295
Intergovernmental	0	0	0	10,563,042
Donations	49,754	0	0	317,822
Rents	0	0	0	268,639
Special assessments	0	0	0	781,506
Interest	0	0	0	187,411
Other	0	0	0	7,509
Total revenues	<u>49,754</u>	<u>128,360</u>	<u>0</u>	<u>16,779,499</u>
Expenditures				
Current				
Legislative and executive	0	0	0	21,746
Security of persons and property	0	0	16,900	5,157,470
Transportation	0	0	0	5,141,003
Community environment	0	0	0	6,460,733
Basic utility services	0	0	0	1,653,363
Leisure time activities	43,344	0	0	873,878
Capital outlay	0	0	0	213,766
Debt service				
Principal retirement	0	0	0	112,648
Interest and fiscal charges	0	0	0	9,686
Total expenditures	<u>43,344</u>	<u>0</u>	<u>16,900</u>	<u>19,644,293</u>
Excess of revenues over (under) expenditures	<u>6,410</u>	<u>128,360</u>	<u>(16,900)</u>	<u>(2,864,794)</u>
Other financing sources (uses)				
Proceeds of bonds	0	0	0	0
Operating transfers - in	0	0	0	5,324,602
Operating transfers - out	0	0	0	(1,811,453)
Total other financing sources (uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>3,513,149</u>
Net change in fund balances	6,410	128,360	(16,900)	648,355
Fund balances (deficit) at beginning of year - (Restated - See Note 19B)	<u>0</u>	<u>0</u>	<u>0</u>	<u>3,637,008</u>
Fund balances (deficit) at end of year	<u>\$ 6,410</u>	<u>128,360</u>	<u>(16,900)</u>	<u>4,285,363</u>

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City of Parma, Ohio
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Nonmajor Governmental Funds - continued
For the Year Ended December 31, 2006

	<u>Library</u>	<u>Sewer Construction</u>	<u>Street Improvements</u>	<u>Sidewalks</u>
Revenues				
Property and other taxes	\$ 0	0	0	0
Charges for services	0	0	0	0
Fees, licenses and permits	0	0	0	0
Fines and forfeitures	0	0	0	0
Intergovernmental	0	56,990	16,198	0
Donations	0	0	0	0
Rents	0	0	0	0
Special assessments	0	378,413	0	6,342
Interest	0	0	32,674	0
Other	0	0	0	0
Total revenues	<u>0</u>	<u>435,403</u>	<u>48,872</u>	<u>6,342</u>
Expenditures				
Current				
Legislative and executive	0	296,952	1,031,680	62
Security of persons and property	0	0	0	0
Transportation	0	0	0	0
Community environment	0	0	0	0
Basic utility services	0	0	0	0
Leisure time activities	0	0	0	0
Capital outlay	0	0	0	0
Debt service				
Principal retirement	0	0	0	0
Interest and fiscal charges	0	50,474	0	0
Total expenditures	<u>0</u>	<u>347,426</u>	<u>1,031,680</u>	<u>62</u>
Excess of revenues over (under) expenditures	<u>0</u>	<u>87,977</u>	<u>(982,808)</u>	<u>6,280</u>
Other financing sources (uses)				
Proceeds of bonds	0	560,000	0	0
Operating transfers - in	0	250,000	0	0
Operating transfers - out	0	0	0	0
Total other financing sources (uses)	<u>0</u>	<u>810,000</u>	<u>0</u>	<u>0</u>
Net change in fund balances	0	897,977	(982,808)	6,280
Fund balances (deficit) at beginning of year - (Restated - See Note 19B)	<u>125</u>	<u>(1,693,375)</u>	<u>1,537,723</u>	<u>16,328</u>
Fund balances (deficit) at end of year	<u>\$ 125</u>	<u>(795,398)</u>	<u>554,915</u>	<u>22,608</u>

<u>Senior Citizens Center</u>	<u>Courts Capital Improvements</u>	<u>City Hall Capital Improvements</u>	<u>Justice Center</u>	<u>Gannett Land Purchase</u>	<u>West Creek Pollution Abatement</u>
0	0	0	0	0	0
0	640	0	0	0	0
0	0	0	0	0	0
0	30	0	0	0	0
0	0	0	0	0	288,700
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
56	0	0	37	0	0
0	0	0	0	0	0
<u>56</u>	<u>670</u>	<u>0</u>	<u>37</u>	<u>0</u>	<u>288,700</u>
0	10,394	0	4,000	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	8,815	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>0</u>	<u>10,394</u>	<u>8,815</u>	<u>4,000</u>	<u>0</u>	<u>0</u>
<u>56</u>	<u>(9,724)</u>	<u>(8,815)</u>	<u>(3,963)</u>	<u>0</u>	<u>288,700</u>
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
56	(9,724)	(8,815)	(3,963)	0	288,700
<u>576</u>	<u>16,289</u>	<u>16,259</u>	<u>55,859</u>	<u>0</u>	<u>0</u>
<u>632</u>	<u>6,565</u>	<u>7,444</u>	<u>51,896</u>	<u>0</u>	<u>288,700</u>

(continued)

City of Parma, Ohio
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Nonmajor Governmental Funds - continued
For the Year Ended December 31, 2006

	All Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues		
Property and other taxes	\$ 0	2,766,857
Charges for services	640	1,493,652
Fees, licenses and permits	0	28,406
Fines and forfeitures	30	365,325
Intergovernmental	361,888	10,924,930
Donations	0	317,822
Rents	0	268,639
Special assessments	384,755	1,166,261
Interest	32,767	220,178
Other	0	7,509
Total revenues	<u>780,080</u>	<u>17,559,579</u>
Expenditures		
Current		
Legislative and executive	1,343,088	1,364,834
Security of persons and property	0	5,157,470
Transportation	0	5,141,003
Community environment	0	6,460,733
Basic utility services	0	1,653,363
Leisure time activities	0	873,878
Capital outlay	8,815	222,581
Debt service		
Principal retirement	0	112,648
Interest and fiscal charges	50,474	60,160
Total expenditures	<u>1,402,377</u>	<u>21,046,670</u>
Excess of revenues over (under) expenditures	<u>(622,297)</u>	<u>(3,487,091)</u>
Other financing sources (uses)		
Proceeds of bonds	560,000	560,000
Operating transfers - in	250,000	5,574,602
Operating transfers - out	0	(1,811,453)
Total other financing sources (uses)	<u>810,000</u>	<u>4,323,149</u>
Net change in fund balances	187,703	836,058
Fund balances (deficit) at beginning of year - (Restated - See Note 19B)	<u>(50,216)</u>	<u>3,586,792</u>
Fund balances (deficit) at end of year	<u>\$ 137,487</u>	<u>4,422,850</u>

CITY OF PARMA, OHIO
INTERNAL SERVICE FUNDS

Internal service funds are established to account for the financing of goods or services provided by one department of the City to other departments of the City on a cost-reimbursement basis. The City's internal service funds are described below.

Liability Insurance - To account for activity associated with the City liability claims.

Medical Insurance - To account for activity associated with the City medical claims.

Workers' Compensation Insurance - To account for activity associated with the City workers' compensation insurance.

City of Parma, Ohio
Combining Statement of Fund Net Assets
Internal Service Funds
December 31, 2006

	<u>Liability Insurance</u>	<u>Medical Insurance</u>	<u>Workers' Compensation Insurance</u>	<u>Totals</u>
Assets				
Equity in pooled cash and cash equivalents	\$ 153,545	552,521	124,196	830,262
Due from other funds	0	1,248,691	0	1,248,691
Total assets	<u>153,545</u>	<u>1,801,212</u>	<u>124,196</u>	<u>2,078,953</u>
Liabilities				
Current liabilities				
Current portion of general obligation bonds payable	0	109,215	0	109,215
Accrued wages and benefits	3,001	0	0	3,001
Due to other governments	2,570	0	0	2,570
Accrued interest payable	0	5,784	0	5,784
Claims and judgements payable	254,500	471,853	64,379	790,732
Long-term liabilities				
General obligation bonds payable	0	1,139,476	0	1,139,476
Total liabilities	<u>260,071</u>	<u>1,726,328</u>	<u>64,379</u>	<u>2,050,778</u>
Net assets				
Unreserved	(106,526)	74,884	59,817	28,175
Total net assets	<u>(\$ 106,526)</u>	<u>74,884</u>	<u>59,817</u>	<u>28,175</u>

City of Parma, Ohio
Combining Statement of Revenues,
Expenses, and Changes in Net Assets
Internal Service Funds
For the Year Ended December 31, 2006

	<u>Liability Insurance</u>	<u>Medical Insurance</u>	<u>Workers' Compensation Insurance</u>	<u>Totals</u>
Operating revenues				
Charges for services	\$ 0	5,153,066	715,525	5,868,591
Total operating revenues	<u>0</u>	<u>5,153,066</u>	<u>715,525</u>	<u>5,868,591</u>
Operating expenses				
Personal services	164,150	0	0	164,150
Contractual services	0	0	31,848	31,848
Claims	71,552	5,206,423	700,688	5,978,663
Materials and supplies	211,787	282	0	212,069
Total operating expenses	<u>447,489</u>	<u>5,206,705</u>	<u>732,536</u>	<u>6,386,730</u>
Operating income (loss)	<u>(447,489)</u>	<u>(53,639)</u>	<u>(17,011)</u>	<u>(518,139)</u>
Non-operating revenues (expenses)				
Interest income	14,616	0	0	14,616
Interest and fiscal charges	0	(80,632)	0	(80,632)
Total non-operating revenues (expenses)	<u>14,616</u>	<u>(80,632)</u>	<u>0</u>	<u>(66,016)</u>
Income (loss) before operating transfers	(432,873)	(134,271)	(17,011)	(584,155)
Transfers - in	<u>370,000</u>	<u>0</u>	<u>0</u>	<u>370,000</u>
Net income (loss)	(62,873)	(134,271)	(17,011)	(214,155)
Net assets at beginning of year	<u>(43,653)</u>	<u>209,155</u>	<u>76,828</u>	<u>242,330</u>
Net assets at end of year	<u>\$ (106,526)</u>	<u>74,884</u>	<u>59,817</u>	<u>28,175</u>

City of Parma, Ohio
Combining Statement of Cash Flows
All Internal Service Funds
For the Year Ended December 31, 2006

	<u>Liability Insurance</u>	<u>Medical Insurance</u>	<u>Workers' Compensation Insurance</u>	<u>Totals</u>
Cash flows from operating activities:				
Cash received from quasi-external operating transactions with other funds	\$ 0	5,146,829	715,525	5,862,354
Cash payments to suppliers for goods and services	(217,843)	(282)	0	(218,125)
Cash payments for claims	(74,787)	(5,075,713)	(685,521)	(5,836,021)
Cash payments for employee services and benefits	(163,669)	0	0	(163,669)
Cash payments for contractual services	0	0	(31,848)	(31,848)
Cash payments for other operating expenses	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net cash used in operating activities	<u>(456,299)</u>	<u>70,834</u>	<u>(1,844)</u>	<u>(387,309)</u>
Cash flows from noncapital financing activities:				
Transfer in	370,000	0	0	370,000
Transfer out	<u>0</u>	<u>(180,423)</u>	<u>0</u>	<u>(180,423)</u>
Net cash provided by (used in) noncapital financing activities	<u>370,000</u>	<u>(180,423)</u>	<u>0</u>	<u>189,577</u>
Cash flows from investing activities:				
Interest	<u>14,616</u>	<u>0</u>	<u>0</u>	<u>14,616</u>
Cash provided by investing activities	<u>14,616</u>	<u>0</u>	<u>0</u>	<u>14,616</u>
Net increase/(decrease) in cash and cash equivalents	(71,683)	(109,589)	(1,844)	(183,116)
Cash and cash equivalents beginning of year	<u>225,228</u>	<u>662,110</u>	<u>126,040</u>	<u>1,013,378</u>
Cash and cash equivalents end of year	<u>\$ 153,545</u>	<u>552,521</u>	<u>124,196</u>	<u>830,262</u> (continued)

City of Parma, Ohio
Combining Statement of Cash Flows
All Internal Service Funds - continued
For the Year Ended December 31, 2006

	<u>Liability Insurance</u>	<u>Medical Insurance</u>	<u>Workers' Compensation Insurance</u>	<u>Totals</u>
Reconciliation of operating income (loss) to net cash used in operating activities				
Operating income (loss)	\$ (447,489)	(53,639)	(17,011)	(518,139)
Adjustments to reconcile operating income (loss) to net cash used in operating activities:				
Change in assets and liabilities:				
Decrease in due from other funds	0	105,575	0	105,575
Increase in accounts payable	(177,291)	(6,237)	0	(183,528)
(Decrease) in compensated absences payable	(1,638)	0	0	(1,638)
Increase in due to other governments	2,119	0	0	2,119
Increase in claims payable	<u>168,000</u>	<u>25,135</u>	<u>15,167</u>	<u>208,302</u>
Net cash used in operating activities	<u>\$ (456,299)</u>	<u>70,834</u>	<u>(1,844)</u>	<u>(387,309)</u>

CITY OF PARMA, OHIO

AGENCY FUNDS

Agency funds are established to account for assets received and held by the City when acting in the capacity of an agent or custodian. The City's agency funds are described below.

Municipal Court - To account for activity associated with the Parma Municipal Court.

North Royalton Sewer - To account for activity associated with North Royalton Sewer System.

Sales Tax - To account for activity associated with the City's collection and remission of state sales tax.

Child Abuse - To account for activity associated with the City's issuance of birth and death certificates.

Other Agencies - To account for activity associated with all other assets held by the City for other funds, governmental units, and individuals.

City of Parma, Ohio
 Combining Statement of Changes in Assets and Liabilities
 All Agency Funds
 For the Year Ended December 31, 2006

	<u>Balance 01/01/06</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 12/31/06</u>
Municipal Court				
Assets				
Cash and cash equivalents with fiscal and escrow agents	\$ 423,089	5,380,817	5,661,899	142,007
Due from other governments	<u>375,030</u>	<u>397,140</u>	<u>375,030</u>	<u>397,140</u>
Total assets	<u>\$ 798,119</u>	<u>5,777,957</u>	<u>6,036,929</u>	<u>539,147</u>
Liabilities				
Due to other funds	\$ 375,030	397,140	375,030	397,140
Deposits held and due to others	<u>423,089</u>	<u>5,380,817</u>	<u>5,661,899</u>	<u>142,007</u>
Total liabilities	<u>\$ 798,119</u>	<u>5,777,957</u>	<u>6,036,929</u>	<u>539,147</u>
North Royalton Sewer				
Assets				
Equity in pooled cash and cash equivalents	\$ 7,572	-	-	7,572
Total assets	<u>7,572</u>	<u>-</u>	<u>-</u>	<u>7,572</u>
Liabilities				
Due to other governments	\$ 7,572	-	-	7,572
Total liabilities	<u>7,572</u>	<u>-</u>	<u>-</u>	<u>7,572</u> (continued)

City of Parma, Ohio
 Combining Statement of Changes in Assets and Liabilities
 All Agency Funds - continued
 For the Year Ended December 31, 2006

	<u>Balance 01/01/06</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 12/31/06</u>
Sales Tax				
Assets				
Equity in pooled cash and cash equivalents	\$ 1,401	40,716	39,835	2,282
Total assets	<u>\$ 1,401</u>	<u>40,716</u>	<u>39,835</u>	<u>2,282</u>
Liabilities				
Due to other governments	\$ 1,401	40,716	39,835	2,282
Total liabilities	<u>\$ 1,401</u>	<u>40,716</u>	<u>39,835</u>	<u>2,282</u>
Child Abuse				
Assets				
Equity in pooled cash and cash equivalents	\$ 50,160	31,556	42,978	38,738
Total assets	<u>\$ 50,160</u>	<u>31,556</u>	<u>42,978</u>	<u>38,738</u>
Liabilities				
Due to other governments	\$ 50,160	31,556	42,978	38,738
Total liabilities	<u>\$ 50,160</u>	<u>31,556</u>	<u>42,978</u>	<u>38,738</u> (continued)

City of Parma, Ohio
 Combining Statement of Changes in Assets and Liabilities
 All Agency Funds - continued
 For the Year Ended December 31, 2006

	Balance 01/01/06	Additions	Reductions	Balance 12/31/06
Other Agencies				
Assets				
Equity in pooled cash and cash equivalents	\$1,216,568	256,896	151,578	1,321,886
Cash and cash equivalents in segregated accounts	<u>19,297</u>	<u>3,625</u>	<u>10,571</u>	<u>12,351</u>
Total assets	<u>\$1,235,865</u>	<u>260,521</u>	<u>162,149</u>	<u>1,334,237</u>
Liabilities				
Deposits held and due to others	<u>\$1,235,865</u>	<u>260,521</u>	<u>162,149</u>	<u>1,334,237</u>
Total liabilities	<u>\$1,235,865</u>	<u>260,521</u>	<u>162,149</u>	<u>1,334,237</u>
Total - All Agency Funds				
Assets				
Equity in pooled cash and cash equivalents	\$1,275,701	329,168	234,391	1,370,478
Cash and cash equivalents in segregated accounts	19,297	3,625	10,571	12,351
Cash and cash equivalents with fiscal and escrow agents	423,089	5,380,817	5,661,899	142,007
Due from other governments	<u>375,030</u>	<u>397,140</u>	<u>375,030</u>	<u>397,140</u>
Total assets	<u>\$2,093,117</u>	<u>6,110,750</u>	<u>6,281,891</u>	<u>1,921,976</u>
Liabilities				
Due to other funds	\$ 375,030	397,140	375,030	397,140
Due to other governments	59,133	72,272	82,813	48,592
Deposits held and due to others	<u>1,658,954</u>	<u>5,641,338</u>	<u>5,824,048</u>	<u>1,476,244</u>
Total liabilities	<u>\$2,093,117</u>	<u>6,110,750</u>	<u>6,281,891</u>	<u>1,921,976</u>

**INDIVIDUAL FUND SCHEDULES OF REVENUES, EXPENDITURES/EXPENSES
AND CHANGES IN FUND BALANCES – BUDGET (NON-GAAP BASIS) AND ACTUAL**

City of Parma, Ohio
 Schedule of Revenues,
 Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Basis) and Actual
 Debt Service Fund
 For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
Revenues				
Property and other taxes				
Real estate and public utility	274,238	274,238	285,534	11,296
Tangible personal property	20,526	20,526	16,029	(4,497)
Other local	0	0	5,462	5,462
Total property and other taxes	<u>294,764</u>	<u>294,764</u>	<u>307,025</u>	<u>12,261</u>
Intergovernmental				
Homestead	3,200	3,200	2,974	(226)
10% reimbursement	30,000	30,000	24,931	(5,069)
2.5% property tax rollback	5,600	5,600	5,633	33
Grants	200,278	200,278	200,278	0
Total intergovernmental	<u>239,078</u>	<u>239,078</u>	<u>233,816</u>	<u>(5,262)</u>
Special assessments				
Special assessments	275,300	283,525	245,138	(38,387)
Total special assessments	<u>275,300</u>	<u>283,525</u>	<u>245,138</u>	<u>(38,387)</u>
Interest				
Interest	1,000	1,000	55,347	54,347
Total interest	<u>1,000</u>	<u>1,000</u>	<u>55,347</u>	<u>54,347</u>
Total revenues	<u>810,142</u>	<u>818,367</u>	<u>841,326</u>	<u>22,959</u>
Expenditures				
Current				
General government				
All other expenditures	1,750	2,490	2,432	58
Total general government	<u>1,750</u>	<u>2,490</u>	<u>2,432</u>	<u>58</u>
Debt service				
Debt service				
Principal retirement	1,791,144	2,005,884	2,180,871	(174,987)
Interest and fiscal charges	1,797,334	1,591,994	1,404,268	187,726
Total debt service	<u>3,588,478</u>	<u>3,597,878</u>	<u>3,585,139</u>	<u>12,739</u>
Total expenditures	<u>3,590,228</u>	<u>3,600,368</u>	<u>3,587,571</u>	<u>12,797</u>
Excess of revenues over (under) expenditures	(2,780,086)	(2,782,001)	(2,746,245)	35,756

City of Parma, Ohio
Schedule of Revenues,
Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Debt Service Fund - continued
For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Other financing sources (uses)				
Proceeds of refunding bonds	10,200,000	10,200,000	10,200,000	0
Advances - in	0	8,565	27,062	18,497
Transfers - in	2,891,968	2,938,673	2,691,129	(247,544)
Bond premium	0	1,574	1,574	0
Payment to refunded bond escrow agent	(9,555,000)	(9,555,000)	(9,555,000)	0
Total other financing sources (uses)	<u>3,536,968</u>	<u>3,593,812</u>	<u>3,364,765</u>	<u>(229,047)</u>
Net change in fund balance	756,881	811,811	618,520	(193,291)
Fund balance at beginning of year	586,389	586,389	586,389	0
Fund balance (deficit) at end of year	<u><u>1,343,270</u></u>	<u><u>1,398,200</u></u>	<u><u>1,204,909</u></u>	<u><u>(193,291)</u></u>

City of Parma, Ohio
Schedule of Revenues,
Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
City Income Tax Capital Acquisitions Fund
For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
Revenues				
Municipal income tax				
Individual	6,970,218	6,970,218	6,984,206	13,988
Businesses	350,107	350,107	416,960	66,853
Total municipal income tax	<u>7,320,325</u>	<u>7,320,325</u>	<u>7,401,166</u>	<u>80,841</u>
Total revenues	<u>7,320,325</u>	<u>7,320,325</u>	<u>7,401,166</u>	<u>80,841</u>
Expenditures				
Current				
General government				
All other expenditures	5,077,261	4,039,943	2,590,967	1,448,976
Total general government	<u>5,077,261</u>	<u>4,039,943</u>	<u>2,590,967</u>	<u>1,448,976</u>
Capital outlay	<u>0</u>	<u>1,730,729</u>	<u>1,500,317</u>	<u>230,412</u>
Total expenditures	<u>5,077,261</u>	<u>5,770,672</u>	<u>4,091,284</u>	<u>1,679,388</u>
Excess of revenues over (under) expenditures	2,243,064	1,549,653	3,309,882	1,760,229
Other financing sources (uses)				
Advances - in	489,000	489,000	489,626	626
Transfers - in	0	0	1,132	1,132
Advances - out	(150,000)	(1,126,000)	(975,393)	150,607
Transfers - out	(2,783,095)	(2,286,477)	(2,427,184)	(140,707)
Total other financing sources (uses)	<u>(2,444,095)</u>	<u>(2,923,477)</u>	<u>(2,911,819)</u>	<u>11,658</u>
Net change in fund balance	<u>(201,031)</u>	<u>(1,373,824)</u>	398,063	1,771,887
Fund balance at beginning of year	1,431,161	1,431,161	1,431,161	0
Prior year encumbrances appropriated	366,415	366,415	366,415	0
Fund balance (deficit) at end of year	<u>1,596,545</u>	<u>423,752</u>	<u>2,195,639</u>	<u>1,771,887</u>

City of Parma, Ohio
Schedule of Revenues,
Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Fire Department Building Fund
For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
Revenues				
Charges for services				
General government	0	500	4,300	3,800
Emergency medical services	770,000	770,000	650,457	(119,543)
Total charges for services	<u>770,000</u>	<u>770,500</u>	<u>654,757</u>	<u>(115,743)</u>
Interest				
Interest	25,000	165,000	395,022	230,022
Total interest	<u>25,000</u>	<u>165,000</u>	<u>395,022</u>	<u>230,022</u>
Total revenues	<u>795,000</u>	<u>935,500</u>	<u>1,049,779</u>	<u>114,279</u>
Expenditures				
Current				
General government				
All other expenditures	4,532,532	7,529,542	4,337,209	3,192,333
Total general government	<u>4,532,532</u>	<u>7,529,542</u>	<u>4,337,209</u>	<u>3,192,333</u>
Capital outlay	<u>0</u>	<u>387,256</u>	<u>207,429</u>	<u>179,827</u>
Total expenditures	<u>4,532,532</u>	<u>7,916,798</u>	<u>4,544,638</u>	<u>3,372,160</u>
Excess of revenues over (under) expenditures	(3,737,532)	(6,981,298)	(3,494,859)	3,486,439
Other financing sources (uses)				
Transfers - out	0	(535,196)	(369,324)	165,872
Total other financing sources (uses)	<u>0</u>	<u>(535,196)</u>	<u>(369,324)</u>	<u>165,872</u>
Net change in fund balance	<u>(3,737,532)</u>	<u>(7,516,494)</u>	<u>(3,864,183)</u>	<u>3,652,311</u>
Fund balance at beginning of year	8,938,555	8,938,555	8,938,555	0
Prior year encumbrances appropriated	32,197	32,197	32,197	0
Fund balance (deficit) at end of year	<u>5,233,220</u>	<u>1,454,258</u>	<u>5,106,569</u>	<u>3,652,311</u>

City of Parma, Ohio
Schedule of Revenues,
Expenses, and Changes in Fund Equity
Budget (Non-GAAP Basis) and Actual
Ridgewood Golf Course
For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
Revenues				
Charges for services				
General government	800	0	0	0
Greens fees	569,000	569,000	584,405	15,405
Snack bar operations	55,000	55,800	51,840	(3,960)
Pro shop	37,000	37,000	35,412	(1,588)
Total charges for services	<u>661,800</u>	<u>661,800</u>	<u>671,657</u>	<u>9,857</u>
Interest				
Interest	3,000	3,000	29,142	26,142
Total interest	<u>3,000</u>	<u>3,000</u>	<u>29,142</u>	<u>26,142</u>
Other operating revenues				
Cart rental	231,800	231,800	228,100	(3,700)
Bar operations	189,400	189,400	171,331	(18,069)
Other operating revenues	4,700	4,700	4,670	(30)
Total other operating revenues	<u>425,900</u>	<u>425,900</u>	<u>404,101</u>	<u>(21,799)</u>
Royalties and commissions				
Royalties and commissions	450	450	410	(40)
Total royalties and commissions	<u>450</u>	<u>450</u>	<u>410</u>	<u>(40)</u>
Total revenues	<u>1,091,150</u>	<u>1,091,150</u>	<u>1,105,310</u>	<u>14,160</u>
Expenses				
Personal services	570,775	570,775	530,934	39,841
All other expenditures	638,424	536,700	438,566	98,134
Total current expenses	<u>1,209,199</u>	<u>1,107,475</u>	<u>969,500</u>	<u>137,975</u>
Capital outlay	0	126,124	98,231	27,893
Total expenses	<u>1,209,199</u>	<u>1,233,599</u>	<u>1,067,731</u>	<u>165,868</u>
Net change in fund equity	(118,049)	(142,449)	37,579	180,028
Fund equity at beginning of year	271,028	271,028	271,028	0
Fund equity (deficit) at end of year	<u>152,979</u>	<u>128,579</u>	<u>308,607</u>	<u>180,028</u>

City of Parma, Ohio
Schedule of Revenues,
Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Paramedic Levy Fund
For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
Revenues				
Charges for services				
Emergency medical services	924,000	924,000	909,715	(14,285)
Total charges for services	<u>924,000</u>	<u>924,000</u>	<u>909,715</u>	<u>(14,285)</u>
Intergovernmental				
Grants	0	2,500	7,333	4,833
Total intergovernmental	<u>0</u>	<u>2,500</u>	<u>7,333</u>	<u>4,833</u>
Interest				
Interest	7,500	5,000	6,830	1,830
Total interest	<u>7,500</u>	<u>5,000</u>	<u>6,830</u>	<u>1,830</u>
Total revenues	<u>931,500</u>	<u>931,500</u>	<u>923,878</u>	<u>(7,622)</u>
Expenditures				
Current				
Security of persons and property				
Personal services	915,078	923,166	917,189	5,977
All other expenditures	131,850	151,214	150,363	851
Total security of persons and property	<u>1,046,928</u>	<u>1,074,380</u>	<u>1,067,552</u>	<u>6,828</u>
Total expenditures	<u>1,046,928</u>	<u>1,074,380</u>	<u>1,067,552</u>	<u>6,828</u>
Excess of revenues over (under) expenditures	(115,428)	(142,880)	(143,674)	(794)
Other financing sources (uses)				
Transfers - out	0	(2,664)	(2,664)	0
Total other financing sources (uses)	<u>0</u>	<u>(2,664)</u>	<u>(2,664)</u>	<u>0</u>
Net change in fund balance	<u>(115,428)</u>	<u>(145,544)</u>	<u>(146,338)</u>	<u>(794)</u>
Fund balance at beginning of year	147,369	147,369	147,369	0
Prior year encumbrances appropriated	27,452	27,452	27,452	0
Fund balance (deficit) at end of year	<u><u>59,393</u></u>	<u><u>29,277</u></u>	<u><u>28,483</u></u>	<u><u>(794)</u></u>

City of Parma, Ohio
 Schedule of Revenues,
 Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Basis) and Actual
 Land Acquisitions Fund
 For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
Revenues				
Donations				
Donations	0	35,010	35,000	(10)
Total donations	<u>0</u>	<u>35,010</u>	<u>35,000</u>	<u>(10)</u>
Interest				
Interest	35,000	0	10	10
Total interest	<u>35,000</u>	<u>0</u>	<u>10</u>	<u>10</u>
Total revenues	<u>35,000</u>	<u>35,010</u>	<u>35,010</u>	<u>0</u>
Expenditures				
Current				
Leisure time activities				
All other expenditures	0	59,000	59,000	0
Total leisure time activities	<u>0</u>	<u>59,000</u>	<u>59,000</u>	<u>0</u>
Total expenditures	<u>0</u>	<u>59,000</u>	<u>59,000</u>	<u>0</u>
Excess of revenues over (under) expenditures	35,000	(23,990)	(23,990)	0
Other financing sources (uses)				
Transfers - in	24,000	20,135	20,135	0
Total other financing sources (uses)	<u>24,000</u>	<u>20,135</u>	<u>20,135</u>	<u>0</u>
Net change in fund balance	59,000	(3,855)	(3,855)	0
Fund balance at beginning of year	3,866	3,866	3,866	0
Fund balance (deficit) at end of year	<u>62,866</u>	<u>11</u>	<u>11</u>	<u>0</u>

City of Parma, Ohio
Schedule of Revenues,
Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Parks and Recreation Fund
For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
Revenues				
Charges for services				
General government	2,700	2,700	706	(1,994)
Parks and recreation	51,600	99,182	54,285	(44,897)
Total charges for services	<u>54,300</u>	<u>101,882</u>	<u>54,991</u>	<u>(46,891)</u>
Donations				
Donations	25,000	25,000	34,368	9,368
Total donations	<u>25,000</u>	<u>25,000</u>	<u>34,368</u>	<u>9,368</u>
Rentals and leases				
Rentals and leases	159,000	159,000	194,166	35,166
Total rentals and leases	<u>159,000</u>	<u>159,000</u>	<u>194,166</u>	<u>35,166</u>
Interest				
Interest	0	0	19,292	19,292
Total interest	<u>0</u>	<u>0</u>	<u>19,292</u>	<u>19,292</u>
Royalties and commissions				
Royalties and commissions	3,500	3,500	7,509	4,009
Total royalties and commissions	<u>3,500</u>	<u>3,500</u>	<u>7,509</u>	<u>4,009</u>
Total revenues	<u>241,800</u>	<u>289,382</u>	<u>310,326</u>	<u>20,944</u>
Expenditures				
Current				
Leisure time activities				
All other expenditures	153,000	144,663	141,652	3,011
Total leisure time activities	<u>153,000</u>	<u>144,663</u>	<u>141,652</u>	<u>3,011</u>
Capital outlay	<u>49,489</u>	<u>122,522</u>	<u>122,522</u>	<u>0</u>
Total expenditures	<u>202,489</u>	<u>267,185</u>	<u>264,174</u>	<u>3,011</u>
Excess of revenues over (under) expenditures	39,311	22,197	46,152	23,955

City of Parma, Ohio
 Schedule of Revenues,
 Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Basis) and Actual
 Parks and Recreation Fund - continued
 For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Other financing sources (uses)				
Transfers - out	(50,000)	(52,000)	(50,000)	2,000
Total other financing sources (uses)	<u>(50,000)</u>	<u>(52,000)</u>	<u>(50,000)</u>	<u>2,000</u>
Net change in fund balance	<u>(10,689)</u>	<u>(29,803)</u>	<u>(3,848)</u>	<u>25,955</u>
Fund balance at beginning of year	173,838	173,838	173,838	0
Prior year encumbrances appropriated	1,000	1,000	1,000	0
Fund balance (deficit) at end of year	<u><u>164,149</u></u>	<u><u>145,035</u></u>	<u><u>170,990</u></u>	<u><u>25,955</u></u>

City of Parma, Ohio
Schedule of Revenues,
Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Parma Public Housing Fund
For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
Revenues				
Intergovernmental				
Grants	5,061,234	5,061,234	459,100	(4,602,134)
Total intergovernmental	<u>5,061,234</u>	<u>5,061,234</u>	<u>459,100</u>	<u>(4,602,134)</u>
Total revenues	<u>5,061,234</u>	<u>5,061,234</u>	<u>459,100</u>	<u>(4,602,134)</u>
Expenditures				
Current				
Community environment				
Personal services	527,582	538,922	459,104	79,818
All other expenditures	4,490,278	4,430,645	0	4,430,645
Total community environment	<u>5,017,860</u>	<u>4,969,567</u>	<u>459,104</u>	<u>4,510,463</u>
Capital outlay	<u>0</u>	<u>40,293</u>	<u>0</u>	<u>40,293</u>
Total expenditures	<u>5,017,860</u>	<u>5,009,860</u>	<u>459,104</u>	<u>4,550,756</u>
Excess of revenues over (under) expenditures	43,374	51,374	(4)	(51,378)
Other financing sources (uses)				
Advances - out	(42,000)	(50,000)	(50,000)	0
Total other financing sources (uses)	<u>(42,000)</u>	<u>(50,000)</u>	<u>(50,000)</u>	<u>0</u>
Net change in fund balance	1,374	1,374	(50,004)	(51,378)
Fund balance at beginning of year	36,379	36,379	36,379	0
Fund balance (deficit) at end of year	<u><u>37,753</u></u>	<u><u>37,753</u></u>	<u><u>(13,625)</u></u>	<u><u>(51,378)</u></u>

City of Parma, Ohio
Schedule of Revenues,
Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Community Development Block Grant Fund
For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
Revenues				
Charges for services				
General government	0	9,200	17,781	8,581
Total charges for services	<u>0</u>	<u>9,200</u>	<u>17,781</u>	<u>8,581</u>
Intergovernmental				
Grants	951,270	1,411,079	1,164,252	(246,827)
Total intergovernmental	<u>951,270</u>	<u>1,411,079</u>	<u>1,164,252</u>	<u>(246,827)</u>
Interest				
Interest	0	0	379	379
Total interest	<u>0</u>	<u>0</u>	<u>379</u>	<u>379</u>
Total revenues	<u>951,270</u>	<u>1,420,279</u>	<u>1,182,412</u>	<u>(237,867)</u>
Expenditures				
Current				
Community environment				
Personal services	281,490	290,667	284,239	6,428
All other expenditures	669,780	1,028,424	826,673	201,751
Total community environment	<u>951,270</u>	<u>1,319,091</u>	<u>1,110,912</u>	<u>208,179</u>
Total expenditures	<u>951,270</u>	<u>1,319,091</u>	<u>1,110,912</u>	<u>208,179</u>
Excess of revenues over (under) expenditures	0	101,188	71,500	(29,688)
Other financing sources (uses)				
Advances - out	0	(15,000)	(15,000)	0
Transfers - out	0	(87,000)	(72,000)	15,000
Total other financing sources (uses)	<u>0</u>	<u>(102,000)</u>	<u>(87,000)</u>	<u>15,000</u>
Net change in fund balance	<u>0</u>	<u>(812)</u>	<u>(15,500)</u>	<u>(14,688)</u>
Fund balance at beginning of year	169,549	169,549	169,549	0
Prior year encumbrances appropriated	15,244	15,244	15,244	0
Fund balance (deficit) at end of year	<u>184,793</u>	<u>183,981</u>	<u>169,293</u>	<u>(14,688)</u>

City of Parma, Ohio
Schedule of Revenues,
Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Street Construction, Maintenance, and Repair Fund
For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
Revenues				
Fees, licenses, and permits				
Fees and permits	1,600	1,600	2,025	425
Total fees, licenses, and permits	<u>1,600</u>	<u>1,600</u>	<u>2,025</u>	<u>425</u>
Intergovernmental				
State motor vehicle license tax	490,000	490,000	497,397	7,397
State gasoline tax	2,080,000	2,285,000	2,353,111	68,111
Total intergovernmental	<u>2,570,000</u>	<u>2,775,000</u>	<u>2,850,508</u>	<u>75,508</u>
Total revenues	<u>2,571,600</u>	<u>2,776,600</u>	<u>2,852,533</u>	<u>75,933</u>
Expenditures				
Current				
Transportation				
Personal services	4,801,588	4,816,498	4,374,993	441,505
All other expenditures	361,650	391,677	324,053	67,624
Total transportation	<u>5,163,238</u>	<u>5,208,175</u>	<u>4,699,046</u>	<u>509,129</u>
Total expenditures	<u>5,163,238</u>	<u>5,208,175</u>	<u>4,699,046</u>	<u>509,129</u>
Excess of revenues over (under) expenditures	(2,591,638)	(2,431,575)	(1,846,513)	585,062
Other financing sources (uses)				
Transfers - in	2,341,611	2,191,611	1,850,000	(341,611)
Total other financing sources (uses)	<u>2,341,611</u>	<u>2,191,611</u>	<u>1,850,000</u>	<u>(341,611)</u>
Net change in fund balance	(250,027)	(239,964)	3,487	243,451
Fund balance at beginning of year	250,029	250,029	250,029	0
Prior year encumbrances appropriated	8,327	8,327	8,327	0
Fund balance (deficit) at end of year	<u>8,329</u>	<u>18,392</u>	<u>261,843</u>	<u>243,451</u>

City of Parma, Ohio
Schedule of Revenues,
Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
State Highway Fund
For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
Revenues				
Intergovernmental				
State motor vehicle license tax	39,000	39,000	40,329	1,329
State gasoline tax	156,000	166,000	190,300	24,300
Total intergovernmental	<u>195,000</u>	<u>205,000</u>	<u>230,629</u>	<u>25,629</u>
Interest				
Interest	100	400	4,172	3,772
Total interest	<u>100</u>	<u>400</u>	<u>4,172</u>	<u>3,772</u>
Total revenues	<u>195,100</u>	<u>205,400</u>	<u>234,801</u>	<u>29,401</u>
Expenditures				
Current				
Transportation				
Personal services	247,403	244,865	231,464	13,401
All other expenditures	21,000	30,038	26,995	3,043
Total transportation	<u>268,403</u>	<u>274,903</u>	<u>258,459</u>	<u>16,444</u>
Total expenditures	<u>268,403</u>	<u>274,903</u>	<u>258,459</u>	<u>16,444</u>
Excess of revenues over (under) expenditures	(73,303)	(69,503)	(23,658)	45,845
Other financing sources (uses)				
Transfers - in	29,134	29,134	20,000	(9,134)
Total other financing sources (uses)	<u>29,134</u>	<u>29,134</u>	<u>20,000</u>	<u>(9,134)</u>
Net change in fund balance	<u>(44,169)</u>	<u>(40,369)</u>	<u>(3,658)</u>	<u>36,711</u>
Fund balance at beginning of year	44,168	44,168	44,168	0
Fund balance (deficit) at end of year	<u>(1)</u>	<u>3,799</u>	<u>40,510</u>	<u>36,711</u>

City of Parma, Ohio
 Schedule of Revenues,
 Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Basis) and Actual
 Municipal Motor Vehicle License Tax Fund
 For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
Revenues				
Intergovernmental				
State motor vehicle license tax	604,089	530,800	533,815	3,015
Total intergovernmental	<u>604,089</u>	<u>530,800</u>	<u>533,815</u>	<u>3,015</u>
Interest				
Interest	5,000	5,000	43,196	38,196
Total interest	<u>5,000</u>	<u>5,000</u>	<u>43,196</u>	<u>38,196</u>
Total revenues	<u>609,089</u>	<u>535,800</u>	<u>577,011</u>	<u>41,211</u>
Excess of revenues over (under) expenditures	609,089	535,800	577,011	41,211
Other financing sources (uses)				
Transfers - out	(625,000)	(550,000)	(550,000)	0
Total other financing sources (uses)	<u>(625,000)</u>	<u>(550,000)</u>	<u>(550,000)</u>	<u>0</u>
Net change in fund balance	<u>(15,911)</u>	<u>(14,200)</u>	<u>27,011</u>	<u>41,211</u>
Fund balance at beginning of year	15,912	15,912	15,912	0
Fund balance (deficit) at end of year	<u><u>1</u></u>	<u><u>1,712</u></u>	<u><u>42,923</u></u>	<u><u>41,211</u></u>

City of Parma, Ohio
Schedule of Revenues,
Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Noxious Weeds Fund
For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Revenues				
Special assessments				
Special assessments	35,000	35,000	33,797	(1,203)
Total special assessments	<u>35,000</u>	<u>35,000</u>	<u>33,797</u>	<u>(1,203)</u>
Total revenues	<u>35,000</u>	<u>35,000</u>	<u>33,797</u>	<u>(1,203)</u>
Expenditures				
Current				
General government				
All other expenditures	24,976	20,000	18,121	1,879
Total general government	<u>24,976</u>	<u>20,000</u>	<u>18,121</u>	<u>1,879</u>
Total expenditures	<u>24,976</u>	<u>20,000</u>	<u>18,121</u>	<u>1,879</u>
Excess of revenues over (under) expenditures	10,024	15,000	15,676	676
Other financing sources (uses)				
Advances - out	(7,467)	(13,443)	(13,442)	1
Total other financing sources (uses)	<u>(7,467)</u>	<u>(13,443)</u>	<u>(13,442)</u>	<u>1</u>
Net change in fund balance	2,557	1,557	2,234	677
Fund balance at beginning of year	0	0	0	0
Fund balance (deficit) at end of year	<u><u>2,557</u></u>	<u><u>1,557</u></u>	<u><u>2,234</u></u>	<u><u>677</u></u>

City of Parma, Ohio
Schedule of Revenues,
Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Street Lighting Fund
For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
Revenues				
Special assessments				
Special assessments	757,500	757,500	747,709	(9,791)
Total special assessments	<u>757,500</u>	<u>757,500</u>	<u>747,709</u>	<u>(9,791)</u>
Total revenues	<u>757,500</u>	<u>757,500</u>	<u>747,709</u>	<u>(9,791)</u>
Expenditures				
Current				
Basic utility services				
All other expenditures	840,000	840,000	839,823	177
Total basic utility services	<u>840,000</u>	<u>840,000</u>	<u>839,823</u>	<u>177</u>
Total expenditures	<u>840,000</u>	<u>840,000</u>	<u>839,823</u>	<u>177</u>
Excess of revenues over (under) expenditures	(82,500)	(82,500)	(92,114)	(9,614)
Other financing sources (uses)				
Transfers - in	130,000	130,000	130,000	0
Total other financing sources (uses)	<u>130,000</u>	<u>130,000</u>	<u>130,000</u>	<u>0</u>
Net change in fund balance	47,500	47,500	37,886	(9,614)
Fund balance at beginning of year	0	0	0	0
Fund balance (deficit) at end of year	<u><u>47,500</u></u>	<u><u>47,500</u></u>	<u><u>37,886</u></u>	<u><u>(9,614)</u></u>

City of Parma, Ohio
Schedule of Revenues,
Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Police Pension Fund
For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
Revenues				
Property and other taxes				
Real estate and public utility	411,600	411,600	424,653	13,053
Tangible personal property	27,000	27,000	24,044	(2,956)
Other local	0	0	8,231	8,231
Total property and other taxes	<u>438,600</u>	<u>438,600</u>	<u>456,928</u>	<u>18,328</u>
Intergovernmental				
Homestead	4,900	4,900	4,461	(439)
10% reimbursement	47,000	47,000	37,397	(9,603)
2.5% property tax rollback	8,500	8,500	8,449	(51)
Total intergovernmental	<u>60,400</u>	<u>60,400</u>	<u>50,307</u>	<u>(10,093)</u>
Total revenues	<u>499,000</u>	<u>499,000</u>	<u>507,235</u>	<u>8,235</u>
Expenditures				
Current				
Security of persons and property				
Personal services	1,356,000	1,356,000	1,287,990	68,010
Total security of persons and property	<u>1,356,000</u>	<u>1,356,000</u>	<u>1,287,990</u>	<u>68,010</u>
Total expenditures	<u>1,356,000</u>	<u>1,356,000</u>	<u>1,287,990</u>	<u>68,010</u>
Excess of revenues over (under) expenditures	(857,000)	(857,000)	(780,755)	76,245
Other financing sources (uses)				
Transfers - in	832,000	832,000	832,000	0
Total other financing sources (uses)	<u>832,000</u>	<u>832,000</u>	<u>832,000</u>	<u>0</u>
Net change in fund balance	(25,000)	(25,000)	51,245	76,245
Fund balance at beginning of year	51,937	51,937	51,937	0
Fund balance (deficit) at end of year	<u>26,937</u>	<u>26,937</u>	<u>103,182</u>	<u>76,245</u>

City of Parma, Ohio
Schedule of Revenues,
Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Fire Pension Fund
For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
Revenues				
Property and other taxes				
Real estate and public utility	411,600	411,600	424,653	13,053
Tangible personal property	27,000	27,000	24,044	(2,956)
Other local	0	0	8,231	8,231
Total property and other taxes	<u>438,600</u>	<u>438,600</u>	<u>456,928</u>	<u>18,328</u>
Intergovernmental				
Homestead	4,900	4,900	4,461	(439)
10% reimbursement	47,000	47,000	37,397	(9,603)
2.5% property tax rollback	8,500	8,500	8,449	(51)
Total intergovernmental	<u>60,400</u>	<u>60,400</u>	<u>50,307</u>	<u>(10,093)</u>
Total revenues	<u>499,000</u>	<u>499,000</u>	<u>507,235</u>	<u>8,235</u>
Expenditures				
Current				
Security of persons and property				
Personal services	1,700,000	1,751,100	1,725,047	26,053
Total security of persons and property	<u>1,700,000</u>	<u>1,751,100</u>	<u>1,725,047</u>	<u>26,053</u>
Total expenditures	<u>1,700,000</u>	<u>1,751,100</u>	<u>1,725,047</u>	<u>26,053</u>
Excess of revenues over (under) expenditures	(1,201,000)	(1,252,100)	(1,217,812)	34,288
Other financing sources (uses)				
Transfers - in	1,250,000	1,159,000	1,159,000	0
Total other financing sources (uses)	<u>1,250,000</u>	<u>1,159,000</u>	<u>1,159,000</u>	<u>0</u>
Net change in fund balance	49,000	(93,100)	(58,812)	34,288
Fund balance at beginning of year	67,126	67,126	67,126	0
Fund balance (deficit) at end of year	<u>116,126</u>	<u>(25,974)</u>	<u>8,314</u>	<u>34,288</u>

City of Parma, Ohio
Schedule of Revenues,
Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Law Enforcement Trust Fund
For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
Revenues				
Charges for services				
General government	0	0	20,774	20,774
Total charges for services	<u>0</u>	<u>0</u>	<u>20,774</u>	<u>20,774</u>
Fines and forfeitures				
Fines and forfeitures	200,500	202,500	202,215	(285)
Total fines and forfeitures	<u>200,500</u>	<u>202,500</u>	<u>202,215</u>	<u>(285)</u>
Intergovernmental				
Grants	7,545	118,285	73,037	(45,248)
Total intergovernmental	<u>7,545</u>	<u>118,285</u>	<u>73,037</u>	<u>(45,248)</u>
Donations				
Donations	0	50	49	(1)
Total donations	<u>0</u>	<u>50</u>	<u>49</u>	<u>(1)</u>
Rentals and leases				
Rentals and leases	12,000	12,000	17,563	5,563
Total rentals and leases	<u>12,000</u>	<u>12,000</u>	<u>17,563</u>	<u>5,563</u>
Interest				
Interest	3,400	4,100	59,735	55,635
Total interest	<u>3,400</u>	<u>4,100</u>	<u>59,735</u>	<u>55,635</u>
Total revenues	<u>223,445</u>	<u>336,935</u>	<u>373,373</u>	<u>36,438</u>
Expenditures				
Current				
Security of persons and property				
Personal services	0	25,466	25,466	0
All other expenditures	341,500	308,386	243,105	65,281
Total security of persons and property	<u>341,500</u>	<u>333,852</u>	<u>268,571</u>	<u>65,281</u>
Capital outlay	<u>0</u>	<u>266,745</u>	<u>142,882</u>	<u>123,863</u>
Total expenditures	<u>341,500</u>	<u>600,597</u>	<u>411,453</u>	<u>189,144</u>
Excess of revenues over (under) expenditures	(118,055)	(263,662)	(38,080)	225,582

City of Parma, Ohio
 Schedule of Revenues,
 Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Basis) and Actual
 Law Enforcement Trust Fund - continued
 For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Other financing sources (uses)				
Advances - in	0	0	6,143	6,143
Transfers - in	50,000	50,000	0	(50,000)
Transfers - out	0	(53,338)	0	53,338
Total other financing sources (uses)	<u>50,000</u>	<u>(3,338)</u>	<u>6,143</u>	<u>9,481</u>
Net change in fund balance	(68,055)	(267,000)	(31,937)	235,063
Fund balance at beginning of year	1,102,084	1,102,084	1,102,084	0
Prior year encumbrances appropriated	23,124	23,124	23,124	0
Fund balance (deficit) at end of year	<u><u>1,057,153</u></u>	<u><u>858,208</u></u>	<u><u>1,093,271</u></u>	<u><u>235,063</u></u>

City of Parma, Ohio
 Schedule of Revenues,
 Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Basis) and Actual
 Police Levy Fund
 For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Fund balance at beginning of year	1,318	1,318	1,318	0
Fund balance (deficit) at end of year	<u>1,318</u>	<u>1,318</u>	<u>1,318</u>	<u>0</u>

City of Parma, Ohio
Schedule of Revenues,
Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Fire Levy Fund
For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
Revenues				
Property and other taxes				
Real estate and public utility	1,429,000	1,429,000	1,474,438	45,438
Tangible personal property	140,000	140,000	120,221	(19,779)
Other local	77	0	29,120	29,120
Total property and other taxes	<u>1,569,077</u>	<u>1,569,000</u>	<u>1,623,779</u>	<u>54,779</u>
Intergovernmental				
Homestead	16,000	16,000	14,984	(1,016)
10% reimbursement	157,000	157,000	125,570	(31,430)
2.5% property tax rollback	28,000	28,000	28,381	381
Total intergovernmental	<u>201,000</u>	<u>201,000</u>	<u>168,935</u>	<u>(32,065)</u>
Total revenues	<u>1,770,077</u>	<u>1,770,000</u>	<u>1,792,714</u>	<u>22,714</u>
Expenditures				
Current				
Security of persons and property				
Personal services	619,493	608,633	582,322	26,311
All other expenditures	89,000	81,870	81,899	(29)
Total security of persons and property	<u>708,493</u>	<u>690,503</u>	<u>664,221</u>	<u>26,282</u>
Total expenditures	<u>708,493</u>	<u>690,503</u>	<u>664,221</u>	<u>26,282</u>
Excess of revenues over (under) expenditures	1,061,584	1,079,497	1,128,493	48,996
Other financing sources (uses)				
Transfers - out	(1,090,090)	(1,110,860)	(1,100,000)	10,860
Total other financing sources (uses)	<u>(1,090,090)</u>	<u>(1,110,860)</u>	<u>(1,100,000)</u>	<u>10,860</u>
Net change in fund balance	<u>(28,506)</u>	<u>(31,363)</u>	<u>28,493</u>	<u>59,856</u>
Fund balance at beginning of year	32,453	32,453	32,453	0
Prior year encumbrances appropriated	2,780	2,780	2,780	0
Fund balance (deficit) at end of year	<u><u>6,727</u></u>	<u><u>3,870</u></u>	<u><u>63,726</u></u>	<u><u>59,856</u></u>

City of Parma, Ohio
Schedule of Revenues,
Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Sewer Maintenance Fund
For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
Revenues				
Charges for services				
General government	100,000	100,000	47,314	(52,686)
Total charges for services	<u>100,000</u>	<u>100,000</u>	<u>47,314</u>	<u>(52,686)</u>
Fees, licenses, and permits				
Fees and permits	30,000	30,000	21,615	(8,385)
Total fees, licenses, and permits	<u>30,000</u>	<u>30,000</u>	<u>21,615</u>	<u>(8,385)</u>
Total revenues	<u>130,000</u>	<u>130,000</u>	<u>68,929</u>	<u>(61,071)</u>
Expenditures				
Current				
Basic utility services				
Personal services	828,807	818,807	764,696	54,111
All other expenditures	51,000	45,562	41,083	4,479
Total basic utility services	<u>879,807</u>	<u>864,369</u>	<u>805,779</u>	<u>58,590</u>
Total expenditures	<u>879,807</u>	<u>864,369</u>	<u>805,779</u>	<u>58,590</u>
Excess of revenues over (under) expenditures	(749,807)	(734,369)	(736,850)	(2,481)
Other financing sources (uses)				
Transfers - in	701,412	701,412	750,000	48,588
Total other financing sources (uses)	<u>701,412</u>	<u>701,412</u>	<u>750,000</u>	<u>48,588</u>
Net change in fund balance	(48,395)	(32,957)	13,150	46,107
Fund balance at beginning of year	48,395	48,395	48,395	0
Prior year encumbrances appropriated	2,081	2,081	2,081	0
Fund balance (deficit) at end of year	<u>2,081</u>	<u>17,519</u>	<u>63,626</u>	<u>46,107</u>

City of Parma, Ohio
Schedule of Revenues,
Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Fair Housing Fund
For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
Revenues				
Intergovernmental				
Grants	119,900	130,577	120,577	(10,000)
Total intergovernmental	<u>119,900</u>	<u>130,577</u>	<u>120,577</u>	<u>(10,000)</u>
Total revenues	<u>119,900</u>	<u>130,577</u>	<u>120,577</u>	<u>(10,000)</u>
Expenditures				
Current				
Community environment				
Personal services	93,828	93,828	91,707	2,121
All other expenditures	110,000	116,250	95,029	21,221
Total community environment	<u>203,828</u>	<u>210,078</u>	<u>186,736</u>	<u>23,342</u>
Total expenditures	<u>203,828</u>	<u>210,078</u>	<u>186,736</u>	<u>23,342</u>
Excess of revenues over (under) expenditures	(83,928)	(79,501)	(66,159)	13,342
Other financing sources (uses)				
Transfers - in	83,928	83,928	93,928	10,000
Total other financing sources (uses)	<u>83,928</u>	<u>83,928</u>	<u>93,928</u>	<u>10,000</u>
Net change in fund balance	0	4,427	27,769	23,342
Fund balance at beginning of year	13,585	13,585	13,585	0
Prior year encumbrances appropriated	6,250	6,250	6,250	0
Fund balance (deficit) at end of year	<u><u>19,835</u></u>	<u><u>24,262</u></u>	<u><u>47,604</u></u>	<u><u>23,342</u></u>

City of Parma, Ohio
Schedule of Revenues,
Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Community Center Fund
For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
Revenues				
Charges for services				
Parks and recreation	8,000	14,949	6,800	(8,149)
Total charges for services	<u>8,000</u>	<u>14,949</u>	<u>6,800</u>	<u>(8,149)</u>
Rentals and leases				
Rentals and leases	30,000	30,000	56,910	26,910
Total rentals and leases	<u>30,000</u>	<u>30,000</u>	<u>56,910</u>	<u>26,910</u>
Total revenues	<u>38,000</u>	<u>44,949</u>	<u>63,710</u>	<u>18,761</u>
Expenditures				
Current				
Leisure time activities				
Personal services	109,258	109,258	95,827	13,431
All other expenditures	143,660	145,060	128,901	16,159
Total leisure time activities	<u>252,918</u>	<u>254,318</u>	<u>224,728</u>	<u>29,590</u>
Total expenditures	<u>252,918</u>	<u>254,318</u>	<u>224,728</u>	<u>29,590</u>
Excess of revenues over (under) expenditures	(214,918)	(209,369)	(161,018)	48,351
Other financing sources (uses)				
Transfers - in	208,436	208,436	190,000	(18,436)
Total other financing sources (uses)	<u>208,436</u>	<u>208,436</u>	<u>190,000</u>	<u>(18,436)</u>
Net change in fund balance	(6,482)	(933)	28,982	29,915
Fund balance at beginning of year	6,482	6,482	6,482	0
Prior year encumbrances appropriated	1,400	1,400	1,400	0
Fund balance (deficit) at end of year	<u>1,400</u>	<u>6,949</u>	<u>36,864</u>	<u>29,915</u>

City of Parma, Ohio
Schedule of Revenues,
Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Title III Grant Fund
For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
Revenues				
Intergovernmental				
Grants	82,909	82,909	80,965	(1,944)
Total intergovernmental	<u>82,909</u>	<u>82,909</u>	<u>80,965</u>	<u>(1,944)</u>
Donations				
Donations	111,000	111,000	88,736	(22,264)
Total donations	<u>111,000</u>	<u>111,000</u>	<u>88,736</u>	<u>(22,264)</u>
Total revenues	<u>193,909</u>	<u>193,909</u>	<u>169,701</u>	<u>(24,208)</u>
Expenditures				
Current				
Leisure time activities				
Personal services	269,986	263,216	234,592	28,624
All other expenditures	27,082	43,852	43,435	417
Total leisure time activities	<u>297,068</u>	<u>307,068</u>	<u>278,027</u>	<u>29,041</u>
Capital outlay	<u>0</u>	<u>1,298</u>	<u>1,298</u>	<u>0</u>
Total expenditures	<u>297,068</u>	<u>308,366</u>	<u>279,325</u>	<u>29,041</u>
Excess of revenues over (under) expenditures	(103,159)	(114,457)	(109,624)	4,833
Other financing sources (uses)				
Transfers - in	139,748	149,748	106,683	(43,065)
Transfers - out	0	(45,065)	0	45,065
Total other financing sources (uses)	<u>139,748</u>	<u>104,683</u>	<u>106,683</u>	<u>2,000</u>
Net change in fund balance	<u>36,589</u>	<u>(9,774)</u>	<u>(2,941)</u>	<u>6,833</u>
Fund balance at beginning of year	47,540	47,540	47,540	0
Fund balance (deficit) at end of year	<u><u>84,129</u></u>	<u><u>37,766</u></u>	<u><u>44,599</u></u>	<u><u>6,833</u></u>

City of Parma, Ohio
 Schedule of Revenues,
 Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Basis) and Actual
 Senior Donations Fund
 For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
Revenues				
Intergovernmental				
Grants	9,958	9,958	9,182	(776)
Total intergovernmental	<u>9,958</u>	<u>9,958</u>	<u>9,182</u>	<u>(776)</u>
Donations				
Donations	113,715	102,000	97,240	(4,760)
Total donations	<u>113,715</u>	<u>102,000</u>	<u>97,240</u>	<u>(4,760)</u>
Total revenues	<u>123,673</u>	<u>111,958</u>	<u>106,422</u>	<u>(5,536)</u>
Expenditures				
Current				
Leisure time activities				
Personal services	68,818	69,661	68,173	1,488
All other expenditures	67,361	84,282	47,417	36,865
Total leisure time activities	<u>136,179</u>	<u>153,943</u>	<u>115,590</u>	<u>38,353</u>
Total expenditures	<u>136,179</u>	<u>153,943</u>	<u>115,590</u>	<u>38,353</u>
Net change in fund balance	(12,506)	(41,985)	(9,168)	32,817
Fund balance at beginning of year	122,219	122,219	122,219	0
Fund balance (deficit) at end of year	<u><u>109,713</u></u>	<u><u>80,234</u></u>	<u><u>113,051</u></u>	<u><u>32,817</u></u>

City of Parma, Ohio
Schedule of Revenues,
Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Housing Maintenance Code Fund
For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
Revenues				
Fees, licenses, and permits				
Fees and permits	0	0	4,706	4,706
Total fees, licenses, and permits	<u>0</u>	<u>0</u>	<u>4,706</u>	<u>4,706</u>
Fines and forfeitures				
Fines and forfeitures	8,000	10,672	13,675	3,003
Total fines and forfeitures	<u>8,000</u>	<u>10,672</u>	<u>13,675</u>	<u>3,003</u>
Total revenues	<u>8,000</u>	<u>10,672</u>	<u>18,381</u>	<u>7,709</u>
Expenditures				
Current				
Community environment				
Personal services	146,109	143,609	136,465	7,144
All other expenditures	8,750	15,916	14,495	1,421
Total community environment	<u>154,859</u>	<u>159,525</u>	<u>150,960</u>	<u>8,565</u>
Capital outlay	<u>0</u>	<u>600</u>	<u>600</u>	<u>0</u>
Total expenditures	<u>154,859</u>	<u>160,125</u>	<u>151,560</u>	<u>8,565</u>
Excess of revenues over (under) expenditures	(146,859)	(149,453)	(133,179)	16,274
Other financing sources (uses)				
Transfers - in	127,709	127,709	120,000	(7,709)
Total other financing sources (uses)	<u>127,709</u>	<u>127,709</u>	<u>120,000</u>	<u>(7,709)</u>
Net change in fund balance	<u>(19,150)</u>	<u>(21,744)</u>	<u>(13,179)</u>	<u>8,565</u>
Fund balance at beginning of year	19,151	19,151	19,151	0
Prior year encumbrances appropriated	5,266	5,266	5,266	0
Fund balance (deficit) at end of year	<u><u>5,267</u></u>	<u><u>2,673</u></u>	<u><u>11,238</u></u>	<u><u>8,565</u></u>

City of Parma, Ohio
 Schedule of Revenues,
 Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Basis) and Actual
 Roadway Industrial Parkway Fund
 For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
Revenues				
Interest				
Interest	0	16,724	43,896	27,172
Total interest	<u>0</u>	<u>16,724</u>	<u>43,896</u>	<u>27,172</u>
Total revenues	<u>0</u>	<u>16,724</u>	<u>43,896</u>	<u>27,172</u>
Expenditures				
Current				
Transportation				
All other expenditures	0	91,000	31,382	59,618
Total transportation	<u>0</u>	<u>91,000</u>	<u>31,382</u>	<u>59,618</u>
Total expenditures	<u>0</u>	<u>91,000</u>	<u>31,382</u>	<u>59,618</u>
Net change in fund balance	0	(74,276)	12,514	86,790
Fund balance at beginning of year	479,765	479,765	479,765	0
Fund balance (deficit) at end of year	<u><u>479,765</u></u>	<u><u>405,489</u></u>	<u><u>492,279</u></u>	<u><u>86,790</u></u>

City of Parma, Ohio
 Schedule of Revenues,
 Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Basis) and Actual
 Enterprise Zone Monitoring Fund
 For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Revenues				
Intergovernmental				
Grants	0	1,875	1,875	0
Total intergovernmental	<u>0</u>	<u>1,875</u>	<u>1,875</u>	<u>0</u>
Total revenues	<u>0</u>	<u>1,875</u>	<u>1,875</u>	<u>0</u>
Net change in fund balance	0	1,875	1,875	0
Fund balance at beginning of year	7,327	7,327	7,327	0
Fund balance (deficit) at end of year	<u><u>7,327</u></u>	<u><u>9,202</u></u>	<u><u>9,202</u></u>	<u><u>0</u></u>

City of Parma, Ohio
 Schedule of Revenues,
 Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Basis) and Actual
 Law Enforcement Block Grant Fund
 For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Fund balance at beginning of year	2,402	2,402	2,402	0
Fund balance (deficit) at end of year	<u>2,402</u>	<u>2,402</u>	<u>2,402</u>	<u>0</u>

City of Parma, Ohio
Schedule of Revenues,
Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Emergency Medical Services Grant Fund
For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
Revenues				
Intergovernmental				
Grants	0	32,959	32,959	0
Total intergovernmental	<u>0</u>	<u>32,959</u>	<u>32,959</u>	<u>0</u>
Total revenues	<u>0</u>	<u>32,959</u>	<u>32,959</u>	<u>0</u>
Expenditures				
Current				
Security of persons and property				
All other expenditures	73,528	79,977	72,440	7,537
Total security of persons and property	<u>73,528</u>	<u>79,977</u>	<u>72,440</u>	<u>7,537</u>
Total expenditures	<u>73,528</u>	<u>79,977</u>	<u>72,440</u>	<u>7,537</u>
Excess of revenues over (under) expenditures	(73,528)	(47,018)	(39,481)	7,537
Other financing sources (uses)				
Transfers - out	0	(32,794)	(32,794)	0
Total other financing sources (uses)	<u>0</u>	<u>(32,794)</u>	<u>(32,794)</u>	<u>0</u>
Net change in fund balance	<u>(73,528)</u>	<u>(79,812)</u>	<u>(72,275)</u>	<u>7,537</u>
Fund balance at beginning of year	73,531	73,531	73,531	0
Prior year encumbrances appropriated	6,449	6,449	6,449	0
Fund balance (deficit) at end of year	<u><u>6,452</u></u>	<u><u>168</u></u>	<u><u>7,705</u></u>	<u><u>7,537</u></u>

City of Parma, Ohio
 Schedule of Revenues,
 Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Basis) and Actual
 Court Security Grant Fund
 For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Fund balance at beginning of year	0	0	0	0
Fund balance (deficit) at end of year	<u> </u> <u> </u> 0	<u> </u> <u> </u> 0	<u> </u> <u> </u> 0	<u> </u> <u> </u> 0

City of Parma, Ohio
Schedule of Revenues,
Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Juvenile Diversion Program Fund
For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
Revenues				
Intergovernmental				
Grants	18,000	18,000	18,000	0
Total intergovernmental	<u>18,000</u>	<u>18,000</u>	<u>18,000</u>	<u>0</u>
Total revenues	<u>18,000</u>	<u>18,000</u>	<u>18,000</u>	<u>0</u>
Expenditures				
Current				
Security of persons and property				
Personal services	39,597	39,597	37,422	2,175
All other expenditures	400	400	81	319
Total security of persons and property	<u>39,997</u>	<u>39,997</u>	<u>37,503</u>	<u>2,494</u>
Total expenditures	<u>39,997</u>	<u>39,997</u>	<u>37,503</u>	<u>2,494</u>
Excess of revenues over (under) expenditures	(21,997)	(21,997)	(19,503)	2,494
Other financing sources (uses)				
Transfers - in	21,099	21,099	20,497	(602)
Total other financing sources (uses)	<u>21,099</u>	<u>21,099</u>	<u>20,497</u>	<u>(602)</u>
Net change in fund balance	(898)	(898)	994	1,892
Fund balance at beginning of year	3,130	3,130	3,130	0
Fund balance (deficit) at end of year	<u><u>2,232</u></u>	<u><u>2,232</u></u>	<u><u>4,124</u></u>	<u><u>1,892</u></u>

City of Parma, Ohio
 Schedule of Revenues,
 Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Basis) and Actual
 Victims of Crime Assistance Grant Fund
 For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
Revenues				
Intergovernmental				
Grants	31,835	34,444	36,961	2,517
Total intergovernmental	<u>31,835</u>	<u>34,444</u>	<u>36,961</u>	<u>2,517</u>
Total revenues	<u>31,835</u>	<u>34,444</u>	<u>36,961</u>	<u>2,517</u>
Expenditures				
Current				
Security of persons and property				
Personal services	49,254	49,254	45,266	3,988
All other expenditures	1,940	3,159	2,221	938
Total security of persons and property	<u>51,194</u>	<u>52,413</u>	<u>47,487</u>	<u>4,926</u>
Total expenditures	<u>51,194</u>	<u>52,413</u>	<u>47,487</u>	<u>4,926</u>
Excess of revenues over (under) expenditures	(19,359)	(17,969)	(10,526)	7,443
Other financing sources (uses)				
Transfers - in	19,359	19,359	19,359	0
Total other financing sources (uses)	<u>19,359</u>	<u>19,359</u>	<u>19,359</u>	<u>0</u>
Net change in fund balance	<u>0</u>	<u>1,390</u>	<u>8,833</u>	<u>7,443</u>
Fund balance at beginning of year	4	4	4	0
Fund balance (deficit) at end of year	<u><u>4</u></u>	<u><u>1,394</u></u>	<u><u>8,837</u></u>	<u><u>7,443</u></u>

City of Parma, Ohio
 Schedule of Revenues,
 Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Basis) and Actual
 Traffic Intervention Program Fund
 For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Revenues				
Charges for services				
Miscellaneous services	26,000	46,118	46,118	0
Total charges for services	<u>26,000</u>	<u>46,118</u>	<u>46,118</u>	<u>0</u>
Total revenues	<u>26,000</u>	<u>46,118</u>	<u>46,118</u>	<u>0</u>
Expenditures				
Current				
Security of persons and property				
Personal services	27,471	27,471	23,713	3,758
Total security of persons and property	<u>27,471</u>	<u>27,471</u>	<u>23,713</u>	<u>3,758</u>
Total expenditures	<u>27,471</u>	<u>27,471</u>	<u>23,713</u>	<u>3,758</u>
Net change in fund balance	(1,471)	18,647	22,405	3,758
Fund balance at beginning of year	13,559	13,559	13,559	0
Fund balance (deficit) at end of year	<u><u>12,088</u></u>	<u><u>32,206</u></u>	<u><u>35,964</u></u>	<u><u>3,758</u></u>

City of Parma, Ohio
 Schedule of Revenues,
 Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Basis) and Actual
 Senior Facility Grant Fund
 For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Fund balance at beginning of year	0	0	0	0
Fund balance (deficit) at end of year	<u> </u> <u> </u> 0	<u> </u> <u> </u> 0	<u> </u> <u> </u> 0	<u> </u> <u> </u> 0

City of Parma, Ohio
 Schedule of Revenues,
 Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Basis) and Actual
 Schaff Community Center Fund
 For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Fund balance at beginning of year	10,458	10,458	10,458	0
Fund balance (deficit) at end of year	<u>10,458</u>	<u>10,458</u>	<u>10,458</u>	<u>0</u>

City of Parma, Ohio
 Schedule of Revenues,
 Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Basis) and Actual
 Stearns Farm Fund
 For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Expenditures				
Current				
Leisure time activities				
All other expenditures	28,743	28,743	0	28,743
Total leisure time activities	<u>28,743</u>	<u>28,743</u>	<u>0</u>	<u>28,743</u>
Total expenditures	<u>28,743</u>	<u>28,743</u>	<u>0</u>	<u>28,743</u>
Net change in fund balance	(28,743)	(28,743)	0	28,743
Fund balance at beginning of year	29,525	29,525	29,525	0
Fund balance (deficit) at end of year	<u><u>782</u></u>	<u><u>782</u></u>	<u><u>29,525</u></u>	<u><u>28,743</u></u>

City of Parma, Ohio
 Schedule of Revenues,
 Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Basis) and Actual
 Recycling and Litter Prevention Fund
 For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Expenditures				
Current				
Community environment				
All other expenditures	0	1,287	1,285	2
Total community environment	<u>0</u>	<u>1,287</u>	<u>1,285</u>	<u>2</u>
Total expenditures	<u>0</u>	<u>1,287</u>	<u>1,285</u>	<u>2</u>
Net change in fund balance	0	(1,287)	(1,285)	2
 Fund balance at beginning of year	 2,161	 2,161	 2,161	 0
 Fund balance (deficit) at end of year	 <u><u>2,161</u></u>	 <u><u>874</u></u>	 <u><u>876</u></u>	 <u><u>2</u></u>

City of Parma, Ohio
 Schedule of Revenues,
 Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Basis) and Actual
 Customer Service Center Grant Fund
 For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Fund balance at beginning of year	2,543	2,543	2,543	0
Fund balance (deficit) at end of year	<u>2,543</u>	<u>2,543</u>	<u>2,543</u>	<u>0</u>

City of Parma, Ohio
 Schedule of Revenues,
 Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Basis) and Actual
 Nature Works Grant Fund
 For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Fund balance at beginning of year	3,200	3,200	3,200	0
Fund balance (deficit) at end of year	<u> </u> <u> </u> 3,200	<u> </u> <u> </u> 3,200	<u> </u> <u> </u> 3,200	<u> </u> <u> </u> 0

City of Parma, Ohio
 Schedule of Revenues,
 Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Basis) and Actual
 America Beautiful Grant Fund
 For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Fund balance at beginning of year	97	97	97	0
Fund balance (deficit) at end of year	<u>97</u>	<u>97</u>	<u>97</u>	<u>0</u>

City of Parma, Ohio
 Schedule of Revenues,
 Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Basis) and Actual
 West Creek Preservation Fund
 For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
Revenues				
Intergovernmental				
Grants	232,051	249,840	230,340	(19,500)
Total intergovernmental	<u>232,051</u>	<u>249,840</u>	<u>230,340</u>	<u>(19,500)</u>
Total revenues	<u>232,051</u>	<u>249,840</u>	<u>230,340</u>	<u>(19,500)</u>
Expenditures				
Current				
Leisure time activities				
All other expenditures	139,552	8,498	8,498	0
Total leisure time activities	<u>139,552</u>	<u>8,498</u>	<u>8,498</u>	<u>0</u>
Total expenditures	<u>139,552</u>	<u>8,498</u>	<u>8,498</u>	<u>0</u>
Excess of revenues over (under) expenditures	92,499	241,342	221,842	(19,500)
Other financing sources (uses)				
Advances - in	0	0	19,495	19,495
Advances - out	(88,792)	(228,344)	(228,344)	0
Total other financing sources (uses)	<u>(88,792)</u>	<u>(228,344)</u>	<u>(208,849)</u>	<u>19,495</u>
Net change in fund balance	<u>3,707</u>	<u>12,998</u>	<u>12,993</u>	<u>(5)</u>
Fund balance at beginning of year	0	0	0	0
Fund balance (deficit) at end of year	<u><u>3,707</u></u>	<u><u>12,998</u></u>	<u><u>12,993</u></u>	<u><u>(5)</u></u>

City of Parma, Ohio
 Schedule of Revenues,
 Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Basis) and Actual
 Ohio and Erie Canal Fund
 For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
Revenues				
Intergovernmental				
Grants	17,930	17,930	0	(17,930)
Total intergovernmental	<u>17,930</u>	<u>17,930</u>	<u>0</u>	<u>(17,930)</u>
Total revenues	<u>17,930</u>	<u>17,930</u>	<u>0</u>	<u>(17,930)</u>
Net change in fund balance	17,930	17,930	0	(17,930)
Fund balance at beginning of year	5,848	5,848	5,848	0
Fund balance (deficit) at end of year	<u><u>23,778</u></u>	<u><u>23,778</u></u>	<u><u>5,848</u></u>	<u><u>(17,930)</u></u>

City of Parma, Ohio
 Schedule of Revenues,
 Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Basis) and Actual
 C.O.P.S. Grant Fund
 For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
Revenues				
Intergovernmental				
Grants	0	98,723	0	(98,723)
Total intergovernmental	<u>0</u>	<u>98,723</u>	<u>0</u>	<u>(98,723)</u>
Total revenues	<u>0</u>	<u>98,723</u>	<u>0</u>	<u>(98,723)</u>
Expenditures				
Current				
Security of persons and property				
All other expenditures	0	33,261	0	33,261
Total security of persons and property	<u>0</u>	<u>33,261</u>	<u>0</u>	<u>33,261</u>
Capital outlay	<u>0</u>	<u>65,462</u>	<u>0</u>	<u>65,462</u>
Total expenditures	<u>0</u>	<u>98,723</u>	<u>0</u>	<u>98,723</u>
Net change in fund balance	0	0	0	0
Fund balance at beginning of year	0	0	0	0
Fund balance (deficit) at end of year	<u><u>0</u></u>	<u><u>0</u></u>	<u><u>0</u></u>	<u><u>0</u></u>

City of Parma, Ohio
Schedule of Revenues,
Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Animal Shelter Fund
For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
Revenues				
Charges for services				
General government	2,200	2,200	1,620	(580)
Total charges for services	<u>2,200</u>	<u>2,200</u>	<u>1,620</u>	<u>(580)</u>
Fees, licenses, and permits				
Fees and permits	500	500	60	(440)
Total fees, licenses, and permits	<u>500</u>	<u>500</u>	<u>60</u>	<u>(440)</u>
Donations				
Donations	0	0	10	10
Total donations	<u>0</u>	<u>0</u>	<u>10</u>	<u>10</u>
Total revenues	<u>2,700</u>	<u>2,700</u>	<u>1,690</u>	<u>(1,010)</u>
Expenditures				
Current				
Community environment				
Personal services	0	0	75	(75)
All other expenditures	8,950	13,974	13,098	876
Total community environment	<u>8,950</u>	<u>13,974</u>	<u>13,173</u>	<u>801</u>
Total expenditures	<u>8,950</u>	<u>13,974</u>	<u>13,173</u>	<u>801</u>
Excess of revenues over (under) expenditures	(6,250)	(11,274)	(11,483)	(209)
Other financing sources (uses)				
Transfers - in	12,000	12,000	0	(12,000)
Total other financing sources (uses)	<u>12,000</u>	<u>12,000</u>	<u>0</u>	<u>(12,000)</u>
Net change in fund balance	<u>5,750</u>	<u>726</u>	<u>(11,483)</u>	<u>(12,209)</u>
Fund balance at beginning of year	8,693	8,693	8,693	0
Prior year encumbrances appropriated	5,024	5,024	5,024	0
Fund balance (deficit) at end of year	<u><u>19,467</u></u>	<u><u>14,443</u></u>	<u><u>2,234</u></u>	<u><u>(12,209)</u></u>

City of Parma, Ohio
 Schedule of Revenues,
 Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Basis) and Actual
 DUI Prevention Task Force Fund
 For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
Revenues				
Intergovernmental				
Grants	0	13,696	13,696	0
Total intergovernmental	<u>0</u>	<u>13,696</u>	<u>13,696</u>	<u>0</u>
Total revenues	<u>0</u>	<u>13,696</u>	<u>13,696</u>	<u>0</u>
Expenditures				
Current				
Security of persons and property				
Personal services	3,995	13,696	13,696	0
Total security of persons and property	<u>3,995</u>	<u>13,696</u>	<u>13,696</u>	<u>0</u>
Total expenditures	<u>3,995</u>	<u>13,696</u>	<u>13,696</u>	<u>0</u>
Excess of revenues over (under) expenditures	(3,995)	0	0	0
Other financing sources (uses)				
Transfers - out	0	(3,995)	(3,995)	0
Total other financing sources (uses)	<u>0</u>	<u>(3,995)</u>	<u>(3,995)</u>	<u>0</u>
Net change in fund balance	(3,995)	(3,995)	(3,995)	0
Fund balance at beginning of year	3,996	3,996	3,996	0
Fund balance (deficit) at end of year	<u><u>1</u></u>	<u><u>1</u></u>	<u><u>1</u></u>	<u><u>0</u></u>

City of Parma, Ohio
 Schedule of Revenues,
 Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Basis) and Actual
 Disaster Preparedness Fund
 For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
Revenues				
Intergovernmental				
Grants	0	534	534	0
Total intergovernmental	<u>0</u>	<u>534</u>	<u>534</u>	<u>0</u>
Total revenues	<u>0</u>	<u>534</u>	<u>534</u>	<u>0</u>
Expenditures				
Current				
Security of persons and property				
All other expenditures	0	18,426	1,805	16,621
Total security of persons and property	<u>0</u>	<u>18,426</u>	<u>1,805</u>	<u>16,621</u>
Total expenditures	<u>0</u>	<u>18,426</u>	<u>1,805</u>	<u>16,621</u>
Net change in fund balance	0	(17,892)	(1,271)	16,621
Fund balance at beginning of year	18,426	18,426	18,426	0
Fund balance (deficit) at end of year	<u><u>18,426</u></u>	<u><u>534</u></u>	<u><u>17,155</u></u>	<u><u>16,621</u></u>

City of Parma, Ohio
 Schedule of Revenues,
 Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Basis) and Actual
 County Health Loan Fund
 For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Fund balance at beginning of year	0	0	0	0
Fund balance (deficit) at end of year	<u> </u> <u> </u> 0	<u> </u> <u> </u> 0	<u> </u> <u> </u> 0	<u> </u> <u> </u> 0

City of Parma, Ohio
 Schedule of Revenues,
 Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Basis) and Actual
 James A. Lovell Park Fund
 For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Fund balance at beginning of year	1,443	1,443	1,443	0
Fund balance (deficit) at end of year	<u>1,443</u>	<u>1,443</u>	<u>1,443</u>	<u>0</u>

City of Parma, Ohio
 Schedule of Revenues,
 Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Basis) and Actual
 Recreation Trust Fund
 For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
Revenues				
Charges for services				
Parks and recreation	0	5,000	7,398	2,398
Total charges for services	<u>0</u>	<u>5,000</u>	<u>7,398</u>	<u>2,398</u>
Donations				
Donations	18,250	15,798	13,400	(2,398)
Total donations	<u>18,250</u>	<u>15,798</u>	<u>13,400</u>	<u>(2,398)</u>
Total revenues	<u>18,250</u>	<u>20,798</u>	<u>20,798</u>	<u>0</u>
Expenditures				
Current				
Leisure time activities				
All other expenditures	28,000	28,000	15,957	12,043
Total leisure time activities	<u>28,000</u>	<u>28,000</u>	<u>15,957</u>	<u>12,043</u>
Total expenditures	<u>28,000</u>	<u>28,000</u>	<u>15,957</u>	<u>12,043</u>
Net change in fund balance	(9,750)	(7,202)	4,841	12,043
Fund balance at beginning of year	19,728	19,728	19,728	0
Fund balance (deficit) at end of year	<u>9,978</u>	<u>12,526</u>	<u>24,569</u>	<u>12,043</u>

City of Parma, Ohio
 Schedule of Revenues,
 Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Basis) and Actual
 Curb Cutting Fund
 For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
Revenues				
Charges for services				
General government	4,000	4,900	5,000	100
Total charges for services	<u>4,000</u>	<u>4,900</u>	<u>5,000</u>	<u>100</u>
Total revenues	<u>4,000</u>	<u>4,900</u>	<u>5,000</u>	<u>100</u>
Expenditures				
Current				
General government				
All other expenditures	15,000	15,000	3,025	11,975
Total general government	<u>15,000</u>	<u>15,000</u>	<u>3,025</u>	<u>11,975</u>
Total expenditures	<u>15,000</u>	<u>15,000</u>	<u>3,025</u>	<u>11,975</u>
Net change in fund balance	(11,000)	(10,100)	1,975	12,075
Fund balance at beginning of year	15,723	15,723	15,723	0
Fund balance (deficit) at end of year	<u><u>4,723</u></u>	<u><u>5,623</u></u>	<u><u>17,698</u></u>	<u><u>12,075</u></u>

City of Parma, Ohio
 Schedule of Revenues,
 Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Basis) and Actual
 Tree Planting Fund
 For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
Revenues				
Charges for services				
General government	0	1,800	1,800	0
Total charges for services	<u>0</u>	<u>1,800</u>	<u>1,800</u>	<u>0</u>
Total revenues	<u>0</u>	<u>1,800</u>	<u>1,800</u>	<u>0</u>
Net change in fund balance	0	1,800	1,800	0
Fund balance at beginning of year	2,100	2,100	2,100	0
Fund balance (deficit) at end of year	<u><u>2,100</u></u>	<u><u>3,900</u></u>	<u><u>3,900</u></u>	<u><u>0</u></u>

City of Parma, Ohio
 Schedule of Revenues,
 Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Basis) and Actual
 Vista Ridge Fund
 For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Fund balance at beginning of year	27,568	27,568	27,568	0
Fund balance (deficit) at end of year	<u>27,568</u>	<u>27,568</u>	<u>27,568</u>	<u>0</u>

City of Parma, Ohio
 Schedule of Revenues,
 Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Basis) and Actual
 FEMA Assistance to Firefighters Fund
 For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
Expenditures				
Current				
Security of persons and property				
All other expenditures	206	206	0	206
Total security of persons and property	<u>206</u>	<u>206</u>	<u>0</u>	<u>206</u>
Total expenditures	<u>206</u>	<u>206</u>	<u>0</u>	<u>206</u>
Net change in fund balance	(206)	(206)	0	206
Fund balance at beginning of year	206	206	206	0
Fund balance (deficit) at end of year	<u><u>0</u></u>	<u><u>0</u></u>	<u><u>206</u></u>	<u><u>206</u></u>

City of Parma, Ohio
 Schedule of Revenues,
 Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Basis) and Actual
 Community Emergency Response Team Fund
 For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
Revenues				
Intergovernmental				
Grants	10,043	0	0	0
Total intergovernmental	<u>10,043</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total revenues	<u>10,043</u>	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures				
Current				
Security of persons and property				
All other expenditures	1,059	1,059	898	161
Total security of persons and property	<u>1,059</u>	<u>1,059</u>	<u>898</u>	<u>161</u>
Total expenditures	<u>1,059</u>	<u>1,059</u>	<u>898</u>	<u>161</u>
Net change in fund balance	8,984	(1,059)	(898)	161
Fund balance at beginning of year	1,059	1,059	1,059	0
Fund balance (deficit) at end of year	<u><u>10,043</u></u>	<u><u>0</u></u>	<u><u>161</u></u>	<u><u>161</u></u>

City of Parma, Ohio
Schedule of Revenues,
Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
PMC Clerk Computerization Fund
For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
Revenues				
Fines and forfeitures				
Fines and forfeitures	105,000	149,247	147,979	(1,268)
Total fines and forfeitures	<u>105,000</u>	<u>149,247</u>	<u>147,979</u>	<u>(1,268)</u>
Interest				
Interest	500	500	5,569	5,069
Total interest	<u>500</u>	<u>500</u>	<u>5,569</u>	<u>5,069</u>
Total revenues	<u>105,500</u>	<u>149,747</u>	<u>153,548</u>	<u>3,801</u>
Expenditures				
Current				
Security of persons and property				
All other expenditures	125,000	84,763	72,807	11,956
Total security of persons and property	<u>125,000</u>	<u>84,763</u>	<u>72,807</u>	<u>11,956</u>
Capital outlay	<u>0</u>	<u>54,237</u>	<u>25,108</u>	<u>29,129</u>
Total expenditures	<u>125,000</u>	<u>139,000</u>	<u>97,915</u>	<u>41,085</u>
Net change in fund balance	(19,500)	10,747	55,633	44,886
Fund balance at beginning of year	24,775	24,775	24,775	0
Fund balance (deficit) at end of year	<u>5,275</u>	<u>35,522</u>	<u>80,408</u>	<u>44,886</u>

City of Parma, Ohio
Schedule of Revenues,
Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Henninger Homestead Fund
For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Revenues				
Intergovernmental				
Grants	0	6,600	0	(6,600)
Total intergovernmental	<u>0</u>	<u>6,600</u>	<u>0</u>	<u>(6,600)</u>
Total revenues	<u>0</u>	<u>6,600</u>	<u>0</u>	<u>(6,600)</u>
Expenditures				
Current				
Leisure time activities				
All other expenditures	0	6,600	6,501	99
Total leisure time activities	<u>0</u>	<u>6,600</u>	<u>6,501</u>	<u>99</u>
Total expenditures	<u>0</u>	<u>6,600</u>	<u>6,501</u>	<u>99</u>
Excess of revenues over (under) expenditures	0	0	(6,501)	(6,501)
Other financing sources (uses)				
Advances - in	0	0	1,670	1,670
Total other financing sources (uses)	<u>0</u>	<u>0</u>	<u>1,670</u>	<u>1,670</u>
Net change in fund balance	0	0	(4,831)	(4,831)
Fund balance at beginning of year	6,016	6,016	6,016	0
Fund balance (deficit) at end of year	<u>6,016</u>	<u>6,016</u>	<u>1,185</u>	<u>(4,831)</u>

City of Parma, Ohio
 Schedule of Revenues,
 Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Basis) and Actual
 Brownfield Redevelopment Fund
 For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Fund balance at beginning of year	0	0	0	0
Fund balance (deficit) at end of year	<u> </u> <u> </u> 0	<u> </u> <u> </u> 0	<u> </u> <u> </u> 0	<u> </u> <u> </u> 0

City of Parma, Ohio
 Schedule of Revenues,
 Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Basis) and Actual
 Urban Area Security Initiative Grant Fund
 For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
Revenues				
Intergovernmental				
Grants	47,320	52,814	52,814	0
Total intergovernmental	<u>47,320</u>	<u>52,814</u>	<u>52,814</u>	<u>0</u>
Total revenues	<u>47,320</u>	<u>52,814</u>	<u>52,814</u>	<u>0</u>
Expenditures				
Current				
Security of persons and property				
Personal services	0	11,829	11,829	0
All other expenditures	0	35,491	23,680	11,811
Total security of persons and property	<u>0</u>	<u>47,320</u>	<u>35,509</u>	<u>11,811</u>
Total expenditures	<u>0</u>	<u>47,320</u>	<u>35,509</u>	<u>11,811</u>
Net change in fund balance	47,320	5,494	17,305	11,811
Fund balance at beginning of year	0	0	0	0
Fund balance (deficit) at end of year	<u><u>47,320</u></u>	<u><u>5,494</u></u>	<u><u>17,305</u></u>	<u><u>11,811</u></u>

City of Parma, Ohio
 Schedule of Revenues,
 Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Basis) and Actual
 Transportation for Livable Communities Initiative Fund
 For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
Revenues				
Intergovernmental				
Grants	0	72,000	0	(72,000)
Total intergovernmental	<u>0</u>	<u>72,000</u>	<u>0</u>	<u>(72,000)</u>
Total revenues	<u>0</u>	<u>72,000</u>	<u>0</u>	<u>(72,000)</u>
Expenditures				
Current				
Community environment				
All other expenditures	0	90,000	8,500	81,500
Total community environment	<u>0</u>	<u>90,000</u>	<u>8,500</u>	<u>81,500</u>
Total expenditures	<u>0</u>	<u>90,000</u>	<u>8,500</u>	<u>81,500</u>
Excess of revenues over (under) expenditures	0	(18,000)	(8,500)	9,500
Other financing sources (uses)				
Transfers - in	13,000	13,000	13,000	0
Total other financing sources (uses)	<u>13,000</u>	<u>13,000</u>	<u>13,000</u>	<u>0</u>
Net change in fund balance	13,000	(5,000)	4,500	9,500
Fund balance at beginning of year	5,000	5,000	5,000	0
Fund balance (deficit) at end of year	<u><u>18,000</u></u>	<u><u>0</u></u>	<u><u>9,500</u></u>	<u><u>9,500</u></u>

City of Parma, Ohio
 Schedule of Revenues,
 Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Basis) and Actual
 Capability Enhancement via Technology Fund
 For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Revenues				
Intergovernmental				
Grants	20,000	20,000	0	(20,000)
Total intergovernmental	<u>20,000</u>	<u>20,000</u>	<u>0</u>	<u>(20,000)</u>
Total revenues	<u>20,000</u>	<u>20,000</u>	<u>0</u>	<u>(20,000)</u>
Expenditures				
Current				
Security of persons and property				
All other expenditures	20,000	30,000	30,000	0
Total security of persons and property	<u>20,000</u>	<u>30,000</u>	<u>30,000</u>	<u>0</u>
Total expenditures	<u>20,000</u>	<u>30,000</u>	<u>30,000</u>	<u>0</u>
Net change in fund balance	0	(10,000)	(30,000)	(20,000)
Fund balance at beginning of year	30,000	30,000	30,000	0
Fund balance (deficit) at end of year	<u>30,000</u>	<u>20,000</u>	<u>0</u>	<u>(20,000)</u>

City of Parma, Ohio
 Schedule of Revenues,
 Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Basis) and Actual
 Buffer Zone Protection Plan Grant Fund
 For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
Revenues				
Intergovernmental				
Grants	0	48,523	0	(48,523)
Total intergovernmental	<u>0</u>	<u>48,523</u>	<u>0</u>	<u>(48,523)</u>
Total revenues	<u>0</u>	<u>48,523</u>	<u>0</u>	<u>(48,523)</u>
Expenditures				
Current				
Security of persons and property				
All other expenditures	0	48,523	48,523	0
Total security of persons and property	<u>0</u>	<u>48,523</u>	<u>48,523</u>	<u>0</u>
Total expenditures	<u>0</u>	<u>48,523</u>	<u>48,523</u>	<u>0</u>
Excess of revenues over (under) expenditures	0	0	(48,523)	(48,523)
Other financing sources (uses)				
Advances - in	0	0	48,523	48,523
Total other financing sources (uses)	<u>0</u>	<u>0</u>	<u>48,523</u>	<u>48,523</u>
Net change in fund balance	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund balance at beginning of year	0	0	0	0
Fund balance (deficit) at end of year	<u><u>0</u></u>	<u><u>0</u></u>	<u><u>0</u></u>	<u><u>0</u></u>

City of Parma, Ohio
 Schedule of Revenues,
 Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Basis) and Actual
 Traffic Signalization Program Fund
 For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
Revenues				
Intergovernmental				
Grants	0	3,699,440	0	(3,699,440)
Total intergovernmental	<u>0</u>	<u>3,699,440</u>	<u>0</u>	<u>(3,699,440)</u>
Total revenues	<u>0</u>	<u>3,699,440</u>	<u>0</u>	<u>(3,699,440)</u>
Expenditures				
Current				
Transportation				
All other expenditures	0	3,814,500	92,410	3,722,090
Total transportation	<u>0</u>	<u>3,814,500</u>	<u>92,410</u>	<u>3,722,090</u>
Total expenditures	<u>0</u>	<u>3,814,500</u>	<u>92,410</u>	<u>3,722,090</u>
Net change in fund balance	0	(115,060)	(92,410)	22,650
Other financing sources (uses)				
Proceeds of bonds	0	551,500	551,500	0
Total other financing sources (uses)	<u>0</u>	<u>551,500</u>	<u>551,500</u>	<u>0</u>
Net change in fund balance	0	436,440	459,090	22,650
Fund balance at beginning of year	0	0	0	0
Fund balance (deficit) at end of year	<u><u>0</u></u>	<u><u>436,440</u></u>	<u><u>459,090</u></u>	<u><u>22,650</u></u>

City of Parma, Ohio
Schedule of Revenues,
Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
James Day Park Fund
For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
Revenues				
Donations				
Donations	0	49,755	49,754	(1)
Total donations	<u>0</u>	<u>49,755</u>	<u>49,754</u>	<u>(1)</u>
Total revenues	<u>0</u>	<u>49,755</u>	<u>49,754</u>	<u>(1)</u>
Expenditures				
Current				
Leisure time activities				
All other expenditures	0	49,000	43,344	5,656
Total leisure time activities	<u>0</u>	<u>49,000</u>	<u>43,344</u>	<u>5,656</u>
Total expenditures	<u>0</u>	<u>49,000</u>	<u>43,344</u>	<u>5,656</u>
Net change in fund balance	0	755	6,410	5,655
Fund balance at beginning of year	0	0	0	0
Fund balance (deficit) at end of year	<u><u>0</u></u>	<u><u>755</u></u>	<u><u>6,410</u></u>	<u><u>5,655</u></u>

City of Parma, Ohio
 Schedule of Revenues,
 Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Basis) and Actual
 Tax Increment Financing Fund
 For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Revenues				
Property and other taxes				
Payment in lieu of taxes	0	128,360	128,360	0
Total property and other taxes	<u>0</u>	<u>128,360</u>	<u>128,360</u>	<u>0</u>
Total revenues	<u>0</u>	<u>128,360</u>	<u>128,360</u>	<u>0</u>
Net change in fund balance	0	128,360	128,360	0
Fund balance at beginning of year	0	0	0	0
Fund balance (deficit) at end of year	<u><u>0</u></u>	<u><u>128,360</u></u>	<u><u>128,360</u></u>	<u><u>0</u></u>

City of Parma, Ohio
 Schedule of Revenues,
 Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Basis) and Actual
 State Disaster Relief Program Fund
 For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
Revenues				
Intergovernmental				
Grants	0	193,093	0	(193,093)
Total intergovernmental	<u>0</u>	<u>193,093</u>	<u>0</u>	<u>(193,093)</u>
Total revenues	<u>0</u>	<u>193,093</u>	<u>0</u>	<u>(193,093)</u>
Expenditures				
Current				
Security of persons and property				
All other expenditures	0	193,093	91,985	101,108
Total security of persons and property	<u>0</u>	<u>193,093</u>	<u>91,985</u>	<u>101,108</u>
Total expenditures	<u>0</u>	<u>193,093</u>	<u>91,985</u>	<u>101,108</u>
Net change in fund balance	0	0	(91,985)	(91,985)
Other financing sources (uses)				
Advances - in	0	0	91,985	91,985
Total other financing sources (uses)	<u>0</u>	<u>0</u>	<u>91,985</u>	<u>91,985</u>
Net change in fund balance	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund balance at beginning of year	0	0	0	0
Fund balance (deficit) at end of year	<u><u>0</u></u>	<u><u>0</u></u>	<u><u>0</u></u>	<u><u>0</u></u>

City of Parma, Ohio
 Schedule of Revenues,
 Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Basis) and Actual
 Library Fund
 For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Fund balance at beginning of year	0	0	0	0
Fund balance (deficit) at end of year	<u> </u> <u> </u> 0	<u> </u> <u> </u> 0	<u> </u> <u> </u> 0	<u> </u> <u> </u> 0

City of Parma, Ohio
Schedule of Revenues,
Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Sewer Construction Fund
For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
Revenues				
Property and other taxes				
Real estate and public utility	0	200,000	0	(200,000)
Total property and other taxes	<u>0</u>	<u>200,000</u>	<u>0</u>	<u>(200,000)</u>
Charges for services				
General government	421,940	171,217	0	(171,217)
Total charges for services	<u>421,940</u>	<u>171,217</u>	<u>0</u>	<u>(171,217)</u>
Intergovernmental				
Grants	49,000	79,069	56,990	(22,079)
Total intergovernmental	<u>49,000</u>	<u>79,069</u>	<u>56,990</u>	<u>(22,079)</u>
Special assessments				
Special assessments	0	379,045	378,413	(632)
Total special assessments	<u>0</u>	<u>379,045</u>	<u>378,413</u>	<u>(632)</u>
Total revenues	<u>470,940</u>	<u>829,331</u>	<u>435,403</u>	<u>(393,928)</u>
Expenditures				
Current				
General government				
All other expenditures	261,285	445,514	268,369	177,145
Total general government	<u>261,285</u>	<u>445,514</u>	<u>268,369</u>	<u>177,145</u>
Debt service				
General government				
Principal retirement	0	1,885,000	1,885,000	0
Interest and fiscal charges	0	50,474	50,474	0
Total general government	<u>0</u>	<u>1,935,474</u>	<u>1,935,474</u>	<u>0</u>
Total expenditures	<u>261,285</u>	<u>2,380,988</u>	<u>2,203,843</u>	<u>177,145</u>
Excess of revenues over (under) expenditures	209,655	(1,551,657)	(1,768,440)	(216,783)
Other financing sources (uses)				
Proceeds of bonds	0	976,657	978,046	1,389
Advances - in	160,345	633,157	835,179	202,022
Transfers - in	0	250,000	250,000	0
Advances - out	0	(257,084)	(261,281)	(4,197)
Total other financing sources (uses)	<u>160,345</u>	<u>1,602,730</u>	<u>1,801,944</u>	<u>199,214</u>
Net change in fund balance	370,000	51,073	33,504	(17,569)
Fund balance at beginning of year	36,308	36,308	36,308	0
Fund balance (deficit) at end of year	<u>406,308</u>	<u>87,381</u>	<u>69,812</u>	<u>(17,569)</u>

City of Parma, Ohio
Schedule of Revenues,
Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Street Improvements Fund
For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
Revenues				
Intergovernmental				
Grants	1,600,000	26,312	16,198	(10,114)
Total intergovernmental	<u>1,600,000</u>	<u>26,312</u>	<u>16,198</u>	<u>(10,114)</u>
Interest				
Interest	0	3,000	32,674	29,674
Total interest	<u>0</u>	<u>3,000</u>	<u>32,674</u>	<u>29,674</u>
Total revenues	<u>1,600,000</u>	<u>29,312</u>	<u>48,872</u>	<u>19,560</u>
Expenditures				
Current				
General government				
All other expenditures	500,000	1,500,000	1,015,020	484,980
Total general government	<u>500,000</u>	<u>1,500,000</u>	<u>1,015,020</u>	<u>484,980</u>
Total expenditures	<u>500,000</u>	<u>1,500,000</u>	<u>1,015,020</u>	<u>484,980</u>
Net change in fund balance	1,100,000	(1,470,688)	(966,148)	504,540
Fund balance at beginning of year	1,538,783	1,538,783	1,538,783	0
Fund balance (deficit) at end of year	<u>2,638,783</u>	<u>68,095</u>	<u>572,635</u>	<u>504,540</u>

City of Parma, Ohio
Schedule of Revenues,
Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Basis) and Actual
Sidewalks Fund
For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
Revenues				
Property and other taxes				
Real estate and public utility	0	6,342	62	(6,280)
Total property and other taxes	<u>0</u>	<u>6,342</u>	<u>62</u>	<u>(6,280)</u>
Special assessments				
Special assessments	0	0	6,280	6,280
Total special assessments	<u>0</u>	<u>0</u>	<u>6,280</u>	<u>6,280</u>
Total revenues	<u>0</u>	<u>6,342</u>	<u>6,342</u>	<u>0</u>
Expenditures				
Current				
General government				
All other expenditures	0	0	62	(62)
Total general government	<u>0</u>	<u>0</u>	<u>62</u>	<u>(62)</u>
Total expenditures	<u>0</u>	<u>0</u>	<u>62</u>	<u>(62)</u>
Net change in fund balance	0	6,342	6,280	(62)
Fund balance at beginning of year	16,328	16,328	16,328	0
Fund balance (deficit) at end of year	<u>16,328</u>	<u>22,670</u>	<u>22,608</u>	<u>(62)</u>

City of Parma, Ohio
 Schedule of Revenues,
 Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Basis) and Actual
 Senior Citizens Center Fund
 For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Revenues				
Interest				
Interest	0	0	56	56
Total interest	<u>0</u>	<u>0</u>	<u>56</u>	<u>56</u>
Total revenues	<u>0</u>	<u>0</u>	<u>56</u>	<u>56</u>
Net change in fund balance	0	0	56	56
Fund balance at beginning of year	575	575	575	0
Fund balance (deficit) at end of year	<u><u>575</u></u>	<u><u>575</u></u>	<u><u>631</u></u>	<u><u>56</u></u>

City of Parma, Ohio
 Schedule of Revenues,
 Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Basis) and Actual
 Courts Capital Improvement Fund
 For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
Revenues				
Charges for services				
General government	0	0	675	675
Total charges for services	<u>0</u>	<u>0</u>	<u>675</u>	<u>675</u>
Total revenues	<u>0</u>	<u>0</u>	<u>675</u>	<u>675</u>
Expenditures				
Current				
General government				
All other expenditures	16,254	16,254	9,434	6,820
Total general government	<u>16,254</u>	<u>16,254</u>	<u>9,434</u>	<u>6,820</u>
Total expenditures	<u>16,254</u>	<u>16,254</u>	<u>9,434</u>	<u>6,820</u>
Net change in fund balance	(16,254)	(16,254)	(8,759)	7,495
Fund balance at beginning of year	16,255	16,255	16,255	0
Fund balance (deficit) at end of year	<u><u>1</u></u>	<u><u>1</u></u>	<u><u>7,496</u></u>	<u><u>7,495</u></u>

City of Parma, Ohio
 Schedule of Revenues,
 Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Basis) and Actual
 City Hall Capital Improvements Fund
 For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Expenditures				
Capital outlay	<u> 0</u>	<u> 8,815</u>	<u> 8,815</u>	<u> 0</u>
Total expenditures	<u> 0</u>	<u> 8,815</u>	<u> 8,815</u>	<u> 0</u>
Net change in fund balance	0	(8,815)	(8,815)	0
Fund balance at beginning of year	7,445	7,445	7,445	0
Prior year encumbrances appropriated	<u> 8,815</u>	<u> 8,815</u>	<u> 8,815</u>	<u> 0</u>
Fund balance (deficit) at end of year	<u> 16,260</u>	<u> 7,445</u>	<u> 7,445</u>	<u> 0</u>

City of Parma, Ohio
 Schedule of Revenues,
 Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Basis) and Actual
 Justice Center Fund
 For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
Revenues				
Interest				
Interest	0	14	37	23
Total interest	<u>0</u>	<u>14</u>	<u>37</u>	<u>23</u>
Total revenues	<u>0</u>	<u>14</u>	<u>37</u>	<u>23</u>
Expenditures				
Current				
General government				
All other expenditures	0	4,654	4,000	654
Total general government	<u>0</u>	<u>4,654</u>	<u>4,000</u>	<u>654</u>
Total expenditures	<u>0</u>	<u>4,654</u>	<u>4,000</u>	<u>654</u>
Net change in fund balance	0	(4,640)	(3,963)	677
Fund balance at beginning of year	4,651	4,651	4,651	0
Fund balance (deficit) at end of year	<u><u>4,651</u></u>	<u><u>11</u></u>	<u><u>688</u></u>	<u><u>677</u></u>

City of Parma, Ohio
 Schedule of Revenues,
 Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Basis) and Actual
 Gannett Land Purchase Fund
 For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Fund balance at beginning of year	0	0	0	0
Fund balance (deficit) at end of year	<u> </u> <u> </u> 0	<u> </u> <u> </u> 0	<u> </u> <u> </u> 0	<u> </u> <u> </u> 0

City of Parma, Ohio
 Schedule of Revenues,
 Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Basis) and Actual
 West Creek Pollution Abatement Fund
 For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
Revenues				
Intergovernmental				
Grants	0	288,700	288,700	0
Total intergovernmental	<u>0</u>	<u>288,700</u>	<u>288,700</u>	<u>0</u>
Total revenues	<u>0</u>	<u>288,700</u>	<u>288,700</u>	<u>0</u>
Expenditures				
Current				
Leisure time activities				
All other expenditures	0	288,700	0	288,700
Total leisure time activities	<u>0</u>	<u>288,700</u>	<u>0</u>	<u>288,700</u>
Total expenditures	<u>0</u>	<u>288,700</u>	<u>0</u>	<u>288,700</u>
Net change in fund balance	0	0	288,700	288,700
Fund balance at beginning of year	0	0	0	0
Fund balance (deficit) at end of year	<u><u>0</u></u>	<u><u>0</u></u>	<u><u>288,700</u></u>	<u><u>288,700</u></u>

City of Parma, Ohio
 Schedule of Revenues,
 Expenses, and Changes in Fund Equity
 Budget (Non-GAAP Basis) and Actual
 Liability Insurance Fund
 For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
Revenues				
Interest				
Interest	0	6,081	14,616	8,535
Total interest	<u>0</u>	<u>6,081</u>	<u>14,616</u>	<u>8,535</u>
Total revenues	<u>0</u>	<u>6,081</u>	<u>14,616</u>	<u>8,535</u>
Expenses				
Personal services	203,125	203,125	163,669	39,456
Claims	200,000	115,000	74,787	40,213
All other expenditures	283,420	283,420	218,443	64,977
Total current expenses	<u>686,545</u>	<u>601,545</u>	<u>456,899</u>	<u>144,646</u>
Total expenses	<u>686,545</u>	<u>601,545</u>	<u>456,899</u>	<u>144,646</u>
Operating income (loss)	(686,545)	(595,464)	(442,283)	153,181
Transfers - in	380,000	380,000	370,000	(10,000)
Total operating transfers and advances	<u>380,000</u>	<u>380,000</u>	<u>370,000</u>	<u>(10,000)</u>
Net change in fund equity	<u>(306,545)</u>	<u>(215,464)</u>	<u>(72,283)</u>	<u>143,181</u>
Fund equity at beginning of year	225,227	225,227	225,227	0
Fund equity (deficit) at end of year	<u><u>(81,318)</u></u>	<u><u>9,763</u></u>	<u><u>152,944</u></u>	<u><u>143,181</u></u>

City of Parma, Ohio
Schedule of Revenues,
Expenses, and Changes in Fund Equity
Budget (Non-GAAP Basis) and Actual
Medical Insurance Fund
For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
Revenues				
Charges for services				
Miscellaneous services	5,235,000	5,235,000	5,123,020	(111,980)
Total charges for services	<u>5,235,000</u>	<u>5,235,000</u>	<u>5,123,020</u>	<u>(111,980)</u>
Intergovernmental				
Grants	15,000	15,000	23,809	8,809
Total intergovernmental	<u>15,000</u>	<u>15,000</u>	<u>23,809</u>	<u>8,809</u>
Total revenues	<u>5,250,000</u>	<u>5,250,000</u>	<u>5,146,829</u>	<u>(103,171)</u>
Expenses				
Personal services	4,617,000	5,370,398	5,241,038	129,360
All other expenditures	20,000	20,100	282	19,818
Total current expenses	<u>4,637,000</u>	<u>5,390,498</u>	<u>5,241,320</u>	<u>149,178</u>
Total expenses	<u>4,637,000</u>	<u>5,390,498</u>	<u>5,241,320</u>	<u>149,178</u>
Operating income (loss)	613,000	(140,498)	(94,491)	46,007
Transfers - out	(189,525)	(190,000)	(180,423)	9,577
Total operating transfers and advances	<u>(189,525)</u>	<u>(190,000)</u>	<u>(180,423)</u>	<u>9,577</u>
Net change in fund equity	423,475	(330,498)	(274,914)	55,584
Fund equity at beginning of year	466,411	466,411	466,411	0
Prior year encumbrances appropriated	153,398	153,398	153,398	0
Fund equity (deficit) at end of year	<u>1,043,284</u>	<u>289,311</u>	<u>344,895</u>	<u>55,584</u>

City of Parma, Ohio
 Schedule of Revenues,
 Expenses, and Changes in Fund Equity
 Budget (Non-GAAP Basis) and Actual
 Workers' Compensation Insurance Fund
 For the Year Ended December 31, 2006

	Original Budget \$	Final Budget \$	Actual \$	Variance Positive (Negative)
Revenues				
Charges for services				
General government	2,000	2,000	30,004	28,004
Miscellaneous services	600,000	713,525	685,521	(28,004)
Total charges for services	<u>602,000</u>	<u>715,525</u>	<u>715,525</u>	<u>0</u>
Total revenues	<u>602,000</u>	<u>715,525</u>	<u>715,525</u>	<u>0</u>
Expenses				
Personal services	684,792	685,772	685,521	251
All other expenditures	7,000	31,000	21,848	9,152
Total current expenses	<u>691,792</u>	<u>716,772</u>	<u>707,369</u>	<u>9,403</u>
Capital outlay	<u>0</u>	<u>11,000</u>	<u>11,000</u>	<u>0</u>
Total expenses	<u>691,792</u>	<u>727,772</u>	<u>718,369</u>	<u>9,403</u>
Net change in fund equity	(89,792)	(12,247)	(2,844)	9,403
Fund equity at beginning of year	107,040	107,040	107,040	0
Prior year encumbrances appropriated	19,000	19,000	19,000	0
Fund equity (deficit) at end of year	<u><u>36,248</u></u>	<u><u>113,793</u></u>	<u><u>123,196</u></u>	<u><u>9,403</u></u>

STATISTICAL SECTION

City of Parma, Ohio
Net Assets By Component
Last Four Years
(Accrual Basis of Accounting)

	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Governmental Activities				
Invested in Capital Assets, Net of Related Debt	\$22,203,519	\$1,039,333	\$8,191,998	\$888,173
Restricted:				
Debt service	918,284	376,783	6,788	119,418
Security of persons and property	1,938,774	1,858,825	2,139,449	1,893,353
Transportation	1,015,098	1,158,788	1,591,886	1,408,946
Community environment	874,727	601,606	0	105,194
Basic utility services	0	28,438	56,333	50,584
Leisure time activities	416,415	398,793	344,477	270,877
Capital projects	8,710,015	13,128,871	2,283,710	3,287,327
Unrestricted	<u>5,929,582</u>	<u>3,190,188</u>	<u>6,607,050</u>	<u>7,626,578</u>
<i>Total Governmental Activities Net Assets</i>	<u><u>\$42,006,414</u></u>	<u><u>\$21,781,625</u></u>	<u><u>\$21,221,691</u></u>	<u><u>\$15,650,450</u></u>
Business Type - Activities				
Invested in Capital Assets, Net of Related Debt	\$1,488,573	\$1,439,591	\$1,469,671	\$1,395,557
Restricted:				
Renewal and Replacement				
Unrestricted	<u>275,041</u>	<u>236,829</u>	<u>230,167</u>	<u>240,290</u>
<i>Total Business-Type Activities Net Assets</i>	<u><u>\$1,763,614</u></u>	<u><u>\$1,676,420</u></u>	<u><u>\$1,699,838</u></u>	<u><u>\$1,635,847</u></u>
Primary Government				
Invested in Capital Assets, Net of Related Debt	\$23,692,092	\$2,478,924	\$9,661,669	\$2,283,730
Restricted	13,873,313	17,552,104	6,422,643	7,135,699
Unrestricted	<u>6,204,623</u>	<u>3,427,017</u>	<u>6,837,217</u>	<u>7,866,868</u>
<i>Total Primary Government Net Assets</i>	<u><u>\$43,770,028</u></u>	<u><u>\$23,458,045</u></u>	<u><u>\$22,921,529</u></u>	<u><u>\$17,286,297</u></u>

City of Parma, Ohio
Changes in Net Assets
Last Four Years
(Accrual Basis of Accounting)

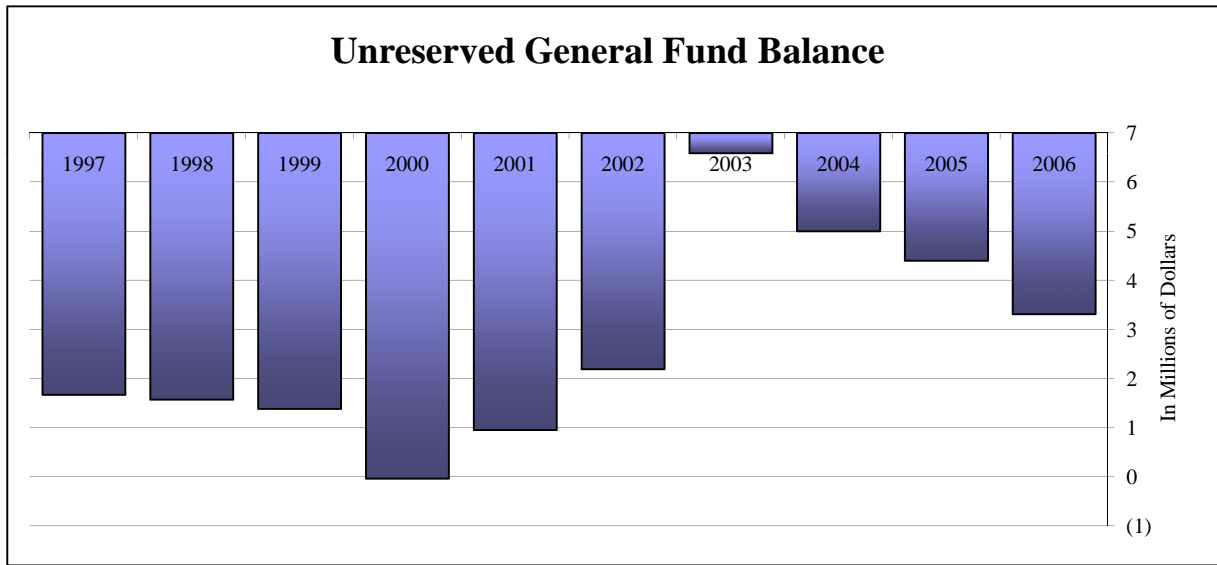
	2006	2005	2004	2003
Program Revenues				
Governmental Activities:				
Charges for Services:				
General government:				
Legislative and executive	\$3,118,098	\$2,419,889	\$2,495,427	\$3,545,732
Security of persons and property	2,132,719	2,314,938	1,437,763	1,546,328
Public health and welfare	0	0	0	0
Transportation	2,025	3,204	2,676	2,384
Community environment	1,280,171	999,020	1,241,963	1,121,633
Basic utility services	1,126,122	973,841	1,071,982	237,907
Leisure time activities	1,057,713	1,393,370	1,307,302	858,668
Interest and fiscal charges	0	0	0	0
Subtotal - Charges for Services	<u>8,716,848</u>	<u>8,104,262</u>	<u>7,557,113</u>	<u>7,312,652</u>
Operating Grants and Contributions:				
General government:				
Legislative and executive	0	0	630,617	1,130
Security of persons and property	497,550	575,314	0	128,476
Public health and welfare	0	0	0	0
Transportation	3,594,120	3,320,929	0	0
Community environment	6,165,208	7,171,813	0	92,183
Basic utility services	56,990	0	0	0
Leisure time activities	609,187	102,823	822,941	462,340
Interest and fiscal charges	0	0	0	0
Subtotal - Operating Grants and Contributions	<u>10,923,055</u>	<u>11,170,879</u>	<u>1,453,558</u>	<u>684,129</u>
Capital Grants and Contributions:				
General government:				
Legislative and executive	0	973,939	0	162,900
Security of persons and property	0	0	0	10,000
Transportation	15,098,839	0	4,904,486	0
Community environment	0	0	530,221	1,132,636
Basic utility services	0	290,661	0	0
Leisure time activities	0	20,045	0	80,381
Subtotal - Capital Grants and Contributions	<u>15,098,839</u>	<u>1,284,645</u>	<u>5,434,707</u>	<u>1,385,917</u>
<i>Total Governmental Activities Program Revenues</i>	<u>34,738,742</u>	<u>20,559,786</u>	<u>14,445,378</u>	<u>9,382,698</u>
Business-Type Activities:				
Charges for Services:				
Golf course	1,097,743	1,109,855	1,101,086	1,107,836
<i>Total Business-Type Activities Program Revenues</i>	<u>1,097,743</u>	<u>1,109,855</u>	<u>1,101,086</u>	<u>1,107,836</u>
<i>Total Primary Government Program Revenues</i>	<u>\$35,836,485</u>	<u>\$21,669,641</u>	<u>\$15,546,464</u>	<u>\$10,490,534</u>

City of Parma, Ohio
Changes in Net Assets (continued)
Last Four Years
(Accrual Basis of Accounting)

	2006	2005	2004	2003
Expenses				
Governmental Activities:				
General government:				
Legislative and executive	\$24,630,598	\$20,139,708	\$20,671,643	\$17,679,572
Security of persons and property	21,156,733	25,812,065	26,487,182	23,872,165
Public health and welfare	286,944	252,385	265,531	2,965,919
Transportation	3,475,493	5,787,684	5,814,598	4,998,472
Community environment	7,242,093	7,891,365	7,269,251	6,406,039
Basic utility services	1,692,226	4,118,042	1,845,246	1,354,733
Leisure time activities	3,103,218	3,868,265	3,135,720	2,721,724
Interest and Fiscal Charges	1,668,255	1,750,036	1,598,443	1,643,992
<i>Total Governmental Activities Expenses</i>	<u>63,255,560</u>	<u>69,619,550</u>	<u>67,087,614</u>	<u>61,642,616</u>
Business-Type Activities				
Golf course	1,039,691	1,137,156	1,040,655	1,040,187
<i>Total Business-Type Activities Expenses</i>	<u>1,039,691</u>	<u>1,137,156</u>	<u>1,040,655</u>	<u>1,040,187</u>
<i>Total Primary Government Program Expenses</i>	<u>64,295,251</u>	<u>70,756,706</u>	<u>68,128,269</u>	<u>62,682,803</u>
Net (Expense)/Revenue				
Governmental Activities	(28,516,818)	(49,059,764)	(52,642,236)	(52,259,918)
Business-Type Activities	58,052	(27,301)	60,431	67,649
<i>Total Primary Government Net Expense</i>	<u>(28,458,766)</u>	<u>(49,087,065)</u>	<u>(52,581,805)</u>	<u>(52,192,269)</u>
General Revenues and Other Changes in Net Assets				
Governmental Activities				
Taxes:				
Property taxes levied for:				
General purposes	\$4,019,377	6,580,673	4,399,384	3,078,574
Special revenue	2,766,857	2,689,120	4,046,415	4,600,248
Debt service	312,949	297,463	432,028	50,113
Income taxes levied for:				
General purposes	26,861,815	24,991,751	25,641,068	27,466,758
Capital outlay	7,365,823	7,388,152	6,918,762	6,916,043
Grants and entitlements not restricted to specific programs	6,606,382	7,274,856	16,594,576	14,348,329
Investment earnings	785,950	178,282	135,034	189,808
Gain on disposal of capital assets	0	196,705	0	0
Other	22,454	22,696	46,210	56,000
<i>Total Governmental Activities</i>	<u>48,741,607</u>	<u>49,619,698</u>	<u>58,213,477</u>	<u>56,705,873</u>
Business-Type Activities				
Investment earnings	29,142	3,883	3,560	5,205
<i>Total Business-Type Activities Expenses</i>	<u>29,142</u>	<u>3,883</u>	<u>3,560</u>	<u>5,205</u>
<i>Total Primary Government General Revenues and Other Changes in Net Assets</i>	<u>48,770,749</u>	<u>49,623,581</u>	<u>58,217,037</u>	<u>56,711,078</u>
Change in Net Assets				
Governmental Activities	20,224,789	559,934	5,571,241	4,445,955
Business-Type Activities	87,194	(23,418)	63,991	72,854
<i>Total Primary Government Change in Net Assets</i>	<u>\$20,311,983</u>	<u>\$536,516</u>	<u>\$5,635,232</u>	<u>\$4,518,809</u>

City of Parma, Ohio
Fund Balances, Governmental Funds
Last Ten Years
(Modified Accrual Basis of Accounting)

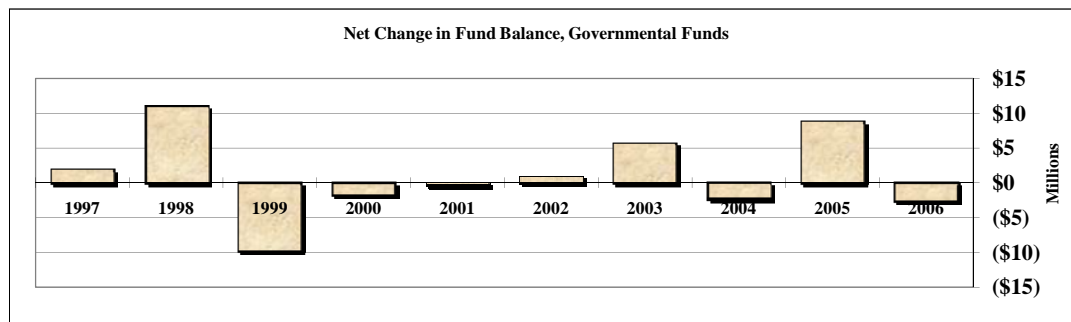
	2006	2005	2004	2003	2002
General Fund					
Reserved	\$365,782	\$355,474	\$141,736	\$104,761	\$119,032
Unreserved	3,315,293	4,399,494	4,998,786	6,591,152	2,192,267
Total General Fund	<u>3,681,075</u>	<u>4,754,968</u>	<u>5,140,522</u>	<u>6,695,913</u>	<u>2,311,299</u>
All Other Governmental Funds					
Reserved	203,973	239,106	344,202	677,300	526,229
Unreserved, Undesignated, Reported in:					
Special Revenue funds	4,081,390	3,397,902	3,704,784	3,093,257	2,349,669
Debt Service funds	1,144,924	548,613	6,788	119,418	109,226
Capital Projects funds	8,661,449	11,400,970	2,283,710	3,245,336	2,783,158
Permanent funds					
Total All Other Governmental Funds	<u>14,091,736</u>	<u>15,586,591</u>	<u>6,339,484</u>	<u>7,135,311</u>	<u>5,768,282</u>
Total Governmental Funds	<u><u>\$17,772,811</u></u>	<u><u>\$20,341,559</u></u>	<u><u>\$11,480,006</u></u>	<u><u>\$13,831,224</u></u>	<u><u>\$8,079,581</u></u>



2001	2000	1999	1998	1997
\$84,852	\$100,280	\$148,433	\$175,691	\$181,930
955,968	(34,091)	1,384,911	1,571,492	1,670,769
1,040,820	66,189	1,533,344	1,747,183	1,852,699
899,996	825,400	2,719,321	9,065,284	885,330
2,080,764	2,453,154	2,788,104	3,104,645	2,737,269
352,510	860,173	883,037	795,888	315,678
2,782,718	3,016,983	972,596	4,003,527	2,134,690
6,115,988	7,155,710	7,363,058	16,969,344	6,072,967
\$7,156,808	\$7,221,899	\$8,896,402	\$18,716,527	\$7,925,666

City of Parma, Ohio
Changes in Fund Balances, Governmental Funds
Last Ten Years
(Modified Accrual Basis of Accounting)

	2006	2005	2004	2003	2002
Revenues					
Municipal income taxes	\$34,227,638	\$31,816,798	\$32,559,830	\$34,318,110	\$26,310,992
Property and other taxes	7,586,190	9,689,924	8,597,706	7,617,435	10,245,970
Charges for services	2,816,280	2,824,371	3,013,156	2,891,113	3,399,700
Fees, licenses and permits	1,429,809	1,389,557	1,418,409	1,576,812	1,440,585
Fines and forfeitures	2,298,509	1,991,685	2,063,403	1,533,270	1,496,793
Intergovernmental	17,377,194	18,461,485	16,850,092	15,261,418	14,907,242
Donations	325,963	333,198	379,615	400,302	209,141
Rents	516,023	466,126	657,194	566,681	551,030
Special assessments	1,411,399	1,115,416	1,122,269	1,092,363	1,023,184
Interest	771,334	176,933	130,599	182,413	111,681
Other	20,880	22,696	9,989	13,853	159,347
Total Revenues	68,781,219	68,288,189	66,802,262	65,453,770	59,855,665
Expenditures					
Current:					
Legislative and executive	22,298,114	18,969,618	18,599,115	19,108,223	15,497,927
Security of persons and property	27,131,064	25,609,318	26,327,339	23,288,263	23,825,545
Public health and welfare	286,944	286,944	265,531	2,965,919	252,682
Transportation	5,141,003	5,790,689	5,827,023	5,004,527	4,981,089
Community environment	7,167,377	7,830,078	7,171,962	6,359,743	5,578,264
Basic utility services	1,653,363	4,069,312	1,790,510	1,600,046	1,645,907
Leisure time activities	3,070,134	923,720	3,101,708	2,689,698	2,382,597
Capital outlay	2,205,814	3,018,847	1,887,376	1,492,778	1,284,412
Debt service:					
Principal retirement	3,007,323	2,709,696	2,623,080	2,632,512	2,025,699
Interest and fiscal charges	1,543,379	1,569,198	1,409,316	1,540,411	1,643,602
Bond Issuance Costs					
Total Expenditures	73,504,515	70,777,420	69,002,960	66,682,120	59,117,724
<i>Excess of Revenues Over</i> <i>(Under) Expenditures</i>	(4,723,296)	(2,489,231)	(2,200,698)	(1,228,350)	737,941
Other Financing Sources (Uses)					
Proceeds of bonds	560,000	8,700,000	0	0	0
Proceeds of refunding bonds	10,200,000	0	0	0	0
Payment to refunded bond escrow agent	(9,555,000)	0	0	0	0
Proceeds of notes	0	0	0	5,700,000	0
Sale of fixed assets	0	423,653	46,210	0	0
Bond discount	0	0	0	(10,494)	0
Bond premium	1,574	271,752	0	61,494	0
Proceeds of special assessment bonds	0	0	0	0	0
OWDA loan proceeds	0	0	0	0	0
OPWC loan proceeds	0	0	0	0	0
Inception of capital lease	1,202,449	2,473,797	404,270	1,536,502	722,290
Transfers-in	8,307,848	9,162,724	9,263,756	8,203,682	7,877,505
Transfers-out	(8,597,425)	(9,681,142)	(9,864,756)	(8,568,682)	(8,075,377)
Total Other Financing Sources (Uses)	2,119,446	11,350,784	(150,520)	6,922,502	524,418
Increase (decrease) in reserve for inventory		0	0	0	(339,587)
Net Change in Fund Balances	(\$2,603,850)	\$8,861,553	(\$2,351,218)	\$5,694,152	\$922,772
Debt Service as a Percentage of Noncapital Expenditures	6.6%	6.4%	6.2%	6.7%	6.6%



2001	2000	1999	1998	1997
\$23,207,696	\$23,183,837	\$22,051,813	\$21,279,922	\$21,573,446
8,986,292	8,316,012	8,309,024	8,495,686	7,933,014
2,445,627	836,609	1,012,210	1,032,491	831,825
1,412,461	1,755,355	1,952,782	1,779,111	1,747,091
2,434,035	2,630,007	2,506,124	2,386,062	2,227,786
13,919,420	14,913,806	13,562,921	13,923,613	11,215,610
209,325	178,022	184,906	177,246	142,156
277,034	499,236	790,300	523,339	151,122
1,018,133	814,933	1,037,092	823,555	824,970
442,064	671,924	845,349	1,240,104	579,962
445,792	505,055	691,220	707,717	676,482
<u>54,797,879</u>	<u>54,304,796</u>	<u>52,943,741</u>	<u>52,368,846</u>	<u>47,903,464</u>
15,417,592	16,565,038	11,020,636	10,293,315	9,957,744
22,203,758	21,935,156	20,037,119	18,461,366	16,909,239
259,234	241,659	241,659	226,720	226,720
3,848,342	5,014,943	4,878,718	4,224,565	4,055,267
4,671,110	4,339,340	3,767,739	3,668,752	2,746,145
1,513,699	1,480,182	1,634,870	1,638,030	1,635,750
2,636,855	2,941,688	2,750,806	2,638,724	2,260,450
238,703	4,618,700	16,823,542	12,944,156	9,273,982
1,971,685	1,905,418	1,741,396	1,797,003	1,732,117
1,571,490	1,327,207	1,631,433	1,361,419	797,293
<u>54,332,468</u>	<u>60,369,331</u>	<u>64,527,918</u>	<u>57,254,050</u>	<u>49,594,707</u>
<u>465,411</u>	<u>(6,064,535)</u>	<u>(11,584,177)</u>	<u>(4,885,204)</u>	<u>(1,691,243)</u>
0	0	1,610,000	12,263,497	0
500,000	0	0	42,910	50,350
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	2,114,014	0	0	0
0	277,000	0	1,515,415	3,053,036
0	459,000	590,908	1,150,669	603,554
0	1,975,233	0	1,483,664	1,105,930
6,818,082	7,469,385	6,912,297	7,302,010	6,563,678
<u>(8,220,516)</u>	<u>(7,873,034)</u>	<u>(7,121,992)</u>	<u>(8,202,012)</u>	<u>(7,707,914)</u>
<u>(902,434)</u>	<u>4,421,598</u>	<u>1,991,213</u>	<u>15,556,153</u>	<u>3,668,634</u>
64,744	(31,566)	(177,271)	360,026	(94,126)
<u>(\$372,279)</u>	<u>(\$1,674,503)</u>	<u>(\$9,770,235)</u>	<u>\$11,030,975</u>	<u>\$1,883,265</u>
7.0%	5.7%	5.5%	5.8%	5.4%

City of Parma, Ohio
Assessed Valuation and Estimated Actual Values of Taxable Property
Last Ten Years

Collection Year	Real Property		Tangible Personal Property	
	Assessed Value	Estimated	Assessed Value	Public Utility
		Actual Value		Estimated Actual Value
2006	\$1,712,381,640	\$4,892,518,971	\$30,165,310	\$34,278,761
2005	1,565,352,450	4,472,435,571	30,511,850	34,672,557
2004	1,573,099,850	4,494,571,000	33,679,740	38,272,432
2003	1,556,516,000	4,447,188,571	33,880,160	38,500,182
2002	1,453,330,610	4,152,373,171	33,020,560	37,523,364
2001	1,452,889,370	4,151,112,486	34,715,190	39,449,080
2000	1,443,750,410	4,125,001,171	45,730,120	51,966,045
1999	1,293,615,940	3,696,045,543	51,009,030	57,964,807
1998	1,294,832,320	3,699,520,914	54,508,290	61,941,239
1997	1,190,583,720	3,401,667,771	56,239,790	63,908,852

Real property is reappraised every six years with a State mandated update of the current market value in the third year following each reappraisal.

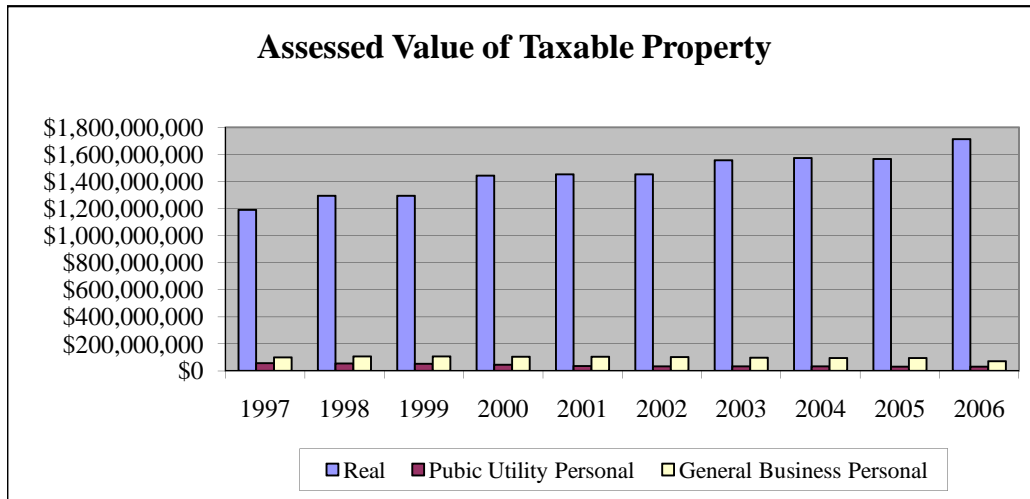
The assessed value of real property (including public utility real property) is 35 percent of estimated true value. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. General business tangible personal property was assessed in previous years at 25 percent for machinery and equipment and 23 percent for inventories. General business tangible personal property tax is being phased out beginning in 2006. For collection year 2006 both types of general business tangible personal property were assessed at 18.75 percent. The percentage will be 12.5 percent for 2007, 6.25 percent for 2008 and zero for 2009.

The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated the property tax revenue billed in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by the 10%, 2 1/2% and homestead exemptions before being billed. Beginning in the 2006 collection year, the 10% rollback for commercial/industrial property has been eliminated.

Source: Ohio Department of Taxation

Tangible Personal Property

General Business		Total		
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Ratio
\$71,452,487	\$381,079,931	\$1,813,999,437	\$5,307,877,663	34.18%
94,000,682	376,002,728	1,689,864,982	4,883,110,856	34.61
94,630,746	378,522,984	1,701,410,336	4,911,366,416	34.64
97,727,720	390,910,880	1,688,123,880	4,876,599,633	34.62
102,510,192	410,040,768	1,588,861,362	4,599,937,303	34.54
105,245,444	420,981,776	1,592,850,004	4,611,543,341	34.54
103,368,494	413,473,976	1,592,849,024	4,590,441,193	34.70
105,782,201	423,128,804	1,450,407,171	4,177,139,154	34.72
107,549,471	430,197,884	1,456,890,081	4,191,660,037	34.76
99,532,467	398,129,868	1,346,355,977	3,863,706,492	34.85



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

	2006	2005	2004	2003
CITY OF PARMA				
General Fund	\$ 2.80	\$ 2.80	\$ 2.80	\$ 2.80
Fire Levy	1.50	1.50	1.50	1.50
Police Levy	-	-	-	1.50
Police Pension	0.30	0.30	0.30	0.30
Fire Pension	0.30	0.30	0.30	0.30
Paramedic Levy	-	-	-	-
Bond Retirement	0.20	0.20	0.20	0.20
<i>Total City of Parma</i>	5.10	5.10	5.10	6.60
PARMA CITY SCHOOL DISTRICT	64.70	65.20	59.40	59.50
CUYAHOGA COUNTY				
General Operating	0.71	0.74	0.84	0.81
Health and Welfare	4.90	4.90	4.90	4.90
Health and Human Services	2.90	3.00	3.00	3.00
Mental Retardation	3.90	3.90	3.90	3.90
Bond Retirement	1.01	0.98	0.88	0.91
Metroparks	1.85	1.85	1.85	1.55
County Library	2.00	2.00	2.00	1.40
Cuyahoga County Community College	2.80	2.80	2.80	2.80
Port Authority	0.13	0.13	0.13	0.13
<i>Total Cuyahoga County</i>	20.20	20.30	20.30	19.40
TOTAL LEVY	\$ 90.00	\$ 90.60	\$ 84.80	\$ 85.50

Source: Cuyahoga County Auditor

Notes: The rates presented for a particular calendar year are the rates that, when applied to the assessed values presented in the Assessed Value Table, generated the property tax revenue billed in that year. The City's basic property tax rate may be increased only by a majority vote of the City's residents.

The real property tax rates for the voted levies of the overlapping taxing districts are reduced so that inflationary increases in value do not generate additional revenue.

Overlapping rates are those of local and county governments that apply to property owners within the City.

	2002	2001	2000	1999	1998	1997
\$	2.80	\$ 2.80	\$ 2.80	\$ 2.80	\$ 2.80	\$ 2.80
	1.50	1.50	1.50	1.50	1.50	1.50
	1.50	1.50	1.50	1.50	1.50	1.50
	0.30	0.30	0.30	0.30	0.30	0.30
	0.30	0.30	0.30	0.30	0.30	0.30
	-	0.50	0.50	0.50	0.50	0.50
	-	-	0.10	0.20	0.20	0.20
	6.40	6.90	7.00	7.10	7.10	7.10
	60.20	60.20	60.20	53.30	53.40	54.20
	0.81	0.86	0.93	0.87	1.00	0.82
	3.10	3.10	3.10	3.10	3.10	4.40
	3.00	3.00	3.00	3.00	3.00	3.00
	3.90	3.90	3.90	3.00	3.00	3.00
	0.91	0.86	0.79	0.85	0.72	0.90
	1.55	1.55	1.55	1.55	1.55	1.55
	1.40	1.40	1.40	1.40	1.40	1.40
	2.80	2.80	2.80	2.80	2.80	2.80
	0.13	0.13	0.13	0.13	0.13	0.13
	17.60	17.60	17.60	16.70	16.70	18.00
\$	84.20	\$ 84.70	\$ 84.80	\$ 77.10	\$ 77.20	\$ 79.30

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

Year	Total Tax Levy ⁽¹⁾	Current Tax Collections	Percent of Current Tax Collections To Tax Levy	Delinquent Tax Collections	Total Tax Collections
2006	\$8,371,031	\$7,662,559	91.54	\$217,441	\$7,880,000
2005	8,623,301	7,625,503	88.43	207,432	7,832,935
2004	10,298,980	9,366,410	90.95	234,932	9,601,342
2003	9,307,524	8,664,908	93.10	166,961	8,831,869
2002	9,811,579	9,178,890	93.55	230,718	9,409,608
2001	9,963,562	9,360,034	93.94	181,463	9,541,497
2000	9,798,594	9,087,882	92.75	208,563	9,296,445
1999	9,536,968	9,077,890	95.19	170,097	9,247,987
1998	9,643,519	9,034,960	93.69	252,161	9,287,121
1997	9,598,722	8,759,378	91.26	89,880	8,849,258

Source: County Auditor

(1) State reimbursement of rollback and homestead exemptions are included.

Note: The County does not identify delinquent collections by the year for which the tax was levied.

Percent of Total Tax Collections To Tax Levy	Accumulated Outstanding Delinquent Taxes	Percentage of Delinquent Taxes to Total Tax Levy
94.13%	\$602,930	7.20%
90.83	640,442	7.43
93.23	695,928	6.76
94.89	454,220	4.88
95.90	321,808	3.28
95.76	335,420	3.37
94.88	318,098	3.25
96.97	258,679	2.71
96.30	297,657	3.09
92.19	402,603	4.19

City of Parma, Ohio
Principal Taxpayers - Personal Property Tax
 2006 and 1997

<u>2006</u>		
<u>Taxpayer</u>	<u>Personal Property Taxable Valuation (1)</u>	<u>Percentage of Personal Property Taxable Valuation</u>
General Motors Corporation	\$23,113,510	32.35 %
Riser Foods Company	1,727,330	2.42
Cox Communications Inc.	1,520,290	2.13
Tops Markets LLC	1,426,870	2.00
Shiloh Corporation	1,422,400	1.99
Spitzer Motor City Inc.	1,319,860	1.85
Bob Gillingham Ford Inc.	1,297,940	1.82
Wal Mart Stores	1,276,650	1.79
Marc Glassman, Inc.	1,158,180	1.62
Spitzer Buick Inc.	1,135,560	1.59
Total	\$35,398,590	49.54 %
Total Assessed Valuation		
Personal Property	\$71,452,487	
<u>1997</u>		
<u>Taxpayer</u>	<u>Personal Property Assessed Valuation (1)</u>	<u>Percentage of Personal Property Taxable Valuation</u>
General Motors Corporation	\$38,971,800	39.15 %
M T D Products	9,108,430	9.15
First National Supermarkets	2,153,690	2.16
Triad Metal Products	1,947,950	1.96
May Department Stores	1,918,350	1.93
JC Penney Company	1,597,890	1.61
Spitzer Buick	1,596,260	1.60
Marc Glassman, Inc.	1,477,590	1.47
Bob Gillingham Ford	1,411,983	1.42
Higbee Company	1,352,390	1.36
Total	\$61,536,333	61.83 %
Total Assessed Valuation		
Personal Property	\$99,532,467	

Source: Cuyahoga County Auditor

(1) The amounts presented represent the assessed values upon which 2006 and 1997 collections were based.

City of Parma, Ohio
*Ratio of Outstanding Debt to
Total Personal Income and Debt Per Capita
Last Ten Years*

Year	Governmental Activities						
	General Obligation Bonds	Special Assessment Bonds	OPWC Loans	OWDA Loans	Police & Firemen's Pension	Capital Leases	BAN's/ Improvement Notes
2006	\$29,165,000	\$1,769,288	\$1,970,218	\$3,154,798	\$47,239	\$4,411,533	\$551,500
2005	29,570,000	1,930,708	2,145,443	3,389,024	74,559	4,034,513	-
2004	22,105,000	2,102,697	2,320,665	3,613,945	100,754	2,512,994	-
2003	23,295,000	2,269,271	2,495,890	3,834,440	125,871	3,034,339	-
2002	18,197,758	2,420,445	2,671,116	4,269,237	149,953	2,491,694	500,000
2001	18,983,438	2,566,236	2,846,342	4,480,871	173,041	2,527,128	500,000
2000	19,804,895	2,709,903	3,021,570	4,689,946	195,181	2,454,279	-
1999	20,759,895	329,237	2,733,072	5,059,248	216,409	1,270,778	1,164,000
1998	19,699,895	374,393	2,248,784	5,158,638	236,763	2,247,660	-
1997	8,230,000	414,423	1,111,634	3,643,903	256,278	1,769,188	5,000,000

Note: Population and Personal Income data are presented on page S23.

Business-Type Activity

Capital Leases	Improvement Notes	Total Debt	Percentage of Personal Income	Per Capita
\$48,174	\$0	\$41,117,750	2.27%	\$514
50,899	-	41,195,146	2.21	481
82,817	-	32,838,872	1.80	383
129,365	-	35,184,176	1.93	411
143,886	190,000	31,034,089	1.70	362
5,005	240,000	32,322,061	1.77	377
9,765	240,000	33,125,539	1.82	387
11,262	340,000	31,883,901	2.60	383
14,989	340,000	30,321,122	2.35	345
10,604	300,000	20,736,030	1.61	236



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

<u>Year</u>	<u>Population (1)</u>		<u>Assessed Value of Taxable Property (2)</u>	<u>Net Bonded Debt (3)</u>	<u>Ratio of Net Bonded Debt to Estimated Actual Value of Taxable Property</u>	<u>Net Bonded Debt Per Capital</u>
2006	80,009	b	\$1,813,999,757	\$29,165,000	1.61 %	\$364.52
2005	85,655	b	1,689,864,982	27,667,121	1.64	\$323.01
2004	85,655	b	1,701,410,366	20,634,731	1.21	\$240.91
2003	85,655	b	1,688,123,880	21,610,167	1.28	\$252.29
2002	85,655	b	1,588,861,362	16,536,989	1.04	\$193.07
2001	85,655	b	1,592,850,004	16,925,539	1.06	\$197.60
2000	85,655	a	1,592,849,024	17,192,012	1.08	\$200.71
1999	83,347	a	1,450,407,171	18,059,053	1.25	\$216.67
1998	87,876	a	1,456,890,081	17,014,117	1.17	\$193.62
1997	87,876	a	1,346,355,977	5,959,118	0.44	\$67.81

Sources:

(1) U. S. Bureau of Census, Census of Population.

(a) 1990 Federal Census

(b) 2000 Federal Census

(2) County Auditor

(3) Includes all general obligation bonded debt with the exception of Special Assessment debt.

City of Parma, Ohio
Computation of Direct and Overlapping Governmental Activities Debt
 December 31, 2006

Jurisdiction	Governmental Activities Debt Outstanding	Percentage Applicable to City (1)	Amount Applicable to City
Direct - City of Parma			
General Obligation Bonds	\$29,165,000	100.00%	\$29,165,000
Special Assessment Bonds	1,769,288	100.00%	1,769,288
OPWC Loans	1,970,218	100.00%	1,970,218
Capital Leases	4,411,533	100.00%	4,411,533
Police Pension	47,239	100.00%	47,239
General Obligation Notes	551,500	100.00%	551,500
<i>Total Direct Debt</i>	<u>37,914,778</u>		<u>37,914,778</u>
Overlapping			
City School District			
General Obligation Bonds	23,865,000	70.49%	16,822,439
Capital Leases			0
County			
General Obligation Bonds	214,338,691	5.47%	11,724,326
Regional			
Transit Authority	156,500,000	5.47%	8,560,550
<i>Total Overlapping Debt</i>	<u>394,703,691</u>		<u>37,107,315</u>
Total	<u><u>\$432,618,469</u></u>		<u><u>\$75,022,093</u></u>

Source: County Auditor

(1) Percentages were determined by dividing each overlapping subdivision's assessed valuation within the City by its total assessed valuation.

City of Parma, Ohio

Legal Debt Margin

Last Ten Years

	2006	2005	2004	2003
Total Assessed Property Value	<u>\$1,813,999,757</u>	<u>\$1,689,864,982</u>	<u>\$1,701,410,366</u>	<u>\$1,688,123,880</u>
Overall Legal Debt Limit (10 ½ % of Assessed Valuation)	<u>190,469,974</u>	<u>177,435,823</u>	<u>178,648,088</u>	<u>177,253,007</u>
Debt Outstanding:				
General Obligation Bonds	\$27,916,309	\$28,215,734	\$20,641,519	\$21,729,585
Special Assessment Bonds	1,769,288	1,930,708	2,102,697	2,269,271
Internal Service Fund Bonds	1,248,691	1,354,266	1,463,481	1,565,414
Bond Anticipation Notes	-	-	1,200,000	450,000
OPWC Loans	1,970,218	2,145,443	2,320,665	2,495,890
OWDA Loans	3,154,798	3,389,024	3,613,945	3,834,440
Total Gross Indebtedness	<u>36,059,304</u>	<u>37,035,175</u>	<u>31,342,307</u>	<u>32,344,600</u>
Less:				
General Obligation Bonds	-	-	-	-
General Obligation Revenue Notes/Bonds	-	-	-	-
Special Assessment Bonds	1,769,288	1,930,708	2,102,697	2,269,271
OPWC Loans	1,970,218	2,145,443	2,320,665	2,495,890
OWDA Loans	-	-	-	-
General Obligation Bond Retirement Fund Balance	499,924	548,613	6,788	119,418
Total Net Debt Applicable to Debt Limit	<u>31,819,874</u>	<u>32,410,411</u>	<u>26,912,157</u>	<u>27,460,021</u>
Legal Debt Margin Within 10 ½ % Limitations	<u>\$158,650,100</u>	<u>\$145,025,412</u>	<u>\$151,735,931</u>	<u>\$149,792,986</u>
Legal Debt Margin as a Percentage of the Debt Limit	83.29%	81.73%	84.94%	84.51%
Unvoted Debt Limitation (5 ½ % of Assessed Valuation)	<u>\$99,769,987</u>	<u>\$92,942,574</u>	<u>\$93,577,570</u>	<u>\$92,846,813</u>
Total Gross Indebtedness	36,059,304	37,035,175	31,342,307	32,344,600
Less:				
General Obligation Bonds	-	1,354,266	1,463,481	1,565,414
General Obligation Revenue Notes/Bonds	-	-	-	-
Special Assessment Bonds	1,769,288	1,930,708	2,102,697	2,269,271
OPWC Loans	1,970,218	2,145,443	2,320,665	2,495,890
OWDA Loans	0	3,389,024	3,613,945	3,834,440
General Obligation Bond Retirement Fund Balance	499,924	548,613	6,788	119,418
Net Debt Within 5 ½ % Limitations	<u>31,819,874</u>	<u>27,667,121</u>	<u>21,834,731</u>	<u>22,060,167</u>
Unvoted Legal Debt Margin Within 5 ½ % Limitations	<u>\$67,950,113</u>	<u>\$65,275,453</u>	<u>\$71,742,839</u>	<u>\$70,786,646</u>
Unvoted legal Debt Margin as a Percentage of the Unvoted Debt Limitation	68.11%	70.23%	76.67%	76.24%

Source: City Financial Records

2002	2001	2000	1999	1998	1997
<u>\$1,588,861,362</u>	<u>\$1,592,850,004</u>	<u>\$1,592,849,024</u>	<u>\$1,450,407,171</u>	<u>\$1,456,890,081</u>	<u>\$1,346,355,977</u>
166,830,443	167,249,250	167,249,148	152,292,753	152,973,459	141,367,378
\$16,632,344	\$17,232,358	\$17,970,083	\$18,844,992	\$17,712,182	\$6,173,118
2,420,445	2,566,236	2,709,903	329,237	374,393	414,423
1,565,414	1,751,080	1,834,812	1,914,903	1,987,713	2,056,882
1,250,000	740,000	240,000	1,504,000	340,000	5,300,000
2,671,116	2,846,342	3,021,570	2,733,071	2,248,784	1,111,634
4,269,237	4,480,871	4,689,946	5,059,248	5,158,638	3,643,903
28,808,556	29,616,887	30,466,314	30,385,451	27,821,710	18,699,960
-	-	-	-	-	-
-	-	-	-	-	-
2,420,445	2,566,236	2,709,903	329,237	374,393	414,423
2,671,116	2,846,342	3,021,570	2,733,071	2,248,784	1,111,634
-	-	-	-	-	-
95,354	306,819	778,071	785,939	698,065	214,000
23,621,641	23,897,490	23,956,770	26,537,204	24,500,468	16,959,903
<u>\$143,208,802</u>	<u>\$143,351,760</u>	<u>\$143,292,378</u>	<u>\$125,755,549</u>	<u>\$128,472,991</u>	<u>\$124,407,475</u>
85.84%	85.71%	85.68%	82.57%	83.98%	88.00%
<u>\$87,387,375</u>	<u>\$87,606,750</u>	<u>\$87,606,696</u>	<u>\$79,772,394</u>	<u>\$80,128,954</u>	<u>\$74,049,579</u>
28,808,556	29,616,887	30,466,314	30,385,451	27,821,710	18,699,960
1,565,414	1,751,080	1,964,812	2,174,903	2,377,713	2,576,882
-	-	-	-	-	-
2,420,445	2,566,236	2,709,903	329,237	374,393	414,423
2,671,116	2,846,342	3,021,570	2,733,071	2,248,784	1,111,634
4,269,237	4,480,871	4,689,946	5,059,248	5,158,638	3,643,903
95,354	306,819	778,071	785,939	698,065	214,000
17,786,990	17,665,539	17,302,012	19,303,053	16,964,117	10,739,118
<u>\$69,600,385</u>	<u>\$69,941,211</u>	<u>\$70,304,684</u>	<u>\$60,469,341</u>	<u>\$63,164,837</u>	<u>\$63,310,461</u>
79.65%	79.84%	80.25%	75.80%	78.83%	85.50%

City of Parma, Ohio
Principal Employers
Current Year and Nine Years Ago

2006

Employer	City Wage Tax Collected	Percentage of Total Collections
General Motors Corporation	\$ 3,851,752	11.24%
Parma Hospital	1,609,011	4.69
Parma Board of Education	1,308,306	3.82
City of Parma	620,340	1.81
Cuyahoga Community College	549,345	1.60
Kaiser Permanente	508,826	1.48
Cuyahoga County Auditor	406,802	1.19
Ohio Permanente	382,072	1.11
Union Carbide	271,584	0.79
Marc's	267,785	0.78
Total	\$ 9,775,823	28.52%
Total Wage Tax Collected	\$ 34,272,525	

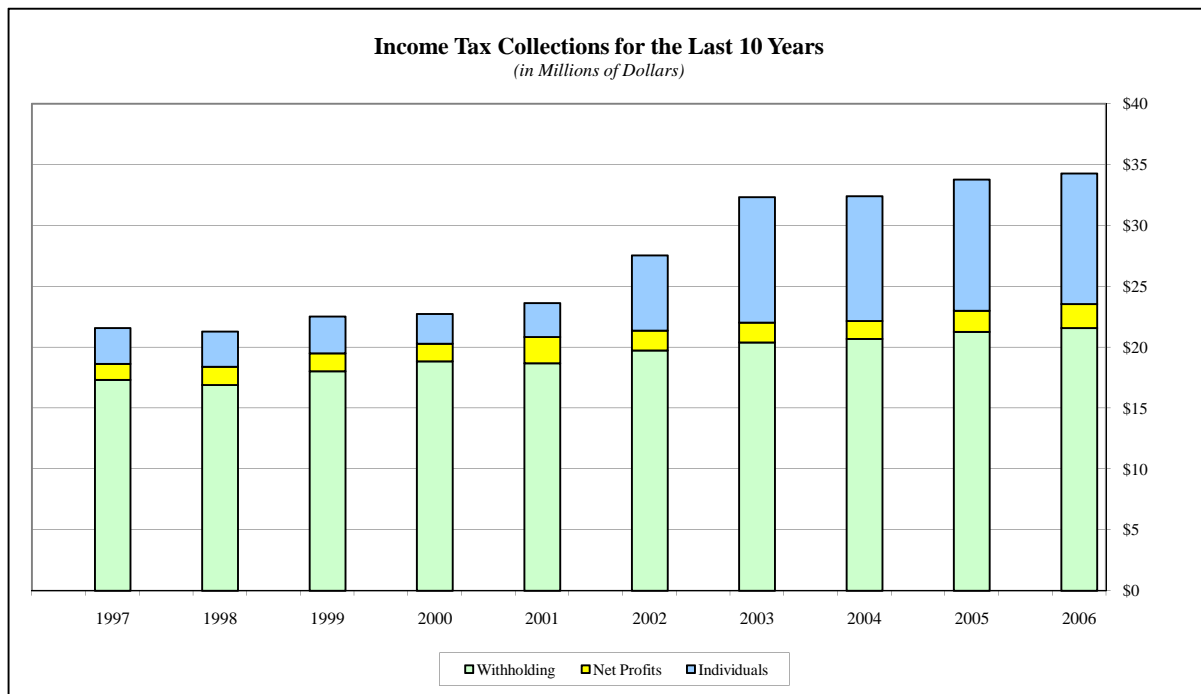
1997

Employer	City Wage Tax Collected	Percentage of Total Collections
General Motors Corporation	\$ 5,022,909	23.28%
Parma Board of Education	938,276	4.35
Parma Hospital	795,448	3.69
Modern Tool and Die	729,299	3.38
Kaiser Permanente	606,221	2.81
City of Parma	459,839	2.13
Cuyahoga Community College	414,446	1.92
Union Carbide	224,802	1.04
Marc's	172,931	0.80
First National Supermarkets	160,768	0.75
Total	\$ 9,524,939	44.15%
Total Wage Tax Collected	\$ 21,573,446	

Source: City of Parma Income Tax Department

City of Parma, Ohio
Income Tax Revenue Base and Collections
Last Ten Years

Tax Year	Tax Rate	Total Tax Collected	Taxes from Withholding	Percentage of Taxes from Withholding	Taxes From Net Profits	Percentage of Taxes from Net Profits	Taxes From Individuals	Percentage of Taxes from Individuals
2006	2.00%	\$34,272,525	\$21,588,264	62.99%	\$1,960,388	5.72%	\$10,723,873	31.29%
2005	2.00	33,777,991	21,263,245	62.95	1,739,567	5.15	10,775,179	31.90
2004	2.00	32,405,426	20,677,902	63.81	1,480,928	4.57	10,246,596	31.62
2003	2.00	32,341,786	20,404,433	63.09	1,613,855	4.99	10,323,498	31.92
2002	2.00	27,543,018	19,737,327	71.66	1,622,284	5.89	6,183,408	22.45
2001	2.00	23,641,022	18,678,771	79.01	2,163,154	9.15	2,796,733	11.83
2000	2.00	22,730,140	18,847,832	82.92	1,438,818	6.33	2,443,490	10.75
1999	2.00	22,536,004	18,042,325	80.06	1,467,094	6.51	3,026,585	13.43
1998	2.00	21,279,922	16,904,770	79.44	1,481,083	6.96	2,894,069	13.60
1997	2.00	21,573,446	17,332,107	80.34	1,296,564	6.01	2,944,775	13.65



City of Parma, Ohio
Demographic and Economic Statistics
Last Ten Years

Year	Population (1)	Total Personal Income (5)	Personal Income Per Capita (1)	Median Household Income (1)	Median Age (1)
2006	80,009	\$1,812,683,904	\$22,656	\$47,679	43.1
2005	85,655	1,861,454,460	21,732	47,843	39.4
2004	85,655	1,823,851,915	21,293	43,920	39.4
2003	85,655	1,823,851,915	21,293	43,920	39.4
2002	85,655	1,823,851,915	21,293	43,920	39.4
2001	85,655	1,823,851,915	21,293	43,920	39.4
2000	85,655	1,823,851,915	21,293	43,920	39.4
1999	83,347	1,225,367,594	14,702	33,281	37
1998	87,876	1,291,952,952	14,702	33,281	37
1997	87,876	1,291,952,952	14,702	33,281	37

(1) Source: U. S. Census

(a) Years 2000 through 2006 - 2000 Federal Census

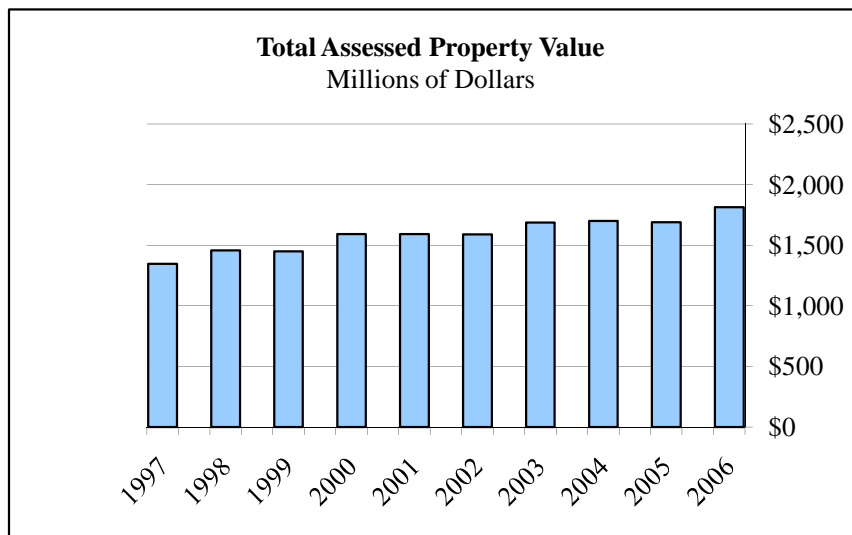
(b) Years 1997 through 1999 - 1990 Federal Census

(2) Source: Ohio Department of Education Website: "<http://www.ode.state.oh.us/data/>"

(3) Source: County Planning Commission

(4) Source: Cuyahoga County Auditor

(5) Computation of per capita personal income multiplied by population



School Enrollment (2)	Cuyahoga County Unemployment Rate (3)	Total Assessed Property Value (4)
13,069	5.5%	\$1,813,999,757
13,385	5.5	1,689,864,982
13,427	5.7	1,701,410,336
13,441	6.2	1,688,123,880
13,447	5.5	1,588,861,362
13,248	5.3	1,592,850,004
13,347	4.1	1,592,849,024
13,207	4.5	1,450,407,171
13,328	4.5	1,456,890,081
13,200	4.5	1,346,355,977

City of Parma, Ohio
Full-Time Equivalent City Government Employees by Function/Program
Last Five Years (1)

Function/Program	2006	2005	2004	2003	2002
General Government					
Council	11.00	10.50	10.50	11.00	11.00
Finance	14.50	14.50	14.00	14.00	14.00
Tax	15.50	14.50	14.00	13.00	14.00
City Manager	1.00	1.00	1.00	1.00	1.00
Law	12.50	12.50	11.00	13.50	13.00
Administration	15.50	13.50	15.00	14.00	13.00
Engineer	6.00	6.00	6.00	6.00	6.00
Civil Service	4.00	4.00	4.00	4.00	2.00
Court	49.00	52.00	51.00	50.00	51.00
Security of Persons and Property					
Police	91.00	89.00	93.00	93.00	100.00
Police - Auxiliary/Guards	32.00	33.00	34.50	31.50	32.50
Police - Dispatchers/Office/Other	41.00	41.50	41.00	40.00	36.00
Police - Jailers	22.50	23.50	18.50	18.50	19.00
Police - Animal Wardens	1.00	1.50	1.00	1.00	1.00
Fire	106.00	99.00	102.00	102.00	97.00
Fire - Secretary - Other	6.00	4.00	4.00	5.00	4.00
Leisure Time Activities					
Recreation	46.00	49.50	47.00	48.00	39.50
Community Development					
Building	13.50	14.50	15.00	13.50	13.00
Economic Development	11.50	12.00	14.50	10.00	11.50
Transportation					
Service	25.00	34.00	33.00	36.50	35.50
Street M&R	74.00	80.00	81.50	78.00	84.00
Basic Utility Services					
Sewer	8.00	8.00	8.00	7.00	7.00
Totals:	606.50	618.00	619.50	610.50	605.00

Source: City Payroll Department W2 Audit Listing

Method: Using 1.0 for each full-time employee and 0.50 for each part-time and seasonal employee at year end.

(1) Information prior to 2002 is not available

City of Parma, Ohio
Operating Indicators by Function/Program
Last Five Years (1)

Function/Program	2006	2005	2004	2003	2002
General Government					
<i>Council and Clerk</i>					
Number of Ordinances Passed	262	189	240	238	242
Number of Resolutions Passed	98	92	117	120	133
<i>Finance Department</i>					
Number of checks/ vouchers issued	14,409	14,778	14,474	13,842	n/a
Amount of checks written					
Interest earnings for fiscal year (cash basis)	\$810,339	\$168,966	\$190,398	\$146,889	\$157,876
Number of Receipts issued	9,131	n/a	9,082	n/a	n/a
Number of Journal Entries issued	n/a	n/a	n/a	n/a	n/a
Number of Budget Adjustments issued	n/a	n/a	n/a	n/a	n/a
Agency Ratings - Standard & Poors	A+	n/a	n/a	A+	n/a
Agency Ratings - Moody's Financial Services	n/a	n/a	n/a	A2	n/a
Health Insurance Costs vs General Fund Expenditures %	12.00%	12.00%	11.00%	11.00%	11.00%
General Fund Receipts (cash basis)	\$42,163,865	\$41,558,182	\$40,839,313	\$39,585,294	\$36,371,014
General Fund Expenditures (cash basis)	\$42,838,808	\$41,571,405	\$42,407,336	\$39,585,294	\$35,512,014
General Fund Cash Balances	\$2,321,691	\$2,996,634	\$3,009,857	\$4,577,880	\$2,488,913
<i>Municipal Court</i>					
Number of Civil Cases	4,827	4,618	4,417	4,313	3,875
Number of Criminal cases	14,054	13,884	13,921	10,808	11,602
<i>Vital Statistics</i>					
Certificates Filed					
Number of Births	607	549	563	569	690
Number of Deaths	1,429	1,501	1,459	1,570	1,546
Certificates Issued					
Number of Births	2,692	3,162	3,227	3,490	3,524
Number of Deaths	7,160	8,549	8,727	9,435	9,530
Burial Permits Issued	915	1,024	987	1,067	1,055
<i>Civil Service</i>					
Number of police entry tests administered	0	1	0	1	1
Number of fire entry tests administered	1	0	1	0	0
Number of police promotional tests administered	1	1	1	2	3
Number of fire promotional tests administered	0	0	0	0	2
Number of hires of Police Officers from certified lists	4	0	0	0	5
Number of hires of Fire/Medics from certified lists	3	0	0	0	0
Number of promotions from police certified lists	6	0	0	8	0
Number of promotions from fire certified lists	0	0	0	1	4

(continued)

City of Parma, Ohio
Operating Indicators by Function/Program (continued)
Last Five Years (1)

Function/Program	2006	2005	2004	2003	2002
<i>Building Department Indicators</i>					
Construction Permits Issued	3,883	4,189	4,246	4,105	4,483
Estimated Value of Construction	\$62,080,878	\$43,362,693	\$42,851,767	\$33,192,785	\$44,694,165
Number of permits issued	10,090	11,758	10,700	10,999	11,666
Amount of Revenue generated from permits	\$776,962	\$781,671	\$982,938	\$849,159	\$932,288
Security of Persons & Property					
<i>Police</i>					
Total Calls for Services	35,778	34,194	34,361	33,663	n/a
Number of traffic citations issued	9,977	9,224	9,895	5,915	n/a
Number of parking citations issued	1,857	2,883	1,988	1,351	n/a
Number of criminal arrests	n/a	n/a	n/a	n/a	n/a
Number of accident reports completed	1,125	1,205	1,277	1,348	n/a
Part I Offenses (major offenses)	191	216	239	206	n/a
DUI Arrests	230	199	197	213	n/a
Motor Vehicle Accidents	1,125	1,205	1,277	1,348	n/a
Property damage accidents	643	712	802	n/a	n/a
Fatalities from Motor Vehicle Accidents	0	4	3	0	n/a
<i>Fire</i>					
EMS Calls	8,988	9,029	9,371	8,035	7,572
Ambulance Billing Collections (net)	\$1,446,781	\$1,455,704	\$1,400,724	\$1,350,850	\$1,323,011
Fire Calls	2,996	3,112	2,057	2,878	1,934
Fire Losses \$	\$771,450	\$1,037,000	\$685,740	\$885,538	\$644,666

City of Parma, Ohio
Capital Assets Statistics by Function/Program
Last Ten Years

Function/Program	2006	2005	2004	2003
Police				
Stations	1	1	1	1
Fire				
Stations	5	5	5	5
Recreation				
Number of Parks	21	21	21	21
Number of Pools	4	4	4	4
Number of Ice Rinks	1	1	1	1
Other Public Works				
Streets (miles)	255	255	255	255
Wastewater				
Sanitary Sewers (miles)	209	209	209	209
Storm Sewers (miles)	510	510	510	510

2002	2001	2000	1999	1998	1997
1	1	1	1	1	1
5	5	5	5	5	5
21	21	21	21	21	22
4	4	4	4	4	4
1	1	1	1	1	1
255	255	255	255	255	255
209	209	209	209	209	209
510	510	510	510	510	510



Mary Taylor, CPA
Auditor of State

**CITY OF PARMA
CUYAHOGA 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
MARCH 31, 2009**