



Mary Taylor, CPA
Auditor of State

CITY OF BARBERTON
SUMMIT COUNTY

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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 Barberton
Summit County
104 Third Street, N.W.
Barberton, Ohio 44203

To the City Council:

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Barberton, Summit County, Ohio, (the City) as of and for the year ended December 31, 2009, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 14, 2010. 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 the purpose of expressing our opinions on the financial statements, but not for the purpose of opining 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.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in more than a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and timely corrected.

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

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 no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

We did note certain matters not requiring inclusion in this report that we reported to the City's management in a separate letter dated June 14, 2010.

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

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

Mary Taylor, CPA
Auditor of State

June 14, 2010



Mary Taylor, CPA

Auditor of State

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

City of Barberton
Summit County
104 Third Street N.W.
Barberton, Ohio 44203

To the City Council:

Compliance

We have audited the compliance of City of Barberton, Summit 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 each of its major federal programs for the year ended December 31, 2009. 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 each major federal program. Our responsibility is to express an opinion on the City's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits included in the Comptroller General of the United States' *Government Auditing Standards*; 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 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 Barberton, Summit County, Ohio complied, in all material respects, with the requirements referred to above that apply to each of its major federal programs for the year ended December 31, 2009.

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 opining on compliance in accordance with OMB Circular A-133, but not for the purpose of opining on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the City's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, when performing their assigned functions, to prevent, or to timely detect and correct, noncompliance with a federal program compliance requirement. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a federal program compliance requirement will not be prevented, or timely detected and corrected.

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 over compliance that might be deficiencies, 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.

We noted a matter involving federal compliance or internal control over federal compliance not requiring inclusion in this report, that we reported to the City's management in a separate letter dated June 14, 2010.

Federal Awards Expenditures Schedule

We have also audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of City of Barberton, Summit County, Ohio as of and for the year ended December 31, 2009, and have issued our report thereon dated June 14, 2010. 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 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

June 14, 2010

**CITY OF BARBERTON
SUMMIT COUNTY**

**FEDERAL AWARDS EXPENDITURES SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2009**

| Federal Grantor/ Pass Through Grantor/ Program Title | Pass Through Entity Number | Federal CFDA Number | Expenditures |
|--|----------------------------------|---------------------------|----------------------------|
| <u>U.S. DEPARTMENT OF AGRICULTURE</u> | | | |
| <i>Passed Through Akron City Department of Health:</i> | | | |
| Special Supplemental Food Program for Women, Infants, and Children | 110 | 10.557 | \$ 248,944 |
| <u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u> | | | |
| <i>Direct</i> | | | |
| Community Development Block Grant Entitlement Program | N/A | 14.218 | 829,652 |
| <i>Passed Through the Ohio Department of Development</i> | | | |
| Neighborhood Stabilization Program Grant | N/A | 14.228 | 199,708 |
| <i>Passed Through the County of Summit</i> | | | |
| Neighborhood Stabilization Program Grant | N/A | 14.228 | <u>508</u> |
| Total Neighborhood Stabilization Program Grant | | | <u>200,216</u> |
| Total U.S. Department of Housing and Urban Development | | | <u>1,029,868</u> |
| <u>U.S. DEPARTMENT OF JUSTICE</u> | | | |
| <i>Direct</i> | | | |
| Regional Information Sharing Systems | N/A | 16.610 | 13,257 |
| Bulletproof Vest Partnership Program | N/A | 16.607 | 6,426 |
| <i>Passed through the City of Akron</i> | | | |
| ARRA- Edward Bryne Memorial Justice Grant (JAG) | 101 | 16.804 | <u>22,056</u> |
| Total U.S. Department of Justice | | | <u>41,739</u> |
| <u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u> | | | |
| <i>Passed through the Akron City Department of Health</i> | | | |
| Immunization Action Plan Grant | 101A | 93.268 | 37,153 |
| Maternal and Child Health Services Grant | 101Q | 93.994 | 37,432 |
| Centers for Disease Control and Prevention Investigation and Technical Assistance | N/A | 93.283 | 54,135 |
| <i>Passed through the Area Agency on Aging</i> | | | |
| Special Programs for the Aging Title III, Part B, Grants for Supportive Services and Senior Centers | 227B | 93.044 | <u>1,518</u> |
| Total U.S. Department of Health and Human Services | | | <u>130,238</u> |
| <u>U.S. ENVIRONMENTAL PROTECTION AGENCY</u> | | | |
| <i>Direct</i> | | | |
| Brownfields Assessment and Cleanup Cooperative Agreements | N/A | 66.818 | 187,153 |
| <u>U.S. DEPARTMENT OF HOMELAND SECURITY</u> | | | |
| <i>Direct</i> | | | |
| Federal Emergency Management Assistance - Assistance to Firefighters Grant | N/A | 97.044 | <u>354,616</u> |
| TOTAL | | | <u>\$ 1,992,558</u> |

The notes to the Federal Awards Expenditures Schedule are an integral part of this statement.

**CITY OF BARBERTON
SUMMIT COUNTY**

**NOTES TO THE FEDERAL AWARDS EXPENDITURES SCHEDULE
FISCAL YEAR ENDED DECEMBER 31, 2009**

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

The accompanying Federal Awards Expenditures Schedule (the Schedule) summarizes activity of the City's federal award programs. The Schedule has been prepared on the cash basis of accounting.

NOTE B - COMMUNITY DEVELOPMENT BLOCK GRANT REVOLVING LOAN PROGRAMS

The City has established a revolving loan program to provide low-interest loans to businesses to create jobs for persons from low-moderate income households and to eligible persons to rehabilitate homes. The Federal Department of Housing and Urban Development (HUD) grants money for these loans to the City, passed through the Ohio Department of Development. The initial loan of this money is recorded as a disbursement on the accompanying Schedule of Federal Awards Expenditures (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, 2009, the gross amount of loans outstanding under this program was \$219,877.

NOTE C - SUBRECIPIENTS

The City passes-through certain Federal assistance received from U.S. Department of Housing and Urban Development to other governments or not-for-profit agencies (subrecipients). As described in Note A, the City records expenditures of Federal awards to subrecipients when paid in cash.

The subrecipient agencies have certain compliance responsibilities related to administering these Federal Programs. Under Federal Circular A-133, the City is responsible for monitoring subrecipients to help assure that Federal awards are used for authorized purposes in compliance with laws, regulations, and the provisions of contracts or grant agreements, and that performance goals are achieved.

**CITY OF BARBERTON
SUMMIT COUNTY**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505
DECEMBER 31, 2009**

1. SUMMARY OF AUDITOR'S RESULTS

| | | |
|---------------------|---|---|
| (d)(1)(i) | Type of Financial Statement Opinion | Unqualified |
| (d)(1)(ii) | Were there any material control weakness conditions reported at the financial statement level (GAGAS)? | No |
| (d)(1)(ii) | Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)? | No |
| (d)(1)(iii) | Was there any reported material noncompliance at the financial statement level (GAGAS)? | No |
| (d)(1)(iv) | Were there any material internal control weakness conditions reported for major federal programs? | No |
| (d)(1)(iv) | Were there any other reportable internal control weakness conditions reported for major federal programs? | No |
| (d)(1)(v) | Type of Major Programs' Compliance Opinion | Unqualified |
| (d)(1)(vi) | Are there any reportable findings under § .510? | No |
| (d)(1)(vii) | Major Programs (list): | CFDA # 14.228, Neighborhood Stabilization Program Grant (NSP); CFDA # 97.004, Federal Emergency Management Assistance (FEMA) - Assistance to Firefighter's Grant |
| (d)(1)(viii) | Dollar Threshold: Type A/B Programs | Type A: > \$ 300,000 Type B: all others |
| (d)(1)(ix) | Low Risk Auditee? | Yes |

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

None

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None

**CITY OF BARBERTON
SUMMIT COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2009**

| Finding Number | Finding Summary | Fully Corrected? | Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; Explain |
|------------------|--|------------------|---|
| Finding 2008-001 | <p>Audit Adjustments- Numerous proposed audit adjustments that affected the intergovernmental, utility, and income tax receivable sections, accounts and contracts payable and unrecorded cash receipts near fiscal year end. As a result, 7 of the 50 proposed adjustments were posted to the City's financial statements.</p> | Yes | Finding no longer valid. |

CITY OF BARBERTON, OHIO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2009

PREPARED BY:

RAYMOND E. FLICKINGER, JR., DIRECTOR OF FINANCE - C.P.F.A

*104 THIRD STREET
BARBERTON, OHIO 44203*

INTRODUCTORY SECTION

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CITY OF BARBERTON, OHIO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2009

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June 14, 2010

Honorable Mayor, Members of City Council
And Citizens of Barberton
Barberton, Ohio

The Comprehensive Annual Financial Report (CAFR) of the City of Barberton, Ohio (City) is hereby presented. This CAFR represents the official report of the City of Barberton's operations and financial position for the year ended December 31, 2009, and has been developed to accurately detail the status of the City finances to Barberton residents and elected officials, investment banks and underwriters and all other interested parties. This report is presented in compliance with Governmental Accounting Standards Board (GASB) Statement No. 34, "Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments". It is intended to provide all pertinent and necessary information to the citizens of Barberton.

Responsibility for the accuracy of the data contained herein, for the completeness and fairness of the presentation and for all disclosure rests with the City's management. To the best of the City's knowledge, the financial and other data contained in this report fairly present the financial position and results of operations of the City. All necessary disclosures to enable the citizens and other readers to understand the City's financial activities are included in this report.

The City is responsible for establishing and maintaining an internal control structure designed to protect its assets from loss, theft or misuse. Furthermore, the accounting system must be adequate to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived and that the valuation of costs and benefits requires estimates and judgments by management.

The City is required by state law to have an annual audit performed by the Auditor of State's Office. The City continues to receive an unqualified opinion. The Independent Accountants' Report of the Auditor of State on the City's financial statements is included in the Financial Section of this report.

As a part of the City's independent audit, tests are made to determine the adequacy of the internal control structure, including that portion related to federal financial assistance programs, as well as to determine that the City has complied with applicable laws and regulations. The results of the City's independent audit for the year ended December 31, 2009 provided no instances of material weaknesses in the internal control structure or significant violations of applicable laws and regulations.

This transmittal letter is designed to provide historical information about the City, as well as compliment the required Management's Discussion and Analysis (MD&A). Generally accepted accounting principles require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements. The City's MD&A, which focuses on the government-wide statements, can be found immediately following the Independent Accountants' Report.

Finance Department

104 Third Street, N.W. • Barberton, Ohio 44203 • Office: (330) 848-6775 • Fax: (330) 848-6725
www.cityofbarberton.com

Community Profile

The City of Barberton is located in northeast Ohio, adjacent to the City of Akron. Incorporated in 1891, Barberton operates under a charter form of government which was adopted by its voters in 1973. The City is governed by an elected Mayor and a nine-member City Council. Founded by industrialist Ohio Columbus Barber, Barberton earned the nickname of the Magic City because of its early rapid growth. Today, Barberton covers an area of approximately nine square miles and is the fourth largest city in Summit County with a population of approximately 28,000.

The City provides a full range of municipal services mandated by statute or charter, including police and fire protection, parks, recreation, street maintenance, planning, zoning and other general government services. Health services are provided by the Barberton Health District. In addition, water, sanitary sewer and solid waste disposal services are provided under the enterprise fund concept with user charges set to ensure adequate coverage of operating expenses and payments on outstanding debt.

Economic Condition and Outlook

Local Economy

The City's economy has historically been associated with the manufacturing industry. Major industries with headquarters or divisions within Barberton's boundaries include manufacturers of fossil fuel and nuclear power generating equipment, automobile components, energy products management systems and producers of chemical and dairy products. The City's largest withholder accounts for 27 percent of the City's total income tax collections.

As is evident throughout Ohio and the nation, the City will continue to have a difficult budget situation for the near future. This is due to major revenues such as income tax and state shared revenues continuing to remain stagnant or declining while operating costs continue to increase due to inflationary pressures, unmet capital needs and the rising costs of employee benefits.

Despite the challenges the declining revenues have presented, there are development projects taking place that will help to restore Barberton's long-term economic stability. The Barberton Community Development Corporation (BCDC), is a tax exempt, non-political agency founded for the purpose of enhancing the City's tax base by creating and retaining jobs in the City of Barberton. The BCDC, through business financing and gap loans has assisted over 125 business, facilitating over \$100 million in private sector investment. The Barberton Community Foundation invests up to \$6 million in a revolving loan fund administered by BCDC. The BCDC, in collaboration with the City and the Barberton Community Foundation (BCF) have retained or created more than 2,000 jobs generating more than \$1 million annually in income and property taxes.

Long-Term Financial Planning

The City had been able to offset the loss of revenues the last few years by using its Emergency Reserve monies as well as a number of other one-time revenues. Although the City continues to pursue grants and low-interest loans for capital improvements, with those operating reserves exhausted the City has been required to raise user charges and fees as well as reducing expenses. An example of this effort is that the full-time staffing levels have been reduced from 283 employees in 2001 to 258 at the end of 2009. The result of the staffing reductions and other cuts has helped minimize expenditure growth in the General Fund operating budget since 2001.

Major Initiatives

The City was awarded a \$1.2 million Grant from the Ohio Department of Development Office of Housing to establish a Neighborhood Stabilization Program. The program is administered by the Neighborhood Development Services (NDS). The City purchases homes with the intent to either raze or rehab in conjunction with NDS.

The City entered into contract with Hackney Emergency Vehicles for the purchase of a \$329,207 heavy duty rescue truck due to the award of a \$296,100 FEMA Assistance to firefighters grant. The City's share of the purchase \$33,107 was paid from the Fire Levy Capital Improvement Fund.

With the aid of a federal stimulus grant of \$2 million and a low-interest loan from the Ohio Water Development Authority, the City will begin renovation of the wastewater treatment facilities and processes. Total costs are estimated at approximately \$4.9 million. Other stimulus grants include \$200,000 to construct sidewalks in the Columbia Heights area and \$200,000 for cleanup of a former gas station site on the corner of Norton Avenue and Barber Road.

Voters approved a Rental Registration Program in November of 2009. The program requires the registration and inspection of all residential rental properties in Barberton. The purpose of the program is to insure rental properties meet housing codes and improve the housing stock within the City.

Certificate of Achievement for Excellence in Financial Reporting

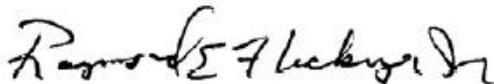
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Barberton, Ohio for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended December 31, 2008. The Certificate of Achievement is a prestigious national award, recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such a CAFR must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. The City of Barberton, Ohio, has received Certificates of Achievement for the last 19 consecutive years (1990-2008). We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA for award consideration.

Acknowledgements

The publication of this report could not have been accomplished without the efforts of the Finance Department staff. I would like to express my appreciation to those directly involved in its preparation and to the entire staff for their dedicated service to the Citizens of Barberton throughout the year.

Sincerely,



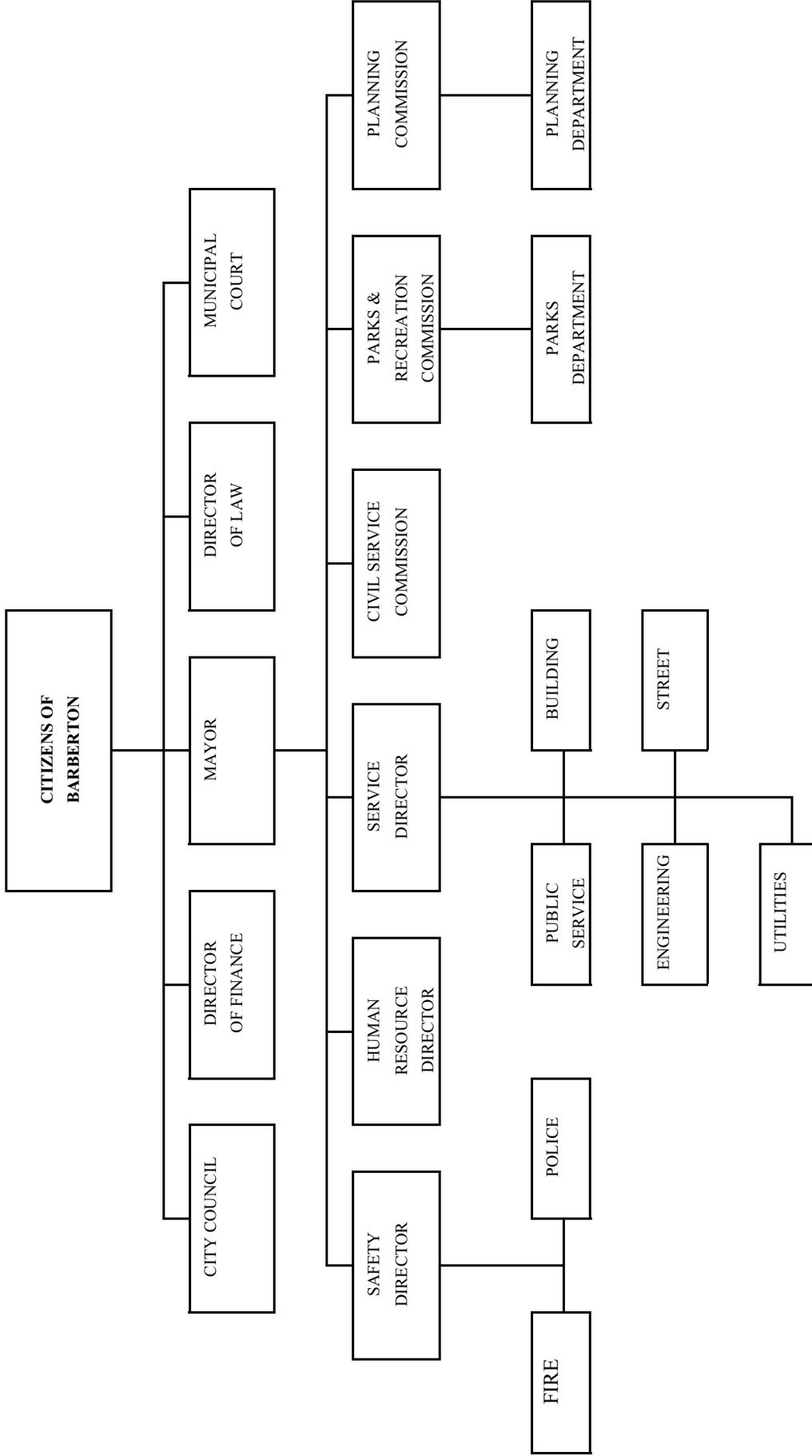
Raymond E. Flickinger, Jr., CPFA
Director of Finance

CITY OF BARBERTON, OHIO

**LIST OF PRINCIPAL CITY OFFICIALS
AS OF DECEMBER 31, 2009**

| | | |
|---------------------------------|---------------------------|-----------------------------|
| Mayor | (Elected: four-year term) | Robert J. Genet |
| Cabinet of the Mayor: | (Appointed) | |
| Service Director | | Elwood Palmer |
| Safety Director | | Raymond Todd |
| Director of Finance | (Elected: four-year term) | Raymond E. Flickinger, Jr. |
| Director of Law | (Elected: four-year term) | Lisa Okolish Miller |
| Municipal Court Judges | (Elected: six-year term) | Gregory Macko David Fish |
| Clerk of Municipal Court | (Elected: six-year term) | Andy Padrutt |
| Council: | (Elected: four-year term) | |
| President | | Frederick S. Maurer |
| Members: | | |
| At-Large | | James R. Dippel |
| At-Large | | William B. Judge |
| Ward 1 | | Paul J. Suboticki |
| Ward 2 | | Michael R. Soyars |
| Ward 3 | | Christopher Silva |
| Ward 4 | | Craig Megyes |
| Ward 5 | | Terry L. Avant |
| Ward 6 | | Michael Anderson |

**CITY OF BARBERTON, OHIO
ORGANIZATIONAL CHART**



Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Barberton
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2008

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

FINANCIAL SECTION

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Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

City of Barberton
Summit County
104 Third Street N.W.
Barberton, Ohio 44203

To the City 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 Barberton, Summit County, Ohio, (the City) as of and for the year ended December 31, 2009, 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 Barberton, Summit County, Ohio, as of December 31, 2009, and the respective changes in financial position and where applicable, cash flows, thereof and the respective 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 June 14, 2010, 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.

We conducted our audit to opine on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining 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 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

June 14, 2010

CITY OF BARBERTON, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2009 UNAUDITED

The management's discussion and analysis for the City of Barberton's financial statements provides an overview of the City's financial activities as of December 31, 2009. The intent of this discussion is to provide a narrative that helps to explain and describe the City's financial performance as a whole. To obtain a more detailed understanding, please review the transmittal letter, the notes to the basic financial statements and the basic financial statements in conjunction with this analysis. The Statistical Section can also provide valuable current and historical information.

Financial Summary

The financial summary for 2009 follows:

- The total assets of the City of Barberton exceeded its liabilities at December 31, 2009 by \$62,624,997 (net assets). Of this amount, \$5,053,323 is considered restricted for various purposes such as capital projects, debt service and other restrictions. Another \$48,958,721 is invested in capital assets and the remaining \$8,612,953 is considered unrestricted and may be used to meet the City's ongoing services and other obligations.
- Total net assets decreased \$1,965,341 as a result of this year's operations. Net assets of business-type activities decreased \$406,508, or 1.02 percent, while the net assets of governmental activities decreased \$1,558,833, or 6.30 percent.
- The total cost of the City's service programs was \$34,592,814, while the total revenues were \$33,476,096. Of these amounts the governmental activities represented \$23,491,614 (67.91%) of the expenses and \$22,082,166 (65.96%) of the revenues. The business-type activities represented the remaining \$11,101,200 (32.09%) of expenses and \$11,393,930 (34.04%) of revenues.
- At the end of the current fiscal year, the fund balance for the general fund was \$2,134,704 on a modified accrual basis. This balance provides the City with the equivalent of 47 working days of expenditures.
- The City's total outstanding debt decreased \$2,478,645 during 2009.

Using this Comprehensive Annual Financial Report

This report consists of a series of financial statements and explanatory notes to those statements. These statements are prepared and organized in a manner that allows the reader to look at the financial activities of the City of Barberton as a whole and also allows the reader to obtain a more detailed view of specific city operations, if they prefer.

The statement of net assets and the statement of changes in net assets provide information from a summary perspective showing the results of the operations for the year 2009 and how they impacted the financial condition of the City as a whole.

Fund financial statements provide the next level of detail. For governmental funds, these statements show how services were financed in the short-term as well as what dollars remain for future spending. The fund financial statements also look at the City's most significant funds with all other nonmajor funds presented in total in one column.

CITY OF BARBERTON, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2009 UNAUDITED

Reporting the City of Barberton as a Whole

Statement of Net Assets and Statement of Activities

The statement of net assets and the statement of activities provide summary information concerning the financial position and operations of the City as an entity. They provide a good resource for an overall evaluation of the City's financial performance "on one page." These statements include all non-fiduciary assets and all liabilities using the accrual basis of accounting. This method takes into account all revenues when they are earned and all expenses when they are incurred. These transactions are booked when they occur and not when the actual cash is received for revenues or when invoices are paid for expenses.

From the statement of net assets, you can determine what the City's current financial position is by subtracting total liabilities (what the City owes) from total assets (what the City owns). Over time, increases or decreases in the City's net assets are one indicator of whether the City's financial health is improving or deteriorating. From the statement of activities, the reader can determine the cost of various government services and how much of that cost is financed by taxpayers, where the City gets its money from and how it is used, whether the City is better or worse off financially and why, and will the City be able to finance services in the future. Other non-financial factors such as changes in the City's property tax base, income tax base and the condition of the City's capital assets should also be considered when assessing the overall financial health of the City.

Reporting on the Most Significant Funds of the City of Barberton

Fund Financial Statements

The analysis of the City's major funds begins on page 10. Fund financial reports give a detailed accounting of the activities within the funds. The City currently has 49 funds, as presented in this report. These funds are in existence to provide a multitude of services to the citizens of Barberton. For example, some funds provide for police and fire protection, street repair and maintenance as well as water, sewer, storm water and solid waste disposal services. In addition, a number of funds serve a variety of other purposes ranging from accounting for the City's construction of capital and infrastructure assets to providing health care benefits to the City's employees. Each fund is in some ways an entity unto itself. Each fund has a designated revenue stream and restricted uses for the monies within the fund.

In this report, the focus is on four major funds, the general fund, the water fund, the sewer fund and the solid waste fund.

Governmental Funds

All of the City's major activities (excluding the utilities) are reported in the governmental funds, which focus on how money flows into and out of these funds and also depicts the balances available for future expenditures. These funds are reported using an accounting method called modified accrual accounting. This method reports cash and like-cash items and shows the level of financial resources that are available to provide general government services in the near future. Examples of these services include police and fire protection, health services and street and park maintenance. The relationship (or difference) between governmental activities (reported in the statement of net assets and the statement of activities) and the governmental funds is reconciled in the financial statements.

Proprietary Funds

Proprietary funds use the same basis of accounting as business-type activities; therefore, these statements will essentially match, except for any internal service fund allocations.

CITY OF BARBERTON, OHIO

*MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2009
UNAUDITED*

Fiduciary Funds

Agency funds are used to account for resources held for the benefit of parties outside the City. Agency funds are not reflected on the government-wide financial statements because the resources from those funds are not available to support the City's programs. The accounting method used for fiduciary funds is much like that used for the proprietary funds.

Statement of Net Assets

As noted earlier, the statement of net assets looks at the City as a whole and therefore, can be a useful indicator of the City's financial position. Net assets of the governmental activities were restated at December 31, 2008 (see Note 3.B. to the financial statements for detail). The table below provides a summary of the City's net assets for 2009 compared to 2008:

| | Net Assets | | | | | |
|-------------------------------|-------------------|-------------------|----------------------------|-------------------|-------------------|-------------------|
| | Governmental | Business-type | (Restated) Governmental | Business-type | | (Restated) |
| | Activities | Activities | Activities | Activities | 2009 | 2008 |
| | <u>2009</u> | <u>2009</u> | <u>2008</u> | <u>2008</u> | <u>Total</u> | <u>Total</u> |
| <u>Assets</u> | | | | | | |
| Current and other assets | \$ 12,073,466 | \$ 10,613,085 | \$ 15,370,855 | \$ 11,516,988 | \$ 22,686,551 | \$ 26,887,843 |
| Capital assets, net | <u>25,350,932</u> | <u>42,244,974</u> | <u>24,643,446</u> | <u>43,625,688</u> | <u>67,595,906</u> | <u>68,269,134</u> |
| Total assets | <u>37,424,398</u> | <u>52,858,059</u> | <u>40,014,301</u> | <u>55,142,676</u> | <u>90,282,457</u> | <u>95,156,977</u> |
| <u>Liabilities</u> | | | | | | |
| Current and other liabilities | 4,199,223 | 984,921 | 6,837,544 | 1,608,222 | 5,184,144 | 8,445,766 |
| Long-term liabilities: | | | | | | |
| Due within one year | 1,863,946 | 1,194,327 | 1,721,178 | 1,207,531 | 3,058,273 | 2,928,709 |
| Due in more than one year | <u>8,171,279</u> | <u>11,243,764</u> | <u>6,706,796</u> | <u>12,485,368</u> | <u>19,415,043</u> | <u>19,192,164</u> |
| Total liabilities | <u>14,234,448</u> | <u>13,423,012</u> | <u>15,265,518</u> | <u>15,301,121</u> | <u>27,657,460</u> | <u>30,566,639</u> |

- - Continued

CITY OF BARBERTON, OHIO

*MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2009
UNAUDITED*

| | Net Assets | | | | | |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| | Governmental | Business-type | Restated | Business-type | | Restated |
| | Activities | Activities | Governmental | Activities | 2009 | 2008 |
| | <u>2009</u> | <u>2009</u> | <u>2008</u> | <u>2008</u> | <u>Total</u> | <u>Total</u> |
| <u>Net Assets</u> | | | | | | |
| Invested in capital assets, net of related debt | \$ 18,536,399 | \$ 30,422,322 | \$ 17,013,788 | \$ 31,995,482 | \$ 48,958,721 | \$ 49,009,270 |
| Restricted: | | | | | | |
| Capital projects | 1,142,832 | - | 633,917 | - | 1,142,832 | 633,917 |
| Debt service | 415,866 | - | 299,259 | - | 415,866 | 299,259 |
| Street construction, maintenance and repair | 881,165 | - | 1,204,290 | - | 881,165 | 1,204,290 |
| Court computer | 353,172 | - | 79,616 | - | 353,172 | 79,616 |
| Recreation | 293,671 | - | 712,000 | - | 293,671 | 712,000 |
| Health district | 41,123 | - | 41,728 | - | 41,123 | 41,728 |
| Community development and improvements | 588,994 | - | 1,028,741 | - | 588,994 | 1,028,741 |
| Law enforcement | 102,514 | - | 46,820 | - | 102,514 | 46,820 |
| Emergency reserve | 283 | - | 281 | - | 283 | 281 |
| Police and fire pension | 90,194 | - | 133,674 | - | 90,194 | 133,674 |
| Fire capital | 92,785 | - | 138,011 | - | 92,785 | 138,011 |
| Miscellaneous grants | 79,131 | - | 117,864 | - | 79,131 | 117,864 |
| 911 phone system | 170,371 | - | - | - | 170,371 | - |
| Sewer replacement and improvement | - | 801,222 | - | 1,039,101 | 801,222 | 1,039,101 |
| Unrestricted | <u>401,450</u> | <u>8,211,503</u> | <u>3,298,794</u> | <u>6,806,972</u> | <u>8,612,953</u> | <u>10,105,766</u> |
| Total net assets | <u>\$ 23,189,950</u> | <u>\$ 39,435,047</u> | <u>\$ 24,748,783</u> | <u>\$ 39,841,555</u> | <u>\$ 62,624,997</u> | <u>\$ 64,590,338</u> |

Total assets decreased in 2009 by \$4,874,520. Total current assets decreased by \$4,201,292 from 2008 mainly due to the draw down of cash fund balances used in operations. Total capital assets decreased by \$673,228 mainly as a result of the disposition of the former Community Center assets.

Total liabilities decreased \$2,909,179 in 2009 mostly due to retirements of notes payable as well as bonded debt. The City paid portions of outstanding note issues and reissued those notes with reduced principal amounts as well as issuing bonds to refinance the fire and water improvement notes on a long-term basis.

As a result of the decrease in total assets of \$4,874,520 (a negative) and the decrease in total liabilities of \$2,861,929 (a positive), the total net assets decreased \$1,965,341.

CITY OF BARBERTON, OHIO

*MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2009
UNAUDITED*

Statement of Activities

Net assets of the governmental activities were restated at December 31, 2008 (see Note 3.B. to the financial statements for detail). The table below shows the changes in net assets for fiscal years 2009 and 2008.

| | Change in Net Assets | | | | | |
|------------------------------------|-----------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | | | Restated | | | |
| | Governmental | Business-type | Governmental | Business-type | | Restated |
| | Activities | Activities | Activities | Activities | 2009 | 2008 |
| | <u>2009</u> | <u>2009</u> | <u>2008</u> | <u>2008</u> | <u>Total</u> | <u>Total</u> |
| Revenues | | | | | | |
| Program revenues: | | | | | | |
| Charges for services | \$ 3,457,344 | \$ 11,374,634 | \$ 3,553,708 | \$ 11,496,926 | \$ 14,831,978 | \$ 15,050,634 |
| Operating grants and contributions | 4,164,877 | - | 3,855,139 | - | 4,164,877 | 3,855,139 |
| Capital grants and contributions | <u>145,229</u> | <u>-</u> | <u>147,321</u> | <u>-</u> | <u>145,229</u> | <u>147,321</u> |
| Total program revenues | <u>7,767,450</u> | <u>11,374,634</u> | <u>7,556,168</u> | <u>11,496,926</u> | <u>19,142,084</u> | <u>19,053,094</u> |
| General revenues: | | | | | | |
| Property taxes | 1,619,887 | - | 1,707,590 | - | 1,619,887 | 1,707,590 |
| Income taxes | 10,320,696 | - | 10,859,015 | - | 10,320,696 | 10,859,015 |
| Grants and entitlements | 2,159,444 | - | 2,821,199 | - | 2,159,444 | 2,821,199 |
| Investment earnings | 72,965 | 10,580 | 398,822 | 163,851 | 83,545 | 562,673 |
| Other | <u>141,724</u> | <u>8,716</u> | <u>199,199</u> | <u>72,295</u> | <u>150,440</u> | <u>271,494</u> |
| Total general revenues | <u>14,314,716</u> | <u>19,296</u> | <u>15,985,825</u> | <u>236,146</u> | <u>14,334,012</u> | <u>16,221,971</u> |
| Total revenues | <u>22,082,166</u> | <u>11,393,930</u> | <u>23,541,993</u> | <u>11,733,072</u> | <u>33,476,096</u> | <u>35,275,065</u> |
| Expenses | | | | | | |
| Program expenses: | | | | | | |
| General government | 4,554,994 | - | 4,619,097 | - | 4,554,994 | 4,619,097 |
| Public safety | 11,207,888 | - | 11,339,496 | - | 11,207,888 | 11,339,496 |
| Health and welfare | 1,511,973 | - | 1,889,854 | - | 1,511,973 | 1,889,854 |
| Transportation | 2,340,290 | - | 2,265,378 | - | 2,340,290 | 2,265,378 |
| Community environment | 2,292,939 | - | 1,855,258 | - | 2,292,939 | 1,855,258 |
| Leisure time activity | 1,294,285 | - | 1,636,664 | - | 1,294,285 | 1,636,664 |
| Interest and fiscal charges | 289,245 | - | 253,275 | - | 289,245 | 253,275 |
| Water | - | 4,158,746 | - | 3,778,649 | 4,158,746 | 3,778,649 |
| Sewer | - | 4,497,443 | - | 4,542,875 | 4,497,443 | 4,542,875 |
| Solid waste | - | 1,760,928 | - | 1,773,299 | 1,760,928 | 1,773,299 |
| Storm water | - | 684,083 | - | 650,516 | 684,083 | 650,516 |
| Community center | <u>-</u> | <u>-</u> | <u>-</u> | <u>131,104</u> | <u>-</u> | <u>131,104</u> |
| Total expenses | <u>23,491,614</u> | <u>11,101,200</u> | <u>23,859,022</u> | <u>10,876,443</u> | <u>34,592,814</u> | <u>34,735,465</u> |

-Continued

CITY OF BARBERTON, OHIO

*MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2009
UNAUDITED*

Change in Net Assets - Continued

| | Governmental | | Business-type | | Restated | |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| | Activities | Activities | Governmental | Business-type | 2009 | Restated |
| | 2009 | 2009 | 2008 | 2008 | Total | 2008 |
| | | | | | | |
| | | | | | Total | Total |
| Change in net assets before transfers and special item | \$ (1,409,448) | \$ 292,730 | \$ (317,029) | \$ 856,629 | \$ (1,116,718) | \$ 539,600 |
| Special item | - | (848,623) | - | - | (848,623) | - |
| Transfers | (149,385) | 149,385 | (106,342) | 106,342 | - | - |
| Change in net assets | (1,558,833) | (406,508) | (423,371) | 962,971 | (1,965,341) | 539,600 |
| Net assets at beginning of year | 24,748,783 | 39,841,555 | 25,172,154 | 38,878,584 | 64,590,338 | 64,050,738 |
| Net assets at end of year | <u>\$ 23,189,950</u> | <u>\$ 39,435,047</u> | <u>\$ 24,748,783</u> | <u>\$ 39,841,555</u> | <u>\$ 62,624,997</u> | <u>\$ 64,590,338</u> |

Governmental Activities

The City's funding for governmental activities comes from a variety of sources, the most significant being the municipal income tax. The City levies an income tax of 2.0 percent on all income earned within the City as well as on the income of residents earned outside of the City. In the latter case, the City allows a credit of 100 percent on the income taxes paid to another municipality by residents of Barberton, up to 2.0 percent of the income. On a full accrual basis, the City received \$10,320,696 in income tax collections, or 46.74 percent of the total governmental revenues in 2009, compared to \$10,859,015 in income tax collections received in 2008.

Intergovernmental revenue (i.e. state shared support) represents the City's second largest source of general revenue for the governmental activities. In 2009, the City received \$2,159,444 in unrestricted intergovernmental revenues or 9.78 percent of total revenue. Unrestricted intergovernmental revenues totaled \$2,821,199 or 11.98 percent of total revenue in 2008. The remaining general revenue sources represent smaller amounts and include property taxes (7.34 percent) and various others (0.97 percent).

Program restricted charges for services and operating and capital grants represent monies the City is awarded that are required to be used for very specific purposes. In 2009, the City received \$3,457,344 in charges for services and a combined total of \$4,310,106 in various operating and capital grants.

The City's governmental activity expenses totaled \$23,491,614 in 2009, with public safety (police and fire protection) and general government (city council, mayor, finance, service director, etc.) representing the largest portion of this figure at 47.71 percent and 19.39 percent, respectively. The City's total governmental activities expenses decreased \$367,408 from 2008.

Public safety expenses totaled \$11,207,888 and represented 47.71 percent of the City's total governmental activity expenses in 2009 compared to 47.53 percent in 2008. The public safety classification consists of the Police Department, which includes 911 dispatchers, and the Fire Department. As of December 31, 2009, the City employed 42 full-time police officers, 13 full-time 9-1-1 dispatchers and 46 full-time firefighters.

Health and welfare expenses totaled \$1,511,973 and represented the City's fifth largest category of governmental activity expenses with 6.44 percent of total expenses. Programs for the health district fund are included in this category.

CITY OF BARBERTON, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2009 UNAUDITED

At \$2,340,290 or 9.96 percent, transportation represents the City's third largest category of governmental activity expenses. The transportation classification consists of the City's Street Department and the Paint and Signal Division. In addition, the City has several funds established that are used to pay private contractors for road resurfacing and general street maintenance. The expenses for the private street resurfacing contracts are also included as transportation related expenses. As of December 31, 2009, the City employed 13 full-time employees in the Street Department and 2 full-time employees in the Signal Division.

Community environment and leisure time activities expenses make up 9.76% and 5.51% of governmental activity expenditures. Expenses for community environment include those related to the community development block grant program and the state neighborhood stabilization program. Expenses for recreation programs, parks maintenance, and the sports operating complex make up leisure time activity expenses.

Business-Type Activities

The City of Barberton Utility Department provides water, sewer, storm water and solid waste disposal (garbage collection) services. Sanitary sewer services are provided to approximately 11,000 customers in and around the Barberton area. Sewer billing rates are set by City Council based on the recommendation of the Service Director and the Utilities Director. In 2009, the rates were established at \$3.84 per thousand gallons of metered water for residential and commercial users. The sewer treatment plant was originally constructed in 1960 and then completely overhauled in 1988. The City has made several improvements to the plant since 1988 with the most recent occurring in 2002 for various upgrades. Further improvements to the sewage treatment processes will begin in 2010 financed by federal grant, State of Ohio loan and customer user charges. Cost of the project is estimated to be approximately \$6,252,260.

Water distribution and treatment services are provided to approximately 12,250 customers in and around the Barberton area. Water billing rates are set by the Service Director. In 2009, the rates were established at \$5.03 per thousand gallons for residential and commercial users, a 46 cent per thousand gallon increase. In 1994, the water treatment plant was completely renovated at a cost of approximately \$4.9 million. Over the past year, improvements and upgrades to the water treatment plant have continued.

During 2006 the City established a storm water management fund to account for storm drainage run-off maintenance, repair and replacement costs. Rates were established at and remain \$5.00 per parcel per month for residential properties. The City Engineer's office establishes rates for commercial and industrial users based on run-off surface areas.

The City also contracts for solid waste disposal (garbage collection). The City, in addition to billing and collecting garbage user fees, acts as an agent between the successful competitive bidder for pickup service and City customers. In 2009, the rate was increased to \$17.04 per month to better match contract requirements.

The City relocated the Community Center services to the YMCA. Parks and Recreation continues to provide those services formerly provided from the Community Center.

The revenues and expenses for all the business-type activities are reported under the business-type activities. The revenues are derived primarily from user charges. In 2009, the charges for services amount of \$11,374,634 accounted for 99.83 percent of the total revenues compared to 97.99 percent in 2008. The total expenses for all the business-type activities were \$11,101,200 during 2009, compared to \$10,876,443 in 2008. Net assets of the business-type activities decreased \$406,508 due to lower capital spending and normal depreciation charges.

The statement of activities shows the cost of program services and the charges for services and grants offsetting those services. The following table shows, for governmental activities, the total cost of services and the net cost of services. That is, it identifies the cost of these services supported by tax revenue and unrestricted State grants and entitlements.

CITY OF BARBERTON, OHIO

*MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2009
UNAUDITED*

| | Total Cost of Services <u>2009</u> | Net Cost of Services <u>2009</u> | Total Cost of Services <u>2008</u> | Net Cost of Services <u>2008</u> |
|-----------------------------|--|--|--|--|
| Program Expenses: | | | | |
| General government | \$ 4,554,994 | \$ 2,662,195 | \$ 4,619,097 | \$ 2,831,566 |
| Public safety | 11,207,888 | 9,907,831 | 11,339,496 | 10,157,277 |
| Health and welfare | 1,511,973 | 495,997 | 1,889,854 | 532,271 |
| Transportation | 2,340,290 | 1,190,602 | 2,265,378 | 1,007,697 |
| Community environment | 2,292,939 | 644,695 | 1,855,258 | 791,761 |
| Leisure time activities | 1,294,285 | 936,563 | 1,636,664 | 1,132,790 |
| Interest and fiscal charges | <u>289,245</u> | <u>(113,719)</u> | <u>253,275</u> | <u>(150,508)</u> |
| Total Expenses | <u>\$ 23,491,614</u> | <u>\$ 15,724,164</u> | <u>\$ 23,859,022</u> | <u>\$ 16,302,854</u> |

The dependence upon general revenues for governmental activities is apparent, with 66.94 percent of expenses supported through taxes and other general revenues in 2009 and 68.33 percent in 2008.

The City's Funds

Information about the City's governmental funds begins on page 18. Governmental funds are accounted for using the modified accrual method of accounting. All governmental funds had revenues of \$22,646,333 and expenditures of \$24,955,280.

The general fund is the chief operating fund of the City of Barberton. During 2009, the City's general fund had total revenues and other financing sources of \$17,035,206 and expenditures and other financing uses totaling \$18,276,934, resulting in a decrease in fund balance of \$1,241,728 compared to a \$609,262 decrease in fund balance in 2008. This is mainly a result of stagnant revenues, which decreased overall by \$1,071,771 during 2009, coupled with a decrease in general fund expenditures during 2009 of \$439,305.

Information concerning the proprietary funds starts on page 24. These funds are accounted for on an accrual basis. All enterprise funds had operating revenues of \$11,372,635 and operating expenses of \$10,688,452, resulting in operating income of \$684,183 or 6.02 percent of the total revenues compared to 12.64 percent in 2008. A five percent drop in water usage offset by the rate increase kept operating revenue in the water utility comparable to 2008 while expenses, mainly supplies and material and labor contract increases, rose 18 percent. Sewer revenue dropped slightly (also due to lower water usage) in 2009 while labor and contract expense resulted in a small increase in operating expenses. The increase in the water rate and no change to the sewer rate from 2008 proved sufficient to meet the operating expenses of the two utilities. The solid waste fund experienced a slight increase of operating revenues of 5.62 percent and a slight decrease of 0.49 percent in expenses. The community center fund was closed out during 2009 through a net transfer to governmental activities in the amount of \$149,385. The community center was deeded to the school district and the disposal was reported as a special item in the amount of \$848,623.

Budgeting Highlights

The City's budget is prepared according to the laws of the State of Ohio and is based on accounting for certain transactions on a cash basis for receipts, expenditures and encumbrances. The most significant budgeted fund is the general fund. The legal level of control is established by City Council at the personal services and operating expenditure level for each department within the general fund and at the fund level for all other funds. Any budget modifications at these levels may only be made through an ordinance of City Council. City policy permits fund transfers within management control levels with the approval of the department head and the Finance Director. During the course of 2009, City Council amended appropriations and department managers' adjusted budgets several times as needed to provide timely services.

CITY OF BARBERTON, OHIO

*MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2009
UNAUDITED*

In addition to monitoring fund balances on a daily basis, the Finance Department closely examines the budget through the preparation of monthly financial statements and budgetary analysis reports. Furthermore, line-item reports are reviewed on a regular basis by the Finance Director and the department heads to ensure the entire operation of the City is within the approved budget levels.

For the general fund, the 2009 original and final budgeted revenues and financing sources were \$18,138,847 and \$16,723,176, respectively. The actual revenue collections were \$16,791,500. Net income tax revenue fell off in the second half of 2009 and ended approximately 5.95% below original estimates. Actual revenue came in higher than budgeted for licenses and permits and charges for services related to EMS transport fees. Investment income was also lower than in 2008. Intergovernmental actual revenues came in lower than the final budget due to stimulus (American Recovery and Reinvestment Act of 2009) grants not received by year end. During 2009, actual expenditures and other financing uses of \$18,963,426 were \$156,544 less than the final appropriated expenditures of \$19,119,970. The City's ending unencumbered cash balance of \$267,252 in the general fund was \$224,868 higher than the final adjusted budgeted amount but represented an actual decrease in the unencumbered balance of \$1,749,938.

Capital Assets and Debt Administration

**Capital Assets at December 31
(Net of Depreciation)**

| | <u>Governmental Activities</u> | | <u>Business-Type Activities</u> | | <u>Total</u> | |
|---------------------------|--------------------------------|---------------------|---------------------------------|---------------------|---------------------|---------------------|
| | <u>2009</u> | <u>2008</u> | <u>2009</u> | <u>2008</u> | <u>2009</u> | <u>2008</u> |
| Land | \$ 6,038,884 | \$ 5,767,369 | \$ 899,541 | \$ 962,280 | \$ 6,938,425 | \$ 6,729,649 |
| Construction in progress | 458,730 | 1,940,372 | 9,229,918 | 9,079,999 | 9,688,648 | 11,020,371 |
| Buildings | 5,162,791 | 3,124,309 | 14,333,417 | 14,980,057 | 19,496,208 | 18,104,366 |
| Vehicles and equipment | 3,367,002 | 3,063,325 | 1,300,594 | 1,377,085 | 4,667,596 | 4,440,410 |
| Infrastructure | | | | | | |
| Street subsystem | 9,010,415 | 9,371,108 | - | - | 9,010,415 | 9,371,108 |
| Storm sewer subsystem | - | - | 3,169,039 | 3,353,388 | 3,169,039 | 3,353,388 |
| Traffic signals subsystem | 1,313,110 | 1,376,963 | - | - | 1,313,110 | 1,376,963 |
| Water lines | - | - | 5,354,936 | 5,569,455 | 5,354,936 | 5,569,455 |
| Sewer lines | - | - | 7,957,529 | 8,303,424 | 7,957,529 | 8,303,424 |
| Totals | <u>\$25,350,932</u> | <u>\$24,643,446</u> | <u>\$42,244,974</u> | <u>\$43,625,688</u> | <u>\$67,595,906</u> | <u>\$68,269,134</u> |

Total capital assets for the year ended December 31, 2009 were \$67,595,906, which is a decrease from the 2008 figure by \$673,228. The decrease is a combination of new asset additions of \$3,273,588, depreciation expense of \$3,052,333, and disposals (mainly the Community Center as well as other asset disposals all net of accumulated depreciation) of \$894,483. In addition the business-type activities transferred \$48,479 and \$27,928 in capital assets and related accumulated depreciation, respectively, to the governmental activities during 2009. Please see Note 7 in the financial statements for more information regarding the City's capital assets.

Debt

The outstanding debt as of December 31, 2009 was \$18,994,757. This balance reflected a decrease of \$2,478,645 from the prior year's balance of \$21,473,402. Moody's Investors Service, Inc. has given the City a bond rating of A3.

CITY OF BARBERTON, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2009 UNAUDITED

| | Governmental Activities | | Business-type Activities | | Total | |
|-----------------------------|-------------------------|---------------------|--------------------------|----------------------|----------------------|----------------------|
| | 2009 | Restated 2008 | 2009 | 2008 | 2009 | Restated 2008 |
| General obligation bonds | \$ 5,148,101 | \$ 3,378,254 | \$ 3,268,796 | \$ 3,002,954 | \$ 8,416,897 | \$ 6,381,208 |
| Revenue bonds | - | - | 8,327,677 | 8,661,998 | 8,327,677 | 8,661,998 |
| Capital leases | 397,510 | 544,771 | 125,591 | 185,617 | 523,101 | 730,388 |
| Special assessment bonds | 129,522 | 166,466 | - | - | 129,522 | 166,466 |
| Notes payable | 436,000 | 2,770,000 | 114,000 | 1,590,000 | 550,000 | 4,360,000 |
| Other debt | <u>1,047,560</u> | <u>1,173,342</u> | <u>-</u> | <u>-</u> | <u>1,047,560</u> | <u>1,173,342</u> |
| Total long-term obligations | <u>\$ 7,158,693</u> | <u>\$ 8,032,833</u> | <u>\$ 11,836,064</u> | <u>\$ 13,440,569</u> | <u>\$ 18,994,757</u> | <u>\$ 21,473,402</u> |

A summary of the City's debt activity during 2009 includes the following:

- The City refinanced and paid down a portion of the notes payable related to street, water system, and fire improvements. Bonds were issued during 2009 to finance the water system and fire improvements on a long-term basis.
- The balance of the short-term notes decreased by \$2,334,000 in the governmental activities and decreased \$350,000 in the business-type activities.

Please see Notes 8, 9 and 10 in the financial statements for more information regarding the City's long-term debt.

Economic Factors and the 2010 General Fund Budget

Some of the economic trends impacting Barberton that were considered in developing the 2010 budget include the following:

- Barberton's average annual unemployment rate during 2009 was 12.3 percent, compared to 9.8 percent for Summit County and 10.2 percent for the State of Ohio, all higher than the 2008 averages of 7.4, 6.1 and 6.5, respectively. The impact of this was apparent in the 2009 income tax and state shared revenues.
- 2009 income tax revenue amounted to approximately \$10.32 million compared with \$10.86 million in 2008. Income tax receipts through April 2010 are 4.96 percent ahead of estimates.
- Barberton's assessed real property values have increased approximately \$117 million, or just over 42.7 percent since 2000. Recent years were showing a slowing of the growth rate through 2007. Assessed values declined in both 2008 and 2009. The 2009 value was based on the reappraisal in 2008.

With the drop in the 2009 income tax collections and despite the City's cost cutting efforts the City will continue to have a difficult budget balancing situation for the near future. Other revenues such as shared support from the State continue to remain stagnant or decline while operating costs continue to increase due to inflationary pressures and unmet capital replacement needs. As a result, it is anticipated that further cost containment efforts and/or revenue enhancement actions will be necessary to maintain levels of service through the remainder of 2010 and into 2011.

Request for Information

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances and to demonstrate accountability for the resources it receives. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Department, 104 Third Street NW, Barberton, Ohio 44203 or you may call us at 330-848-6775.

BASIC
FINANCIAL STATEMENTS

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CITY OF BARBERTON, OHIO

*STATEMENT OF NET ASSETS
DECEMBER 31, 2009*

| | Governmental Activities | Business-type Activities | Total |
|--|------------------------------------|-------------------------------------|----------------------|
| Assets: | | | |
| Equity in pooled cash and cash equivalents | \$ 5,660,433 | \$ 7,332,103 | \$ 12,992,536 |
| Investments | - | 1,599,747 | 1,599,747 |
| Cash and cash equivalents in segregated accounts | 256,950 | - | 256,950 |
| Receivables (net of allowances for uncollectibles): | | | |
| Property taxes | 1,573,789 | - | 1,573,789 |
| Income taxes | 1,926,615 | - | 1,926,615 |
| Accounts | 346,505 | 965,701 | 1,312,206 |
| Intergovernmental | 1,745,104 | - | 1,745,104 |
| Accrued interest | 2,442 | - | 2,442 |
| Special assessments | 129,523 | - | 129,523 |
| Internal balances | 24,859 | (24,859) | - |
| Notes receivable | 219,877 | - | 219,877 |
| Prepayments | 66,785 | 52,225 | 119,010 |
| Materials and supplies inventory | - | 356,443 | 356,443 |
| Deferred charges | 120,584 | 331,725 | 452,309 |
| Capital assets: | | | |
| Nondepreciable capital assets | 6,497,614 | 10,129,459 | 16,627,073 |
| Depreciable capital assets, net | 18,853,318 | 32,115,515 | 50,968,833 |
| Total capital assets | <u>25,350,932</u> | <u>42,244,974</u> | <u>67,595,906</u> |
| Total assets | <u>37,424,398</u> | <u>52,858,059</u> | <u>90,282,457</u> |
| Liabilities: | | | |
| Accounts payable | 664,024 | 554,307 | 1,218,331 |
| Contracts payable | 17,460 | - | 17,460 |
| Accrued wages and benefits | 105,629 | 37,477 | 143,106 |
| Intergovernmental payable | 1,216,987 | 316,866 | 1,533,853 |
| Unearned revenue | 1,467,103 | - | 1,467,103 |
| Accrued interest payable | 35,195 | 40,271 | 75,466 |
| Claims payable | 255,779 | - | 255,779 |
| Notes payable | 436,000 | 36,000 | 472,000 |
| Unamortized premium on notes payable | 1,046 | - | 1,046 |
| Long-term liabilities: | | | |
| Due within one year | 1,863,946 | 1,194,327 | 3,058,273 |
| Due in more than one year | 8,171,279 | 11,243,764 | 19,415,043 |
| Total liabilities | <u>14,234,448</u> | <u>13,423,012</u> | <u>27,657,460</u> |
| Net assets: | | | |
| Invested in capital assets, net of related debt | 18,536,399 | 30,422,322 | 48,958,721 |
| Restricted for: | | | |
| Capital projects | 1,142,832 | - | 1,142,832 |
| Debt service | 415,866 | - | 415,866 |
| Street construction, maintenance and repair | 881,165 | - | 881,165 |
| Court | 353,172 | - | 353,172 |
| Recreation | 293,671 | - | 293,671 |
| Health district | 41,123 | - | 41,123 |
| Community developments and improvements | 588,994 | - | 588,994 |
| Law enforcement | 102,514 | - | 102,514 |
| Emergency reserve | 283 | - | 283 |
| Police and fire pension | 90,194 | - | 90,194 |
| Fire capital | 92,785 | - | 92,785 |
| Miscellaneous grants | 79,131 | - | 79,131 |
| 911 phone system | 170,371 | - | 170,371 |
| Sewer replacement and improvement | - | 801,222 | 801,222 |
| Unrestricted | 401,450 | 8,211,503 | 8,612,953 |
| Total net assets | <u>\$ 23,189,950</u> | <u>\$ 39,435,047</u> | <u>\$ 62,624,997</u> |

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF BARBERTON, OHIO

*STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2009*

| | Program Revenues | | | |
|---|-------------------------|-----------------------------|---|---|
| | Expenses | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions |
| Governmental Activities: | | | | |
| General government | \$ 4,554,994 | \$ 1,892,083 | \$ 716 | \$ - |
| Public safety. | 11,207,888 | 603,223 | 696,834 | - |
| Health and welfare. | 1,511,973 | 616,814 | 399,162 | - |
| Transportation. | 2,340,290 | 46,636 | 957,823 | 145,229 |
| Community environment. | 2,292,939 | 167,840 | 1,480,404 | - |
| Leisure time activities. | 1,294,285 | 130,748 | 226,974 | - |
| Interest and fiscal charges. | 289,245 | - | 402,964 | - |
| Total governmental activities | 23,491,614 | 3,457,344 | 4,164,877 | 145,229 |
| Business-type Activities: | | | | |
| Water | 4,158,746 | 4,594,956 | - | - |
| Sewer | 4,497,443 | 4,096,518 | - | - |
| Solid Waste | 1,760,928 | 1,939,373 | - | - |
| Other enterprise funds: | | | | |
| Storm Water | 684,083 | 743,787 | - | - |
| Total business-type activities | 11,101,200 | 11,374,634 | - | - |
| Total primary government. | \$ 34,592,814 | \$ 14,831,978 | \$ 4,164,877 | \$ 145,229 |

General Revenues:

| | |
|---|--|
| Property taxes levied for: | |
| General purposes | |
| Fire capital levy | |
| Police pension. | |
| Fire pension | |
| Municipal income taxes levied for: | |
| General purposes | |
| Grants and entitlements not restricted to specific programs | |
| Investment earnings | |
| Other. | |
| Total general revenues. | |
| Transfers. | |
| Special item - disposal of community center | |
| Total general revenues, transfers and special item | |
| Change in net assets. | |
| Net assets at beginning of year (restated). | |
| Net assets at end of year | |

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

Net (Expense) Revenue and Changes in Net Assets

| Governmental Activities | Business-type Activities | Total |
|------------------------------------|-------------------------------------|----------------------|
| \$ (2,662,195) | \$ - | \$ (2,662,195) |
| (9,907,831) | - | (9,907,831) |
| (495,997) | - | (495,997) |
| (1,190,602) | - | (1,190,602) |
| (644,695) | - | (644,695) |
| (936,563) | - | (936,563) |
| 113,719 | - | 113,719 |
| <u>(15,724,164)</u> | <u>-</u> | <u>(15,724,164)</u> |
| - | 436,210 | 436,210 |
| - | (400,925) | (400,925) |
| - | 178,445 | 178,445 |
| - | 59,704 | 59,704 |
| <u>-</u> | <u>273,434</u> | <u>273,434</u> |
| <u>(15,724,164)</u> | <u>273,434</u> | <u>(15,450,730)</u> |
| 1,188,981 | - | 1,188,981 |
| 239,362 | - | 239,362 |
| 95,772 | - | 95,772 |
| 95,772 | - | 95,772 |
| 10,320,696 | - | 10,320,696 |
| 2,159,444 | - | 2,159,444 |
| 72,965 | 10,580 | 83,545 |
| 141,724 | 8,716 | 150,440 |
| <u>14,314,716</u> | <u>19,296</u> | <u>14,334,012</u> |
| (149,385) | 149,385 | - |
| <u>-</u> | <u>(848,623)</u> | <u>(848,623)</u> |
| <u>14,165,331</u> | <u>(679,942)</u> | <u>13,485,389</u> |
| (1,558,833) | (406,508) | (1,965,341) |
| <u>24,748,783</u> | <u>39,841,555</u> | <u>64,590,338</u> |
| <u>\$ 23,189,950</u> | <u>\$ 39,435,047</u> | <u>\$ 62,624,997</u> |

CITY OF BARBERTON, OHIO

*BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2009*

| | <u>General</u> | <u>Other Governmental Funds</u> | <u>Total Governmental Funds</u> |
|---|---------------------|---|---|
| Assets: | | | |
| Equity in pooled cash and cash equivalents | \$ 480,861 | \$ 3,981,925 | \$ 4,462,786 |
| Cash and cash equivalents in segregated accounts | 256,950 | - | 256,950 |
| Receivables (net of allowance for uncollectibles): | | | |
| Property taxes | 1,075,280 | 498,509 | 1,573,789 |
| Income taxes | 1,926,615 | - | 1,926,615 |
| Accounts | 320,091 | 11,165 | 331,256 |
| Intergovernmental | 874,366 | 870,738 | 1,745,104 |
| Accrued interest | 2,442 | - | 2,442 |
| Due from other funds. | 98,716 | - | 98,716 |
| Special assessments | - | 129,523 | 129,523 |
| Notes receivable | 1,777 | 218,100 | 219,877 |
| Prepayments. | 58,117 | 8,668 | 66,785 |
| Total assets | <u>\$ 5,095,215</u> | <u>\$ 5,718,628</u> | <u>\$ 10,813,843</u> |
| Liabilities: | | | |
| Accounts payable. | \$ 143,690 | \$ 504,714 | \$ 648,404 |
| Contracts payable. | - | 17,460 | 17,460 |
| Accrued wages and benefits | 91,357 | 14,272 | 105,629 |
| Due to other governments | 1,102,303 | 114,684 | 1,216,987 |
| Compensated absences payable. | 66,013 | - | 66,013 |
| Due to other funds. | - | 98,716 | 98,716 |
| Deferred revenue | 554,667 | 766,794 | 1,321,461 |
| Unearned revenue | 1,002,481 | 464,622 | 1,467,103 |
| Accrued interest payable | - | 1,402 | 1,402 |
| Notes payable | - | 436,000 | 436,000 |
| Unamortized premium on notes payable | - | 1,046 | 1,046 |
| Total liabilities | <u>2,960,511</u> | <u>2,419,710</u> | <u>5,380,221</u> |
| Fund Balances: | | | |
| Reserved for encumbrances | 295,399 | 1,470,673 | 1,766,072 |
| Reserved for prepayments | 58,117 | 8,668 | 66,785 |
| Reserved for notes receivable | 1,777 | 218,100 | 219,877 |
| Reserved for debt service. | - | 320,136 | 320,136 |
| Unreserved, undesignated reported in: | | | |
| General fund. | 1,779,411 | - | 1,779,411 |
| Special revenue funds | - | 661,851 | 661,851 |
| Capital projects funds | - | 619,490 | 619,490 |
| Total fund balances | <u>2,134,704</u> | <u>3,298,918</u> | <u>5,433,622</u> |
| Total liabilities and fund balances | <u>\$ 5,095,215</u> | <u>\$ 5,718,628</u> | <u>\$ 10,813,843</u> |

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF BARBERTON, OHIO

*RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
NET ASSETS OF GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2009*

| | | |
|--|-------------|----------------------|
| Total governmental fund balances | | \$ 5,433,622 |
| <i>Amounts reported for governmental activities in the statement of net assets are different because:</i> | | |
| Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. | | 25,350,932 |
| Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds. | | |
| Delinquent property taxes receivable | \$ 106,686 | |
| Intergovernmental receivable | 1,082,810 | |
| Special assessments receivable | 129,523 | |
| Accrued interest receivable | 2,442 | |
| Total | | 1,321,461 |
| Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds. The long-term liabilities are as follows: | | |
| Compensated absences | (3,246,519) | |
| General obligation bonds payable | (5,148,101) | |
| Special assessment bonds payable | (129,522) | |
| Section 108 loan payable | (865,000) | |
| State infrastructure bank loan payable | (182,560) | |
| Capital lease obligation | (397,510) | |
| Total | | (9,969,212) |
| In the statement of activities interest is accrued on outstanding bonds, notes and loans payable, whereas in governmental funds, interest expenditures are reported when due. | | (33,793) |
| Bond issuance costs reported as an expenditure in the funds are allocated as an expense over the life of the debt on a full accrual basis. | | 120,584 |
| Internal service funds are used by management to charge the costs of insurance, postage and gasoline to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets. | | 941,497 |
| An internal balance is recorded in governmental activities to reflect underpayments to the internal service fund by the business-type activities. | | 24,859 |
| Net assets of governmental activities | | \$ 23,189,950 |

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF BARBERTON, OHIO

*STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2009*

| | <u>General</u> | <u>Other Governmental Funds</u> | <u>Total Governmental Funds</u> |
|--|---------------------|---|---|
| Revenues: | | | |
| Property and other taxes | \$ 1,209,433 | \$ 440,421 | \$ 1,649,854 |
| Municipal income taxes | 10,476,295 | - | 10,476,295 |
| Charges for services | 1,792,190 | 543,034 | 2,335,224 |
| Licenses and permits | 137,327 | 196,228 | 333,555 |
| Fines and forfeitures | 84,908 | 347,439 | 432,347 |
| Intergovernmental | 2,615,404 | 3,127,199 | 5,742,603 |
| Special assessments | - | 161,493 | 161,493 |
| Investment income | 60,771 | 16,078 | 76,849 |
| Contributions and donations | - | 623,630 | 623,630 |
| Other | 613,599 | 200,884 | 814,483 |
| Total revenues | <u>16,989,927</u> | <u>5,656,406</u> | <u>22,646,333</u> |
| Expenditures: | | | |
| Current: | | | |
| General government | 4,329,079 | 67,869 | 4,396,948 |
| Public safety | 10,319,733 | 334,071 | 10,653,804 |
| Health and welfare | - | 1,472,491 | 1,472,491 |
| Transportation | 158,495 | 1,312,837 | 1,471,332 |
| Community environment | 743,517 | 1,469,675 | 2,213,192 |
| Leisure time activities | 871,162 | 346,434 | 1,217,596 |
| Capital outlay | 206,174 | 1,916,610 | 2,122,784 |
| Debt service: | | | |
| Principal retirement | 69,661 | 975,897 | 1,045,558 |
| Interest and fiscal charges | 4,108 | 274,022 | 278,130 |
| Bond issuance costs | - | 83,445 | 83,445 |
| Total expenditures | <u>16,701,929</u> | <u>8,253,351</u> | <u>24,955,280</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>287,998</u> | <u>(2,596,945)</u> | <u>(2,308,947)</u> |
| Other financing sources (uses): | | | |
| Bonds issued | - | 2,310,000 | 2,310,000 |
| Discount on bond issuance | - | (16,555) | (16,555) |
| Sale of capital assets | 5,950 | 26,263 | 32,213 |
| Transfers in | 39,329 | 1,835,998 | 1,875,327 |
| Transfers out | (1,575,005) | (261,085) | (1,836,090) |
| Total other financing sources (uses) | <u>(1,529,726)</u> | <u>3,894,621</u> | <u>2,364,895</u> |
| Net change in fund balances | (1,241,728) | 1,297,676 | 55,948 |
| Fund balances at beginning of year | <u>3,376,432</u> | <u>2,001,242</u> | <u>5,377,674</u> |
| Fund balances at end of year | <u>\$ 2,134,704</u> | <u>\$ 3,298,918</u> | <u>\$ 5,433,622</u> |

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF BARBERTON, 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, 2009*

| | | |
|---|--------------------|------------------------------|
| Net change in fund balances - total governmental funds | | \$ 55,948 |
| <i>Amounts reported for governmental activities in the statement of activities are different because:</i> | | |
| Government funds report capital outlays as expenditures. However, in the statement of activities, the costs of those assets are allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense in the current period. | | |
| Capital asset additions | \$ 1,904,639 | |
| Current year depreciation | <u>(1,171,844)</u> | |
| Total | | 732,795 |
| Governmental funds only report 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. | | |
| | | (45,860) |
| Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. | | |
| Delinquent property taxes | (29,967) | |
| Intergovernmental | (337,734) | |
| Municipal income taxes | (155,599) | |
| Special assessments | (36,943) | |
| Interest | <u>(3,924)</u> | |
| Total | | (564,167) |
| Repayment of long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. | | |
| | | 1,045,558 |
| In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, interest is expensed when due. | | |
| Accrued interest | (2,100) | |
| Bond premium | 1,720 | |
| Discount on bond issuance | 16,486 | |
| Bond issuance costs | <u>72,779</u> | |
| Total | | 88,885 |
| In the statement of activities, transfers of assets and liabilities from business-type activities is reported. | | |
| Capital assets | 48,479 | |
| Accumulated depreciation on capital assets | (27,928) | |
| General obligation bonds | (212,666) | |
| Unamortized deferred charges | 4,451 | |
| Capital lease obligation | <u>(958)</u> | |
| Total | | (188,622) |
| The issuance of bonds is recorded as revenue in the funds; however, in the statement of activities, they are not reported as revenues as they increase liabilities on the statement of net assets | | |
| | | (2,310,000) |
| Some expenses reported in the statement of activities, such as compensated absences, do not require the use of financial resources and therefore are not reported as expenditures in governmental funds. | | |
| | | (136,796) |
| Internal service funds used by management to charge the cost of insurance, postage, and gasoline to individual funds are not reported in the expenditures and related internal service fund revenues are eliminated. The net revenues (expenses) of the internal service funds are allocated among the governmental activities. | | |
| | | <u>(236,574)</u> |
| Change in net assets of governmental activities | | \$ <u>(1,558,833)</u> |

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF BARBERTON, OHIO

*STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2009*

| | <u>Budgeted Amounts</u> | | | Variance with Final Budget Positive (Negative) |
|--|-------------------------|--------------------|--------------------|---|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | |
| Revenues: | | | | |
| Property and other taxes | \$ 1,311,815 | \$ 1,209,433 | \$ 1,209,433 | \$ - |
| Municipal income taxes | 11,242,431 | 10,365,000 | 10,354,081 | (10,919) |
| Charges for services | 1,810,372 | 1,669,079 | 1,806,645 | 137,566 |
| Licenses and permits | 145,029 | 133,710 | 137,327 | 3,617 |
| Fines and forfeitures | 91,925 | 84,751 | 86,194 | 1,443 |
| Intergovernmental | 3,144,512 | 2,899,094 | 2,733,536 | (165,558) |
| Investment income | 126,775 | 116,881 | 119,714 | 2,833 |
| Other | 265,888 | 245,136 | 298,630 | 53,494 |
| Total revenues. | <u>18,138,747</u> | <u>16,723,084</u> | <u>16,745,560</u> | <u>22,476</u> |
| Expenditures: | | | | |
| Current: | | | | |
| General government | 4,424,175 | 4,442,186 | 4,394,460 | 47,726 |
| Public safety | 10,695,949 | 10,535,748 | 10,494,177 | 41,571 |
| Transportation | 164,470 | 164,470 | 163,815 | 655 |
| Leisure time activities. | 991,910 | 976,409 | 949,228 | 27,181 |
| Community environment | 975,528 | 1,197,613 | 1,125,843 | 71,770 |
| Capital outlay | 217,525 | 228,539 | 221,003 | 7,536 |
| Debt service: | | | | |
| Principal retirement. | - | - | 39,895 | (39,895) |
| Total expenditures. | <u>17,469,557</u> | <u>17,544,965</u> | <u>17,388,421</u> | <u>156,544</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>669,190</u> | <u>(821,881)</u> | <u>(642,861)</u> | <u>179,020</u> |
| Other financing sources (uses): | | | | |
| Transfers in | 100 | 92 | 39,990 | 39,898 |
| Transfers out | (1,329,234) | (1,575,005) | (1,575,005) | - |
| Sale of capital assets | - | - | 5,950 | 5,950 |
| Total other financing sources (uses). | <u>(1,329,134)</u> | <u>(1,574,913)</u> | <u>(1,529,065)</u> | <u>45,848</u> |
| Net change in fund balance | (659,944) | (2,396,794) | (2,171,926) | 224,868 |
| Fund balance at beginning of year | 2,017,190 | 2,017,190 | 2,017,190 | - |
| Prior year encumbrances appropriated. | 421,988 | 421,988 | 421,988 | - |
| Fund balance at end of year | <u>\$ 1,779,234</u> | <u>\$ 42,384</u> | <u>\$ 267,252</u> | <u>\$ 224,868</u> |

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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CITY OF BARBERTON, OHIO

STATEMENT OF FUND NET ASSETS
 PROPRIETARY FUNDS
 DECEMBER 31, 2009

| | Business-type Activities - Enterprise Funds | | | | |
|--|--|----------------------|--------------------|---------------------|----------------------|
| | Water | Sewer | Solid Waste | Nonmajor | Total |
| Assets: | | | | | |
| Current assets: | | | | | |
| Equity in pooled cash and cash equivalents . . . | \$ 3,130,344 | \$ 1,885,677 | \$ 756,274 | \$ 758,586 | \$ 6,530,881 |
| Investments | 1,599,747 | - | - | - | 1,599,747 |
| Receivables (net of allowance for uncollectibles) | | | | | |
| Accounts | 425,565 | 386,733 | 78,470 | 74,933 | 965,701 |
| Materials and supplies inventory | 326,249 | 30,194 | - | - | 356,443 |
| Prepayments | 26,555 | 25,396 | 274 | - | 52,225 |
| Total current assets | <u>5,508,460</u> | <u>2,328,000</u> | <u>835,018</u> | <u>833,519</u> | <u>9,504,997</u> |
| Noncurrent assets: | | | | | |
| Restricted assets: | | | | | |
| Equity in pooled cash and cash equivalents . | - | 801,222 | - | - | 801,222 |
| Deferred charges | 291,643 | 40,082 | - | - | 331,725 |
| Capital assets: | | | | | |
| Nondepreciable capital assets | 9,661,655 | 401,410 | - | 66,394 | 10,129,459 |
| Depreciable capital assets, net. | 7,755,102 | 20,954,776 | - | 3,405,637 | 32,115,515 |
| Total capital assets. | <u>17,416,757</u> | <u>21,356,186</u> | <u>-</u> | <u>3,472,031</u> | <u>42,244,974</u> |
| Total noncurrent assets | <u>17,708,400</u> | <u>22,197,490</u> | <u>-</u> | <u>3,472,031</u> | <u>43,377,921</u> |
| Total assets | <u>23,216,860</u> | <u>24,525,490</u> | <u>835,018</u> | <u>4,305,550</u> | <u>52,882,918</u> |
| Liabilities: | | | | | |
| Current liabilities: | | | | | |
| Accounts payable | 119,935 | 261,541 | 151,957 | 20,874 | 554,307 |
| Accrued wages and benefits. | 18,597 | 15,041 | 233 | 3,606 | 37,477 |
| Intergovernmental | 177,146 | 125,044 | 2,136 | 12,540 | 316,866 |
| Accrued interest payable | 37,537 | 2,734 | - | - | 40,271 |
| Claims payable. | - | - | - | - | - |
| Notes payable | 36,000 | - | - | - | 36,000 |
| Current portion of general obligation bonds. . | 421,644 | 259,113 | - | - | 680,757 |
| Current portion of revenue bonds | 335,000 | - | - | - | 335,000 |
| Current portion of capital lease obligations . . | 3,200 | 3,200 | 161 | 54,957 | 61,518 |
| Current portion of compensated absences. . . | 54,080 | 56,819 | 505 | 5,648 | 117,052 |
| Total current liabilities | <u>1,203,139</u> | <u>723,492</u> | <u>154,992</u> | <u>97,625</u> | <u>2,179,248</u> |
| Long-term liabilities: | | | | | |
| Notes payable | 78,000 | - | - | - | 78,000 |
| General obligation bonds | 1,888,762 | 699,277 | - | - | 2,588,039 |
| Revenue bonds. | 7,992,677 | - | - | - | 7,992,677 |
| Capital lease obligations. | 3,341 | 3,341 | 169 | 57,222 | 64,073 |
| Compensated absences | 240,698 | 252,892 | 2,245 | 25,140 | 520,975 |
| Total long-term liabilities | <u>10,203,478</u> | <u>955,510</u> | <u>2,414</u> | <u>82,362</u> | <u>11,243,764</u> |
| Total liabilities | <u>11,406,617</u> | <u>1,679,002</u> | <u>157,406</u> | <u>179,987</u> | <u>13,423,012</u> |
| Net assets: | | | | | |
| Invested in capital assets, net of related debt. | 6,664,674 | 20,397,796 | - | 3,359,852 | 30,422,322 |
| Restricted for: | | | | | |
| Replacement and improvement | - | 801,222 | - | - | 801,222 |
| Unrestricted | 5,145,569 | 1,647,470 | 677,612 | 765,711 | 8,236,362 |
| Total net assets | <u>\$ 11,810,243</u> | <u>\$ 22,846,488</u> | <u>\$ 677,612</u> | <u>\$ 4,125,563</u> | <u>39,459,906</u> |
| Adjustment to reflect the consolidation of the internal service funds activities related to enterprise funds | | | | | (24,859) |
| Net assets of business-type activities | | | | | <u>\$ 39,435,047</u> |

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**Governmental
Activities -
Internal
Service Funds**

\$ 1,197,647

-

15,249

-

-

1,212,896

-

-

-

-

-

-

1,212,896

15,620

-

-

-

255,779

-

-

-

-

-

-

271,399

-

-

-

-

-

-

271,399

-

-

941,497

\$ 941,497

CITY OF BARBERTON, OHIO

*STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2009*

| | Business-type Activities - Enterprise Funds | | | | |
|---|--|----------------------|--------------------|---------------------|---------------------|
| | Water | Sewer | Solid Waste | Nonmajor | Total |
| Operating revenues: | | | | | |
| Charges for services | \$ 4,590,351 | \$ 4,090,408 | \$ 1,939,373 | \$ 743,787 | \$ 11,363,919 |
| Other | 5,582 | 2,637 | 71 | 426 | 8,716 |
| Total operating revenues | <u>4,595,933</u> | <u>4,093,045</u> | <u>1,939,444</u> | <u>744,213</u> | <u>11,372,635</u> |
| Operating expenses: | | | | | |
| Personal services | 2,142,110 | 1,901,888 | 52,141 | 264,688 | 4,360,827 |
| Contract services | 107,457 | 469,296 | 1,706,421 | 15,058 | 2,298,232 |
| Materials and supplies | 946,000 | 1,031,828 | 2,423 | 142,122 | 2,122,373 |
| Claims | - | - | - | - | - |
| Other | 16,694 | 4,801 | 1,092 | 3,944 | 26,531 |
| Depreciation | 529,633 | 1,089,997 | - | 260,859 | 1,880,489 |
| Total operating expenses | <u>3,741,894</u> | <u>4,497,810</u> | <u>1,762,077</u> | <u>686,671</u> | <u>10,688,452</u> |
| Operating income (loss) | <u>854,039</u> | <u>(404,765)</u> | <u>177,367</u> | <u>57,542</u> | <u>684,183</u> |
| Nonoperating revenues (expenses): | | | | | |
| Interest revenue | 10,580 | - | - | - | 10,580 |
| Special assessments | 4,605 | 6,110 | - | - | 10,715 |
| Interest expense and fiscal charges | (479,536) | (52,576) | (21) | (6,823) | (538,956) |
| Total nonoperating revenues (expenses) | <u>(464,351)</u> | <u>(46,466)</u> | <u>(21)</u> | <u>(6,823)</u> | <u>(517,661)</u> |
| Income (loss) before transfers and special item | <u>389,688</u> | <u>(451,231)</u> | <u>177,346</u> | <u>50,719</u> | <u>166,522</u> |
| Transfers in | - | - | - | 188,622 | 188,622 |
| Transfers out | - | - | - | (39,237) | (39,237) |
| Special item - disposal of community center | - | - | - | (848,623) | (848,623) |
| Changes in net assets | 389,688 | (451,231) | 177,346 | (648,519) | (532,716) |
| Net assets at beginning of year | <u>11,420,555</u> | <u>23,297,719</u> | <u>500,266</u> | <u>4,774,082</u> | |
| Net assets at end of year | <u>\$ 11,810,243</u> | <u>\$ 22,846,488</u> | <u>\$ 677,612</u> | <u>\$ 4,125,563</u> | |
| Adjustment to reflect the consolidation of the internal service funds activities related to enterprise funds. | | | | | <u>126,208</u> |
| Changes in net assets of business-type activities | | | | | <u>\$ (406,508)</u> |

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**Governmental
Activities -
Internal
Service Funds**

\$ 2,795,991
49,276

2,845,267

-
197,060
318,238
2,440,335

-
-

2,955,633

(110,366)

-
-
-

-
(110,366)

-
-
-

(110,366)

1,051,863

\$ 941,497

CITY OF BARBERTON, OHIO

*STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2009*

| | Business-type Activities - Enterprise Funds | | | | |
|--|--|---------------------|--------------------|-------------------|---------------------|
| | Water | Sewer | Solid Waste | Nonmajor | Total |
| Cash flows from operating activities: | | | | | |
| Cash received from customers | \$ 4,882,313 | \$ 4,259,210 | \$ 1,917,540 | \$ 784,167 | \$ 11,843,230 |
| Cash received from other funds | - | - | - | - | - |
| Cash received from other operations. | 5,582 | 2,637 | 71 | 429 | 8,719 |
| Cash payments for personal services | (2,188,341) | (1,919,147) | (53,403) | (269,719) | (4,430,610) |
| Cash payments for contract services | (88,676) | (466,830) | (2,001,669) | (21,021) | (2,578,196) |
| Cash payments for materials and supplies | (926,155) | (1,053,449) | (2,423) | (143,868) | (2,125,895) |
| Cash payments for claims | - | - | - | - | - |
| Cash payments for other expenses | (41,477) | (12,163) | - | - | (53,640) |
| Net cash provided by (used in) operating activities. | 1,643,246 | 810,258 | (139,884) | 349,988 | 2,663,608 |
| Cash flows from noncapital financing activities: | | | | | |
| Special assessments | 4,605 | 6,110 | - | - | 10,715 |
| Transfers out to other funds | - | - | - | (39,898) | (39,898) |
| Net cash provided by (used in) noncapital financing activities | 4,605 | 6,110 | - | (39,898) | (29,183) |
| Cash flows from capital and related financing activities: | | | | | |
| Acquisition of capital assets. | (999,457) | (226,949) | - | (116,153) | (1,342,559) |
| Principal retirement | (3,184,499) | (482,018) | - | (52,783) | (3,719,300) |
| Bond issuance. | 1,035,465 | 104,535 | - | - | 1,140,000 |
| Bond issuance costs | (38,040) | (3,841) | - | - | (41,881) |
| Discount on bond issuance | (7,375) | (745) | - | - | (8,120) |
| Note issuance | 1,204,000 | - | - | - | 1,204,000 |
| Premium on notes. | 273 | - | (155) | - | 118 |
| Interest and fiscal charges. | (482,484) | (46,346) | (21) | (6,823) | (535,674) |
| Net cash used in capital and related financing activities | (2,472,117) | (655,364) | (176) | (175,759) | (3,303,416) |
| Cash flows from investing activities: | | | | | |
| Interest received. | 32,665 | - | - | - | 32,665 |
| Sale of investments | 1,986,218 | - | - | - | 1,986,218 |
| Net cash provided by investing activities | 2,018,883 | - | - | - | 2,018,883 |
| Net increase (decrease) in cash and cash equivalents | 1,194,617 | 161,004 | (140,060) | 134,331 | 1,349,892 |
| Cash and cash equivalents at beginning of year | 1,935,727 | 2,525,895 | 896,334 | 624,255 | 5,982,211 |
| Cash and cash equivalents at end of year | \$ 3,130,344 | \$ 2,686,899 | \$ 756,274 | \$ 758,586 | \$ 7,332,103 |

**Governmental
Activities -
Internal
Service Funds**

| | | |
|----|--|-------------|
| \$ | | 2,497,442 |
| | | 295,498 |
| | | 41,620 |
| | | - |
| | | (197,060) |
| | | (311,672) |
| | | (2,675,650) |
| | | - |

(349,822)

-

-

-

-

-

-

-

-

-

-

-

-

-

(349,822)

1,547,469

\$ 1,197,647

-- continued

CITY OF BARBERTON, OHIO

*STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS (CONTINUED)
 FOR THE YEAR ENDED DECEMBER 31, 2009*

| | Business-type Activities - Enterprise Funds | | | | |
|--|--|---------------------|---------------------|-------------------|---------------------|
| | <u>Water</u> | <u>Sewer</u> | <u>Solid Waste</u> | <u>Nonmajor</u> | <u>Total</u> |
| Reconciliation of operating income (loss) to net cash provided by operating activities: | | | | | |
| Operating income (loss) | \$ 854,039 | \$ (404,765) | \$ 177,367 | \$ 57,542 | \$ 684,183 |
| Adjustments: | | | | | |
| Depreciation | 529,633 | 1,089,997 | - | 260,859 | 1,880,489 |
| Changes in assets and liabilities: | | | | | |
| Decrease in materials and supplies inventory. | 17,634 | 8,409 | - | - | 26,043 |
| (Increase) decrease in accounts receivable | 211,382 | 119,927 | (20,741) | 38,361 | 348,929 |
| (Increase) decrease in prepayments. | (4,293) | 1,868 | (6) | - | (2,431) |
| Increase (decrease) in accounts payable | 12,537 | (31,336) | 151,957 | (1,746) | 131,412 |
| Decrease in contracts payable. | (13,132) | - | (447,199) | - | (460,331) |
| Decrease in accrued wages and benefits | (55,998) | (43,785) | (1,086) | (7,376) | (108,245) |
| Increase in due to other governments | 100,923 | 60,634 | 445 | 1,860 | 163,862 |
| Increase (decrease) in compensated absences payable | (9,479) | 9,309 | (621) | 488 | (303) |
| Decrease in claims payable | - | - | - | - | - |
| Net cash provided by (used in) operating activities. | <u>\$ 1,643,246</u> | <u>\$ 810,258</u> | <u>\$ (139,884)</u> | <u>\$ 349,988</u> | <u>\$ 2,663,608</u> |
| Reconciliation of cash and cash equivalents: | | | | | |
| Equity in pooled cash and cash equivalents. | \$ 3,130,344 | \$ 1,885,677 | \$ 756,274 | \$ 758,586 | \$ 6,530,881 |
| Restricted equity in pooled cash and cash equivalents. | - | 801,222 | - | - | 801,222 |
| Total cash and cash equivalents. | <u>\$ 3,130,344</u> | <u>\$ 2,686,899</u> | <u>\$ 756,274</u> | <u>\$ 758,586</u> | <u>\$ 7,332,103</u> |

At December 31, 2009 and December 31, 2008, the Water fund purchased \$27,235 and \$122,601, respectively, in capital assets on account.

At December 31, 2009 and December 31, 2008, the Sewer fund purchased \$170,370 and \$54,034, respectively, in capital assets on account.

At December 31, 2009 and December 31, 2008, the Storm Water nonmajor enterprise fund purchased \$12,700 and \$7,280, respectively, in capital assets on account.

During 2009, the Community Center nonmajor enterprise fund was closed out. This required a net transfer in from governmental activities of \$188,622 to report the capital assets (net of related debt), general obligation bonds payable, capital lease obligation, and unamortized deferred charges on general obligation bonds in the amount of \$20,551, \$212,666, \$958, and \$4,451, respectively, in the governmental activities.

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**Governmental
Activities -
Internal
Service Funds**

\$ (110,366)

-

-

(10,707)

-

6,566

-

-

-

-

(235,315)

\$ (349,822)

\$ 1,197,647

-

\$ 1,197,647

CITY OF BARBERTON, OHIO

*STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
DECEMBER 31, 2009*

| | <u>Agency</u> |
|---|-------------------|
| Assets: | |
| Equity in pooled cash and cash equivalents. | <u>\$ 151,137</u> |
| Liabilities: | |
| Deposits held and due to others. | <u>\$ 151,137</u> |

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF BARBERTON, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2009

NOTE 1 - DESCRIPTION OF THE CITY

The City of Barberton, Ohio (the "City") was incorporated in 1891 under the laws of the State of Ohio. The City operates under a "Mayor-Council" form of government as provided by its charter adopted on November 6, 1973. Elected officials include nine Council members, a Finance Director, a Law Director and a Mayor.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements (BFS) of the City have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to local governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial principles. The City also applies Financial Accounting Standards Board (FASB) guidance issued on or before November 30, 1989, to its governmental and business-type activities and its proprietary funds provided they do not conflict with or contradict GASB pronouncements. The City has the option to also apply FASB guidance issued after November 30, 1989 to its business-type activities and enterprise funds, subject to this same limitation. The City has elected not to apply these FASB guidance. The City's significant accounting policies are described below.

A. Reporting Entity

A reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the City consists of all funds, departments, boards and agencies that are not legally separate from the City. For the City of Barberton this includes police, fire, municipal court, park and recreation department, water, sewage and sanitary services, street and sewer maintenance and any other departments or funds for which the nature and significance of their relationship with the City are such that exclusion would cause the financial statements to be misleading or incomplete.

Included as part of the City's primary government in the determination of the City's reporting entity is the Barberton 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 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 shares of the Court's administrative and operating costs, is recorded in the City's general fund.

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

The City participated in two related organizations, the Barberton Community Development Corporation and the Barberton Community Foundation. These organizations are described in Note 16 of the basic financial statements.

CITY OF BARBERTON, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

B. Basis of Presentation - Fund Accounting

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

Government-wide Financial Statements - The statement of net assets and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The activities of the internal service funds are eliminated to avoid "doubling up" revenues and expenses. Interfund services provided and used are not eliminated in the process of consolidation. The statements distinguish between those activities of the City that are governmental and those that are considered business-type activities.

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

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operation. The principal operating revenues of the City's proprietary funds are charges for services. Operating expenses for the enterprise funds include personnel and other expenses related to sewer, water, storm water, solid waste, community center and Lake Cinema operations and operating expenses for the internal service fund include claims and administrative expenses. All revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses.

The agency funds do not report a measurement focus as they do not report operations.

C. Fund Accounting

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

CITY OF BARBERTON, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

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

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

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

Proprietary funds - Proprietary fund reporting focuses on changes in net assets, financial position and cash flows. Proprietary funds are classified as either enterprise or internal service.

Enterprise funds - The enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The following are the City's major enterprise funds:

Water fund - This fund accounts for revenues generated from the charges for the treatment and provisions of water to the residents and commercial users of the City.

Sewer fund - This fund accounts for the sanitary sewer services provided to the residents and commercial users of the City. The costs of providing these services are financed primarily through user charges.

Solid waste fund - This fund accounts for refuse and recycling collection services provided to residential users of the City.

Internal service funds - The internal service funds account for the financing of services provided by one department or agency to other departments or agencies of the City on a cost-reimbursement basis. The City's internal service funds account for a self-insurance program for employee medical and surgical claims and the purchasing of central supplies such as gasoline and postage.

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

D. Measurement Focus

Government-wide Financial Statements - The government-wide financial statements are prepared using the economic resources measurement focus. All non-fiduciary 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 (e.g. revenues) and decreases (e.g. expenses) in total net assets.

CITY OF BARBERTON, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

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 financial statements for governmental 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.

E. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Proprietary and agency funds also use the 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 Nonexchange Transactions - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, are recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the City, available means expected to be received within sixty days of year end.

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

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year end: income tax, State-levied locally shared taxes (including gasoline tax, local government funds and permissive tax), fines and forfeitures, interest, grants and rentals.

CITY OF BARBERTON, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Unearned Revenue and Deferred Revenue - Unearned revenue and deferred revenue arise when assets are recognized before revenue recognition criteria have been satisfied.

Property taxes for which there is an enforceable legal claim as of December 31, 2009, but which were levied to finance year 2010 operations, and other revenues received in advance of the fiscal year for which they were intended to finance, have been recorded as unearned revenue. Income taxes and special assessments not received within the available period, grants and entitlements received before the eligibility requirements are met, and delinquent property taxes due at December 31, 2009, are recorded as deferred revenue.

On governmental fund financial statements, receivables that will not be collected within the available period have 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.

F. Budgetary Process

All funds, except agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the alternative tax budget, the certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount Council may appropriate. The appropriations resolution is Council's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by Council. The legal level of control has been established by Council at the personal services, operating, and capital expenditure level for each department within the general fund and at the personal services, operating and capital expenditure level for all other funds of the City. Any budget modifications at these levels may only be made through an ordinance of Council. Budgetary statements are presented beyond that legal level of control for information purposes only.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the Finance Director. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the amended certificate of estimated resources in effect at the time final appropriations were passed by Council.

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

CITY OF BARBERTON, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

G. Cash and Investments

To improve cash management, cash received by the City is pooled. Monies for all funds, including proprietary funds, are maintained in this pool. Individual fund integrity is maintained through the City's records. Each fund's interest in the pool is presented as "equity in pooled cash and cash equivalents" and "investments" on the financial statements.

The City has segregated bank accounts for monies held separate from the City's central bank account. These interest bearing depository accounts are presented as "cash and cash equivalents in segregated accounts" since they are not required to be deposited into the City treasury.

During 2009, investments were limited to repurchase agreements, federal agency securities, U.S. Treasury bills, U.S. Treasury money market accounts and STAR Ohio.

Except for nonparticipating investment contracts, investments are reported at fair value which is based on quoted market prices. Nonparticipating investment contracts such as repurchase agreements are reported at cost.

STAR Ohio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's shares price which is the price the investment could be sold for on December 31, 2009.

Investment procedures are restricted by the provisions of the Ohio Revised Code. Interest revenue credited to the general fund during 2009 amounted to \$60,771 which includes \$53,389 assigned from other City funds.

Investments with an original maturity of three months or less and investments of the cash management pool are presented on the financial statements as cash equivalents.

An analysis of the City's investment account at year end is provided in Note 4.

H. Materials and Supplies Inventory

Inventories are presented at cost on a first-in, first-out basis and are expensed/expensed when used. Inventory consists of expendable supplies held for consumption.

I. Restricted Assets

Certain cash and cash equivalents are classified as restricted cash on the financial statements because these funds are being held by a trustee as designated by the bond indenture.

Restricted assets at December 31, 2009, were as follows:

| | |
|------------------------------------|-----------|
| Restricted assets held by the City | |
| Replacement and improvement | \$801,222 |

CITY OF BARBERTON, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

J. Capital Assets

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The City maintains a capitalization threshold of \$2,000. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. Interest incurred during the construction of capital assets is also capitalized for business-type activities.

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

| <u>Description</u> | <u>Years</u> |
|------------------------|--------------|
| Infrastructure | 25 - 80 |
| Buildings | 10 - 40 |
| Vehicles and equipment | 3 - 20 |

The City's infrastructure consists of streets, storm sewers, bridges, water lines and sewer lines.

K. Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employee's rights to receive compensation are attributable to services already rendered and it is probable that the City will compensate the employees for the benefits through paid time off or some other means. The City records a liability for accumulated unused vacation time when earned for all employees with more than one year of service.

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

For governmental fund financial statements, compensated absences are recognized as liabilities and expenditures as payments come due each period upon the occurrence of employee resignations and retirements. In proprietary funds, the entire amount of compensated absences is reported as a fund liability.

CITY OF BARBERTON, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

L. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2009, 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.

M. Accrued Liabilities and Long-Term Obligations

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

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgments and compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year. Bonds, loans and leases are recognized as a liability on the governmental fund financial statements when due.

N. Unamortized Issuance Costs/Bond Premium and Discount/Accounting Gain or Loss

On government-wide financial statements, issuance costs are deferred and amortized over the term of the bonds using the straight-line method, which approximates the effective interest method. Issuance costs are recorded as deferred charges.

Bond premiums are deferred and accreted over the term of the bonds. Bond premiums are presented as an addition to the face amount of the bonds.

For advance refundings resulting in the defeasance of debt, the difference between the reacquisition price and the net carrying amount of the old debt is deferred and amortized as a component of interest expense. This accounting gain or loss is amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter, and is presented as an addition to or reduction from the face amount of the new debt.

On the governmental fund financial statements, issuance costs, bond premiums, and bond discounts are recognized in the current period.

O. Interfund Activity

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

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

CITY OF BARBERTON, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

P. Fund Balance Reserves

The City reserves those portions of fund balance which are legally segregated for a specific future use or which do not represent expendable resources and therefore are not available for appropriation or expenditures. Fund balance reserves have been established for encumbrances, prepayments, notes receivable and debt service.

Q. Estimates

The preparation of the BFS in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the BFS and accompanying notes. Actual results may differ from those estimates.

R. Net Assets

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

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

S. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are for sewer, water, storm water, solid waste, self-insurance and internal allocation programs. Operating expenses are necessary costs incurred to provide the goods or services that are the primary activity of the funds. All revenues and expenses not meeting these definitions are reported as non-operating.

T. Contributions of Capital

Contributions of capital in proprietary fund financial statements arise from outside contributions of capital assets, or from grants or outside contributions of resources restricted to capital acquisition and construction.

U. 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 Council and that are either unusual in nature or infrequent in occurrence. During fiscal year 2009, the City deeded the community center building and land to the Barberton City School District. The loss on disposal in the amount of \$848,623 has been reported as a special item the business-type activities and in the community center nonmajor enterprise fund.

CITY OF BARBERTON, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE

A. Change in Accounting Principles

For 2009, the City has implemented GASB Statement No. 52, "Land and Other Real Estate Held as Investments by Endowments", GASB Statement No. 55, "The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments", GASB Statement No. 56 "Codification of Accounting and Financial Reporting Guidance Contained in the AICPA Statements on Auditing Standards", and GASB Statement No. 57 "Other Postemployment Benefit (OPEB) Measurements by Agent Employers and Agent Multiple-Employers".

GASB Statement No. 52 improves the quality of financial reporting by requiring endowments to report their land and other real estate investments at fair value, creating consistency in reporting among similar entities that exist to invest resources for the purpose of generating income. The implementation of GASB Statement No. 52 did not have an effect on the financial statements of the City.

GASB Statement No. 55 incorporates the hierarchy of generally accepted accounting principles (GAAP) for state and local governments into the GASB's authoritative literature. The implementation of GASB Statement No. 55 did not have an effect on the financial statements of the City.

GASB Statement No. 56 incorporates into the GASB's authoritative literature certain accounting and financial reporting guidance presented in the American Institute of Certified Public Accountants' (AICPA) Statements on Auditing Standards. The implementation of GASB Statement No. 56 did not have an effect on the financial statements of the City.

GASB Statement No. 57 establishes standards for the measurement and financial reporting of actuarially determined information by agent employers with individual-employer OPEB plans that have fewer than 100 total plan members and by the agent multiple-employer OPEB plans in which they participate. The implementation of GASB Statement No. 57 did not have an effect on the financial statements of the City.

B. Restatement of Net Assets

Net assets of the governmental activities at December 31, 2008 were restated to include the State Infrastructure Bank loan, which had an outstanding balance of \$193,342. Net assets of governmental activities were restated at December 31, 2008 from \$24,942,125 to \$24,748,783.

C. Deficit Fund Balances

Fund balances at December 31, 2009 included the following individual fund deficits:

| <u>Nonmajor governmental funds</u> | <u>Deficit</u> |
|--|----------------|
| State neighborhood stabilization program | \$ 167,178 |
| Street improvement | 237,239 |
| Issue II improvement | 201,209 |

These funds complied with Ohio State law, which does not permit a cash basis deficit at year end. The general fund is liable for any deficits in these funds and provides transfers when cash is required, not when accruals occur. The deficit fund balances resulted from adjustments for accrued liabilities and notes payable.

CITY OF BARBERTON, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE - (Continued)

D. Compliance

The City had a negative cash fund balance in the community development block grant nonmajor special revenue fund at December 31, 2009, indicating that revenue from other sources were used to pay obligations of the fund contrary to Ohio Revised Code Section 5705.10. For GAAP purposes, the negative amount has been reported as a fund liability (See Note 5.B).

NOTE 4 - DEPOSITS AND INVESTMENTS

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

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

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

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

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

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

CITY OF BARBERTON, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009**

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

6. The State Treasurer's investment pool (STAR Ohio);
7. High grade commercial paper for a period not to exceed 180 days in an amount not to exceed twenty-five percent of the City's interim monies available for investment; and,
8. Bankers acceptances for a period not to exceed 180 days and in an amount not to exceed twenty-five percent of the City's interim monies available for investment.

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

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

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the City, and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the Director of Finance or qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

A. Deposits with Financial Institutions

At December 31, 2009, the carrying amount of all City deposits was \$8,307,910, exclusive of the \$1,000,000 repurchase agreement included in investments below. As of December 31, 2009, \$7,567,027 of the City's bank balance of \$8,895,117 was exposed to custodial risk as discussed below, while \$1,328,090 was covered by the FDIC.

Custodial credit risk is the risk that, in the event of bank failure, the City will not be able to recover deposits or collateral securities that are in the possession of an outside party. All deposits are collateralized with eligible securities in amounts equal to at least 105% of the carrying value of the deposits. Such collateral, as permitted by Ohio Revised Code, is held in collateral pools at Federal Reserve Banks, or at member banks of the Federal Reserve System, in the name of the depository bank and pledged as a pool of collateral against all public deposits held by the depository. The City has no deposit policy for custodial credit risk beyond the requirements of State statute. Although the securities were held by the pledging institutions' trust department and all statutory requirements for the deposit of money had been followed, noncompliance with federal requirements could potentially subject the City to a successful claim by the FDIC.

CITY OF BARBERTON, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

B. Investments

As of December 31, 2009, the City had the following investments and maturities:

| <u>Investment type</u> | <u>Fair Value</u> | <u>Investment Maturities</u> | |
|----------------------------|---------------------|------------------------------|-----------------------|
| | | <u>6 months or less</u> | <u>7 to 12 months</u> |
| FHLB discount note | \$ 899,876 | \$ 899,876 | \$ - |
| FHLMC discount note | 1,149,779 | 1,149,779 | - |
| FNMA | 352,178 | 352,178 | - |
| FNMA discount note | 1,249,574 | 899,942 | 349,632 |
| STAR Ohio | 666,760 | 666,760 | - |
| Repurchase agreement | 1,000,000 | 1,000,000 | - |
| U.S. Treasury bill | 199,829 | 199,829 | - |
| U.S. Treasury money market | 1,174,464 | 1,174,464 | - |
| Total | <u>\$ 6,692,460</u> | <u>\$ 6,342,828</u> | <u>\$ 349,632</u> |

The weighted average maturity of investments is 0.13 years.

Interest Rate Risk: The Ohio Revised Code generally limits security purchases to those that mature within five years of the settlement date. Interest rate risk arises because potential purchasers of debt securities will not agree to pay face value for those securities if interest rates subsequently increase. The City's investment policy addresses interest rate risk by requiring the consideration of market conditions and cash flow requirements in determining the term of an investment.

Credit Risk: STAR Ohio and U.S. Treasury money market funds carry a rating of AAAM by Standard & Poor's. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard service rating. The City's investments in federal agency securities, and the federal agency securities that underlie the repurchase agreement, were rated AAA and Aaa by Standard & Poor's and Moody's Investor Services, respectively. The City's investment policy does not specifically address credit risk beyond requiring the City to only invest in securities authorized by State statute.

Custodial Credit Risk: For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The City has no investment policy dealing with investment custodial risk beyond the requirement in Ohio law that prohibits payments for investments prior to the delivery of the securities representing such investments to the treasurer or qualified trustee. The City's investment in repurchase agreements is collateralized by underlying securities pledged by the investment's counterparty, not in the name of the City. Ohio law requires the market value of the securities subject to a repurchase agreement must exceed the principal value of securities subject to a repurchase agreement by 2%.

CITY OF BARBERTON, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

Concentration of Credit Risk: The City's investment policy addresses concentration of credit risk by requiring investments to be diversified to reduce the risk of loss resulting from over concentration of assets in a specific issue or specific class of securities. The following table includes the percentage of each investment type held by the City at December 31, 2009:

| <u>Investment type</u> | <u>Fair Value</u> | <u>% of Total</u> |
|----------------------------|---------------------|-------------------|
| FHLB discount note | \$ 899,876 | 13.45 |
| FHLMC discount note | 1,149,779 | 17.18 |
| FNMA | 352,178 | 5.26 |
| FNMA discount note | 1,249,574 | 18.67 |
| STAR Ohio | 666,760 | 9.96 |
| Repurchase agreement | 1,000,000 | 14.94 |
| U.S. Treasury bill | 199,829 | 2.99 |
| U.S. Treasury money market | 1,174,464 | 17.55 |
| Total | <u>\$ 6,692,460</u> | <u>100.00</u> |

C. Reconciliation of Cash and Investments to the Statement of Net Assets

The following is a reconciliation of cash and investments as reported in the note above to cash and investments as reported on the statement of net assets as of December 31, 2009:

| | |
|---|----------------------|
| <u>Cash and investments per note</u> | |
| Carrying amount of deposits | \$ 8,307,910 |
| Investments | <u>6,692,460</u> |
| Total | <u>\$ 15,000,370</u> |
| <u>Cash and investments per statement of net assets</u> | |
| Governmental activities | \$ 5,917,383 |
| Business type activities | 8,931,850 |
| Agency funds | 151,137 |
| Total | <u>\$ 15,000,370</u> |

NOTE 5 - INTERFUND TRANSACTIONS

A. Interfund transfers for the year ended December 31, 2009, consisted of the following:

| <u>Transfer to</u> | <u>Transfers from</u> | | |
|-----------------------------|-----------------------|----------------------------------|--------------------------------|
| | <u>General</u> | <u>Nonmajor Governmental</u> | <u>Nonmajor Enterprise</u> |
| General fund | \$ - | \$ 92 | \$ 39,237 |
| Nonmajor governmental funds | <u>1,575,005</u> | <u>260,993</u> | <u>-</u> |
| Total | <u>\$ 1,575,005</u> | <u>\$ 261,085</u> | <u>\$ 39,237</u> |

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them; to move unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations; to provide additional resources for current operations or debt service; reclassification of prior year distributed monies, to segregate money for anticipated capital projects; and to return money to the fund from which it was originally provided once a project is completed.

CITY OF BARBERTON, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009

NOTE 5 - INTERFUND TRANSACTIONS - (Continued)

The general fund received transfers in from the downtown sales nonmajor special revenue fund and the community center nonmajor enterprise fund in the amount of \$92 and \$39,237, respectively, to close-out the funds. The community center nonmajor enterprise fund received a transfer from the governmental activities in the amount of \$188,622 in order to transfer the residual assets and liabilities of the fund to the governmental activities.

- B.** Interfund balances at December 31, 2009 as reported on the fund financial statements consist of the following amounts due to/from other funds:

| <u>Receivable fund</u> | <u>Payable fund</u> | <u>Amount</u> |
|------------------------|-----------------------------|---------------|
| General fund | Nonmajor governmental funds | \$ 98,716 |

The primary purpose of the due to/from other funds is to cover the negative cash balance at fiscal year end in the community development block grant nonmajor special revenue fund. The interfund balance will be repaid once the anticipated revenues are received.

NOTE 6 - RECEIVABLES

Receivables at December 31, 2009, consisted primarily of municipal income taxes, property and other taxes, accounts, special assessments, interest and intergovernmental receivables arising from grants, entitlements, and shared revenues. All receivables are deemed collectible in full.

Special assessments expected to be collected amount to \$129,523 in the special assessment bond retirement debt service fund. The amount of delinquent special assessments outstanding at year end is approximately \$50,000.

A. Property Taxes

Property taxes include amounts levied against all real and public utility property located in the City. Taxes collected from real property taxes (other than public utility) in one calendar year are levied in the preceding calendar year on the assessed value as of January 1 of that preceding year, the lien date. Assessed values are established by the County Auditor at 35 percent of appraised market value. All property is required to be revaluated every six years. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits later payment dates to be established.

Public utility real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Public utility tangible personal property is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2009 public utility property taxes became a lien December 31, 2008, are levied after October 1, 2009, and are collected in 2010 with real property taxes. Public utility property taxes are payable on the same dates as real property taxes described previously.

CITY OF BARBERTON, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009

NOTE 6 - RECEIVABLES - (Continued)

Beginning in calendar year 2009 tangible personal property tax on business inventory, manufacturing machinery and equipment, and furniture and fixtures is no longer levied and collected. The October 2008 tangible personal property tax settlement was the last property tax settlement for general personal property taxes. Tangible personal property tax collections in calendar year 2009 represent delinquent collections.

House Bill No. 66 was signed into law on June 30, 2005. House Bill No. 66 phases out the tax on tangible personal property of general businesses, telephone and telecommunications companies, and railroads. The tax on general business and railroad property was eliminated by calendar year 2009, and the tax on telephone and telecommunications property will be eliminated by calendar year 2011. The tax is phased out by reducing the assessment rate on the property each year. The bill replaces the revenue lost by the City due to the phasing out of the tax. In calendar years 2009-2010, the City will be fully reimbursed for the lost revenue. In calendar years 2011-2017, the reimbursements will be phased out.

The County Fiscal Officer collects property taxes on behalf of all taxing districts in the County, including the City of Barberton. The County Fiscal Officer periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real property taxes, public utility taxes and outstanding delinquencies which are measurable as of December 31, 2009 and for which there is an enforceable legal claim. In the governmental funds, the current portion receivable has been offset by unearned revenue since the current taxes were not levied to finance 2009 operations and the collection of delinquent taxes has been offset by deferred revenue since the collection of the taxes during the available period is not subject to reasonable estimation. On a full accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue while on a modified accrual basis the revenue is deferred.

The full tax rate for all City operations for the year ended December 31, 2009 was \$3.50 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2009 property tax receipts were based are as follows:

| | |
|----------------------------|-----------------------|
| Real property | \$ 391,015,700 |
| Tangible personal property | 1,089,778 |
| Public utility property | <u>8,516,450</u> |
| Total | <u>\$ 400,621,928</u> |

B. Municipal Income Taxes

The City levies a municipal income tax of 2% on all income earned within the City as well as on income of residents earned outside of the City. In the latter case, the City allows a credit of 100 percent on income earned outside of the City and paid to another municipality. Employers within the City are required to withhold income tax on employee earnings and remit the tax to the City at least quarterly. Corporations and other individual taxpayers are required to pay their estimated tax at least quarterly and file a final return annually.

Ohio law requires all City income tax rates above 1% to be voted by residents of the City. Additional increases in the income tax rate would require voter approval.

CITY OF BARBERTON, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009

NOTE 6 - RECEIVABLES - (Continued)

C. Intergovernmental Receivables

A summary of the intergovernmental receivables follows:

| <u>Governmental activities:</u> | <u>Amounts</u> |
|---------------------------------|---------------------|
| Local government State support | \$ 667,398 |
| Motor vehicle and gas tax | 334,745 |
| Other | 52,190 |
| Health district grants | 5,451 |
| Community development grants | 447,884 |
| Homestead and rollback | 122,235 |
| Municipal court | 111,353 |
| Permissive license tax | <u>3,848</u> |
| Total | <u>\$ 1,745,104</u> |

D. Notes Receivable

Notes receivable represent no-interest to low-interest loans made to eligible local businesses for industrial development and exterior improvements to businesses. The outstanding balance of the notes at December 31, 2009 is \$1,777 and \$218,100 in the general fund and the nonmajor special revenue funds, respectively. The City will collect approximately \$16,000 in 2010.

CITY OF BARBERTON, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009

NOTE 7 - CAPITAL ASSETS

A. Capital asset activity for the year ended December 31, 2009, was as follows:

| <u>Governmental activities:</u> | Balance <u>12/31/08</u> | Additions/ <u>Transfers</u> | <u>Disposals</u> | Balance <u>12/31/09</u> |
|---|----------------------------|--------------------------------|-----------------------|----------------------------|
| <i>Capital assets, not being depreciated:</i> | | | | |
| Land | \$ 5,767,369 | \$ 287,041 | \$ (15,526) | \$ 6,038,884 |
| Construction in progress | <u>1,940,372</u> | <u>109,755</u> | <u>(1,591,397)</u> | <u>458,730</u> |
| Total capital assets, not being depreciated | <u>7,707,741</u> | <u>396,796</u> | <u>(1,606,923)</u> | <u>6,497,614</u> |
| <i>Capital assets, being depreciated:</i> | | | | |
| Buildings | 7,143,060 | 2,258,384 | (84,060) | 9,317,384 |
| Vehicles and equipment | 11,787,107 | 679,015 | (177,267) | 12,288,855 |
| Infrastructure: | | | | |
| Street subsystem | 16,617,792 | 210,320 | - | 16,828,112 |
| Traffic signals subsystem | <u>1,620,904</u> | <u>-</u> | <u>(18,213)</u> | <u>1,602,691</u> |
| Total capital assets, being depreciated | <u>37,168,863</u> | <u>3,147,719</u> | <u>(279,540)</u> | <u>40,037,042</u> |
| Less: accumulated depreciation: | | | | |
| Buildings | (4,018,751) | (219,902) | 84,060 | (4,154,593) |
| Vehicles and equipment | (8,723,782) | (355,279) | 157,208 | (8,921,853) |
| Infrastructure: | | | | |
| Street subsystem | (7,246,684) | (571,013) | - | (7,817,697) |
| Traffic signal subsystem | <u>(243,941)</u> | <u>(53,578)</u> | <u>7,938</u> | <u>(289,581)</u> |
| Total accumulated depreciation | <u>(20,233,158)</u> | <u>(1,199,772)</u> | <u>249,206</u> | <u>(21,183,724)</u> |
| Total capital assets being depreciated, net | <u>16,935,705</u> | <u>1,947,947</u> | <u>(30,334)</u> | <u>18,853,318</u> |
| Governmental activities capital assets, net | <u>\$ 24,643,446</u> | <u>\$ 2,344,743</u> | <u>\$ (1,637,257)</u> | <u>\$ 25,350,932</u> |

Included in governmental activities accumulated depreciation expense additions/transfers in the table above is \$27,928 in accumulated depreciation from capital assets transferred from business-type activities in 2009.

Depreciation expense was charged to governmental activities as follows:

| | |
|----------------------------|---------------------|
| General government | \$ 112,420 |
| Public safety | 282,661 |
| Health and welfare | 7,211 |
| Transportation | 623,516 |
| Community environment | 67,495 |
| Leisure time activities | <u>78,541</u> |
| Total depreciation expense | <u>\$ 1,171,844</u> |

CITY OF BARBERTON, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009

NOTE 7 - CAPITAL ASSETS - (Continued)

B. Capital asset activity for the year ended December 31, 2009 was as follows:

| <u>Business-type activities:</u> | <u>Balance</u> <u>12/31/08</u> | <u>Additions</u> | <u>Disposals/ Transfers</u> | <u>Balance</u> <u>12/31/09</u> |
|---|-----------------------------------|--------------------|---------------------------------|-----------------------------------|
| <i>Capital assets, not being depreciated:</i> | | | | |
| Land | \$ 962,280 | \$ - | \$ (62,739) | \$ 899,541 |
| Construction in progress | 9,079,999 | 1,094,305 | (944,386) | 9,229,918 |
| Total capital assets, not being depreciated | <u>10,042,279</u> | <u>1,094,305</u> | <u>(1,007,125)</u> | <u>10,129,459</u> |
| <i>Capital assets, being depreciated:</i> | | | | |
| Buildings | 33,406,346 | 1,024,804 | (3,181,232) | 31,249,918 |
| Vehicles and equipment | 4,315,582 | 147,629 | (88,233) | 4,374,978 |
| Infrastructure | | | | |
| Water lines | 10,406,947 | - | - | 10,406,947 |
| Sewer lines | 17,580,104 | 17,167 | - | 17,597,271 |
| Storm sewer lines | 6,292,391 | 29,430 | - | 6,321,821 |
| Total capital assets, being depreciated | <u>72,001,370</u> | <u>1,219,030</u> | <u>(3,269,465)</u> | <u>69,950,935</u> |
| <i>Less: accumulated depreciation:</i> | | | | |
| Buildings | (18,426,289) | (865,009) | 2,374,797 | (16,916,501) |
| Vehicles and equipment | (2,938,497) | (224,120) | 88,233 | (3,074,384) |
| Infrastructure | | | | |
| Water lines | (4,837,492) | (214,519) | - | (5,052,011) |
| Sewer lines | (9,276,680) | (363,062) | - | (9,639,742) |
| Storm sewer lines | (2,939,003) | (213,779) | - | (3,152,782) |
| Total accumulated depreciation | <u>(38,417,961)</u> | <u>(1,880,489)</u> | <u>2,463,030</u> | <u>(37,835,420)</u> |
| Total capital assets, being depreciated, net | <u>33,583,409</u> | <u>(661,459)</u> | <u>(806,435)</u> | <u>32,115,515</u> |
| Business-type activities capital assets, net | <u>\$ 43,625,688</u> | <u>\$ 432,846</u> | <u>\$ (1,813,560)</u> | <u>\$ 42,244,974</u> |

Depreciation expense was charged to functions/programs of the City as follows:

| | |
|----------------------------|---------------------|
| Water | \$ 529,633 |
| Sewer | 1,089,997 |
| Storm water | <u>260,859</u> |
| Total depreciation expense | <u>\$ 1,880,489</u> |

CITY OF BARBERTON, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009

NOTE 8 - CAPITAL LEASES

During 2008, the City entered into a capital lease agreement for a ladder truck and a case loader. In the prior year, the City entered into capital leases for a phone system, a street sweeper and three vehicles. A portion of the principal and interest payments for the phone system capital lease will be paid from both governmental and enterprise funds. The ladder truck and three vehicles capital lease payments will be paid from the fire capital levy nonmajor special revenue fund. The street sweeper and case loader capital lease payments will be made solely from the storm water nonmajor enterprise fund.

The lease agreements meet the criteria of a capital lease as defined by FASB Statement No. 13, “Accounting for Leases”, which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee. Capital lease payments in governmental funds have been reclassified and are reflected as debt service expenditures in the combined BFS and are reported as function expenditures on the budgetary statements. In enterprise funds a liability has been recorded.

Capital assets consisting of phone system equipment and vehicles have been capitalized in the statement of net assets in the amount of \$704,912 in governmental activities. This amount represents the present value of the minimum lease payments at the time of acquisition. A liability of \$397,510 is reported on the statement of net assets at year end, which represents the amount of principal payments the general fund, health fund, and other nonmajor governmental funds will be making. The governmental funds made \$148,219 and \$23,065 in principal and interest payments, respectively, during 2009.

Equipment consisting of a street sweeper and case loader has been capitalized in the storm water nonmajor enterprise fund in the amount of \$242,335. The amount of \$125,591 represents the present value of the minimum lease payments at the time of acquisition for the leases and has been recorded as a liability in the water, sewer and nonmajor enterprise funds. Principal and interest payments in 2009 totaled \$60,026 and \$7,667, respectively.

The assets acquired through capital leases are as follows:

| | <u>Governmental Activities</u> | <u>Business-Type Activities</u> |
|--------------------------------|------------------------------------|-------------------------------------|
| Asset: | | |
| Equipment and vehicles | \$ 704,912 | \$ 242,355 |
| Less: accumulated depreciation | <u>(227,135)</u> | <u>(60,566)</u> |
| Total | <u>\$ 477,777</u> | <u>\$ 181,789</u> |

CITY OF BARBERTON, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009

NOTE 8 - CAPITAL LEASES - (Continued)

Lease agreements provide for minimum, annual payments as follows:

| <u>Year Ending December 31,</u> | <u>Governmental Activities</u> | <u>Business-Type Activities</u> |
|---|------------------------------------|-------------------------------------|
| 2010 | \$ 171,285 | \$ 66,735 |
| 2011 | 93,658 | 66,735 |
| 2012 | 56,819 | - |
| 2013 | 56,819 | - |
| 2014 | <u>56,819</u> | <u>-</u> |
| Total | 435,400 | 133,470 |
| Less: amount representing interest | <u>(37,890)</u> | <u>(7,879)</u> |
| Present value of net minimum lease payments | <u>\$ 397,510</u> | <u>\$ 125,591</u> |

NOTE 9 - NOTES PAYABLE

Changes in the City's note activity for the year ended December 31, 2009, were as follows:

| | <u>Balance 12/31/2008</u> | <u>Issued</u> | <u>Retired</u> | <u>Balance 12/31/2009</u> |
|--|-------------------------------|---------------------|-----------------------|-------------------------------|
| <u>Governmental fund notes</u> | | | | |
| Street improvement notes - 4.00% | \$ 250,000 | \$ - | \$ (250,000) | \$ - |
| Street improvement notes - 2.25% | - | 200,000 | - | 200,000 |
| Street improvement notes - 4.00% | 310,000 | - | (310,000) | - |
| Street improvement notes - 2.25% | - | 236,000 | - | 236,000 |
| Fire improvement notes - 2.75% | <u>2,210,000</u> | <u>-</u> | <u>(2,210,000)</u> | <u>-</u> |
| Total governmental fund notes | <u>\$ 2,770,000</u> | <u>\$ 436,000</u> | <u>\$ (2,770,000)</u> | <u>\$ 436,000</u> |
| | | | | |
| | <u>Balance 12/31/2008</u> | <u>Issued</u> | <u>Retired</u> | <u>Balance 12/31/2009</u> |
| <u>Enterprise fund notes</u> | | | | |
| Utility system improvement notes - 2.25% | \$ 200,000 | \$ - | \$ (200,000) | \$ - |
| Water utility system improvement notes - 3.50% | - | 200,000 | (200,000) | - |
| Robinson Avenue waterline notes - 4.00% | 36,000 | - | (36,000) | - |
| Robinson Avenue waterline notes - 2.25% | - | 36,000 | - | 36,000 |
| Water plant improvement notes - 2.25% | 120,000 | - | (120,000) | - |
| Water plant improvement notes - 3.50% | - | 710,000 | (710,000) | - |
| Norton Avenue notes - 2.25% | 30,000 | - | (30,000) | - |
| Norton Avenue notes - 3.50% | <u>-</u> | <u>180,000</u> | <u>(180,000)</u> | <u>-</u> |
| Total enterprise fund notes | <u>\$ 386,000</u> | <u>\$ 1,126,000</u> | <u>\$ (1,476,000)</u> | <u>\$ 36,000</u> |

All notes were backed by the full faith and credit of the City and mature within one year. The note liability is reflected in the fund which received the proceeds. The notes were issued in anticipation of long-term bond financing and will be refinanced until such funds are issued.

CITY OF BARBERTON, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009

NOTE 10 - LONG-TERM OBLIGATIONS

The original issue date, interest rate, original issue amount and date of maturity of each of the City's debt issues follows:

| <u>Debt issue</u> | <u>Date Issued</u> | <u>Interest Rate</u> | <u>Original Issue Amount</u> | <u>Date of Maturity</u> |
|----------------------------------|--------------------|----------------------|------------------------------|-------------------------|
| Governmental Activities | | | | |
| <u>General Obligation Bonds:</u> | | | | |
| Construction | 2003 | 1.15-4.00% | \$ 4,967,810 | 2013 |
| Fifth Street | 2004 | 2.00-3.55% | 300,000 | 2014 |
| Street Vactor Machine | 2004 | 2.00-3.00% | 100,000 | 2009 |
| Fire Department Ambulance | 2004 | 2.00-3.00% | 65,000 | 2009 |
| Sports Complex | 2004 | 2.00-3.55% | 931,000 | 2012 |
| Community Center | 2004 | 2.00-3.55% | 404,000 | 2012 |
| Various Purpose Improvement | 2009 | 2.00-4.70% | 2,310,000 | 2029 |
| <u>Special Assessment Bonds:</u> | | | | |
| Street Improvement | 2001 | 4.50% | 237,000 | 2011 |
| Street Improvement | 2005 | 4.00% | 112,450 | 2015 |
| <u>Other Debt:</u> | | | | |
| HUD Section 108 loan | 1994 | 4.57-7.18% | 2,225,000 | 2013 |
| State Infrastructure Bank Loan | 2007 | 3.00% | 193,342 | 2017 |
| Business-Type Activities | | | | |
| <u>General Obligation Bonds:</u> | | | | |
| Water Improvement | 1992 | 3.90-6.50% | 3,800,000 | 2012 |
| Various Purpose | 2003 | 1.15-4.00% | 1,332,390 | 2013 |
| Water Refunding | 2004 | 2.00-3.55% | 2,340,000 | 2012 |
| Sanitary Sewer | 2004 | 2.00-3.55% | 1,514,000 | 2012 |
| Wolf Creek Dam Repair | 2004 | 2.00-3.55% | 276,000 | 2012 |
| Sewer Vactor Equipment | 2004 | 2.00-3.00% | 140,000 | 2009 |
| Various Purpose Improvement | 2009 | 2.00-4.70% | 1,140,000 | 2029 |
| <u>Revenue Bonds:</u> | | | | |
| Waterworks System Revenue | 2006 | 3.75-5.00% | 9,305,000 | 2026 |
| <u>Long-Term Notes:</u> | | | | |
| Utility System Improvement | 1998 | 2.25-4.00% | 2,545,000 | 2010 |
| Robinson Avenue Waterline | 2004 | 1.75-4.00% | 360,000 | 2013 |
| Water Plant Improvement | 2005 | 2.25-4.00% | 1,785,000 | 2011 |
| Norton Avenue | 2005 | 2.25-4.00% | 300,000 | 2015 |

CITY OF BARBERTON, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009

NOTE 10 - LONG-TERM OBLIGATIONS - (Continued)

Governmental activities long-term obligations have been restated at December 31, 2008 for the \$193,342 State Infrastructure Bank loan. The changes in long-term obligations during the year were as follows:

| Governmental activities: | <u>Restated Balance 12/31/08</u> | <u>Transfers/ Increase</u> | <u>Decrease</u> | <u>Balance 12/31/09</u> | <u>Amounts Due in One Year</u> |
|--|--|--------------------------------|-----------------------|-----------------------------|--|
| <u>General Obligation Bonds:</u> | | | | | |
| Construction Bonds | \$ 2,649,416 | \$ - | \$ (500,705) | \$ 2,148,711 | \$ 512,537 |
| Fifth Street Bonds | 195,000 | - | (30,000) | 165,000 | 30,000 |
| Street Vactor Machine Bonds | 21,312 | - | (21,312) | - | - |
| Fire Department Ambulance Bonds | 13,852 | - | (13,852) | - | - |
| Sports Complex Bonds | 490,079 | - | (117,678) | 372,401 | 120,658 |
| Community Center Bonds | - | 212,666 | (51,066) | 161,600 | 52,358 |
| Various Purpose Improvement Bonds | - | 2,310,000 | - | 2,310,000 | 83,696 |
| Discount on Various Purpose Improvement Bonds | - | (16,555) | 69 | (16,486) | - |
| Premium on Construction Bonds | 8,595 | - | (1,720) | 6,875 | - |
| Total General Obligation Bonds | <u>3,378,254</u> | <u>2,506,111</u> | <u>(736,264)</u> | <u>5,148,101</u> | <u>799,249</u> |
| <u>Special Assessment Bonds:</u> | | | | | |
| Street Improvement | 82,400 | - | (26,300) | 56,100 | 27,400 |
| Street Improvement | 84,066 | - | (10,644) | 73,422 | 11,069 |
| Total Special Assessment Bonds | <u>166,466</u> | <u>-</u> | <u>(36,944)</u> | <u>129,522</u> | <u>38,469</u> |
| <u>Other Debt:</u> | | | | | |
| HUD Section 108 Loan | 980,000 | - | (115,000) | 865,000 | 115,000 |
| State Infrastructure Bank Loan | 193,342 | - | (10,782) | 182,560 | 3,311 |
| Capital Lease | 544,771 | 958 | (148,219) | 397,510 | 154,903 |
| Compensated Absences | 3,165,141 | 1,095,621 | (948,230) | 3,312,532 | 753,014 |
| Total Other Debt | <u>4,883,254</u> | <u>1,096,579</u> | <u>(1,222,231)</u> | <u>4,757,602</u> | <u>1,026,228</u> |
| Total Governmental Activities | <u>\$ 8,427,974</u> | <u>\$ 3,602,690</u> | <u>\$ (1,995,439)</u> | <u>\$ 10,035,225</u> | <u>\$ 1,863,946</u> |

CITY OF BARBERTON, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009

NOTE 10 - LONG-TERM OBLIGATIONS - (Continued)

| Business-type activities: | <u>Balance</u> <u>12/31/08</u> | <u>Increase</u> | <u>Transfers/</u> <u>Decrease</u> | <u>Balance</u> <u>12/31/09</u> | <u>Amounts</u> <u>Due in</u> <u>One Year</u> |
|--|-----------------------------------|---------------------|--------------------------------------|-----------------------------------|--|
| <u>General Obligation Bonds:</u> | | | | | |
| Water Bonds Refunding | \$ 1,115,000 | \$ - | \$ (265,000) | \$ 850,000 | \$ 270,000 |
| Water Revenue Bonds Refunding - Deferred Amount | (9,030) | - | 2,306 | (6,724) | - |
| Various Purpose - New Haven | 710,601 | - | (134,295) | 576,306 | 137,468 |
| Community Center Bonds | 212,666 | - | (212,666) | - | - |
| Sanitary Sewer Bonds | 796,969 | - | (191,370) | 605,599 | 196,214 |
| Wolf Creek Dam Repair Bonds | 145,286 | - | (34,886) | 110,400 | 35,770 |
| Sewer Vactor Equipment Bonds | 29,836 | - | (29,836) | - | - |
| Various Purpose - Series 2009 | - | 1,140,000 | - | 1,140,000 | 41,305 |
| Discount on Various Purpose - Series 2009 | - | (8,120) | 34 | (8,086) | - |
| Premium on Various Purpose - New Haven | 1,626 | - | (325) | 1,301 | - |
| Total General Obligation Bonds | <u>3,002,954</u> | <u>1,131,880</u> | <u>(866,038)</u> | <u>3,268,796</u> | <u>680,757</u> |
| <u>Revenue Bonds:</u> | | | | | |
| Waterworks System Revenue Bonds | 8,495,000 | - | (325,000) | 8,170,000 | 335,000 |
| Waterworks System Revenue Bonds - Unamortized Premium | 166,998 | - | (9,321) | 157,677 | - |
| Total Revenue Refunding Bonds | <u>8,661,998</u> | <u>-</u> | <u>(334,321)</u> | <u>8,327,677</u> | <u>335,000</u> |
| <u>Long-Term Notes:</u> | | | | | |
| Utility System Improvement Notes | 200,000 | - | (200,000) | - | - |
| Robinson Avenue Waterline Notes | 114,000 | 78,000 | (114,000) | 78,000 | - |
| Water Plant Improvement Notes | 710,000 | - | (710,000) | - | - |
| Norton Avenue Notes | 180,000 | - | (180,000) | - | - |
| Total Long-Term Notes | <u>1,204,000</u> | <u>78,000</u> | <u>(1,204,000)</u> | <u>78,000</u> | <u>-</u> |
| Capital Leases | 185,617 | - | (60,026) | 125,591 | 61,518 |
| Compensated Absences | 638,330 | 140,851 | (141,154) | 638,027 | 117,052 |
| Total Business-Type Activities | <u>\$ 13,692,899</u> | <u>\$ 1,350,731</u> | <u>\$ (2,605,539)</u> | <u>\$ 12,438,091</u> | <u>\$ 1,194,327</u> |

General Obligation and Special Assessment Bonds

All bonds are secured by the full faith and credit of the City. General obligation bonds will be paid from the debt service fund. The business-type activities revenue bonds and general obligation bonds will be paid from charges for services revenues in the enterprise funds. The special assessment bond will be paid from proceeds of special assessments levied against benefited property owners. In the event that an assessed property owner fails to make payments, the City will be required to pay the related debt.

On July 6, 2009, the City issued \$3,450,000 in various purpose general obligation bonds to provide fire and waterworks improvements. The issue is comprised of current interest bonds with an annual interest rate ranging from 2.00% to 4.70%. The scheduled maturity is December 1, 2029.

CITY OF BARBERTON, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009**

NOTE 10 - LONG-TERM OBLIGATIONS - (Continued)

Loans

Other long-term debt represents a loan from HUD for the redevelopment of the Lake Theater Building and the State Infrastructure Bank loan (SIB) for the City's share of the cost for a street resurfacing project. The SIB Loan is to be repaid over a ten-year period with revenues from motor vehicle license fees. The loan from HUD is to be repaid over a twenty-year period.

Compensated Absences

The compensated absences liability will be paid out of the general fund, street construction, maintenance and repair, health and beautification special revenue funds and the water, sewer, solid waste and storm water enterprise funds.

Revenue Bonds

On April 1, 2006, the City issued \$9,305,000 in Waterworks System Improvement Revenue Bonds. The 2006 bonds were issued with interest rates varying from 3.75% to 5.00%. At December 31, 2009 the bonds have an outstanding balance of \$8,170,000 and mature on December 1, 2026.

The City has pledged future water customer revenues, net of specified operating expenses, to finance water system improvements. The water revenue bonds are payable solely from water customer net revenues and are payable through 2027. Annual principal and interest payments on the bonds are expected to require less than 49.94 percent of net revenues. The total principal and interest remaining to be paid on the water revenue bonds is \$11,706,613. Principal and interest paid for the current year and total customer net revenues were \$691,066 and \$1,383,672, respectively.

Refunding Bonds

On July 14, 2004, the City issued \$2,340,000 in water improvement refunding bonds to currently refund the callable portion of the 1992 water improvement bonds (principal \$2,270,000; interest rate 3.90% - 6.50%). The refunded debt is considered defeased (insubstance) and accordingly, has been removed from the statement of net assets. The principal balance of the water improvement refunding bonds at December 31, 2009 was \$850,000.

The 2004 water improvement refunding issue is comprised of current interest bonds, par value \$2,340,000, with an annual interest rate ranging from 2.00% - 3.55%. The reacquisition price exceeded the net carrying amount of the old debt by \$18,444. This difference, reported in the accompanying financial statements as a deduction from bonds payable, is being charged to interest expense through the year 2012 using the straight-line method.

Bond Anticipation Notes

Bond anticipation notes that were rolled over prior to the issuance of the financial statements and have a new maturity beyond the end of the year in which the report is issued have been reported in the government-wide statements. The notes are backed by the full faith of the City.

CITY OF BARBERTON, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009

NOTE 10 - LONG-TERM OBLIGATIONS - (Continued)

Legal Debt Margin

The Ohio Revised Code provides that the net debt of a municipal corporation, whether or not approved by the electors, shall not exceed 10.5% of the total value of all property in the municipal corporation as listed and assessed for taxation. In addition, the unvoted net debt of municipal corporations cannot exceed 5.5% of the total taxation value of property. The assessed valuation used in determining the City's legal debt margin has been modified by House Bill 530 which became effective March 30, 2006. In accordance with House Bill 530, the assessed valuation used in calculating the City's legal debt margin calculation excludes tangible personal property used in business, telephone or telegraph property, interexchange telecommunications company property, and personal property owned or leased by a railroad company and used in railroad operations. The statutory limitations on debt are measured by a direct ratio of net debt to tax valuation and expressed in terms of a percentage. At December 31, 2009, the City's total debt margin was \$33,511,287 and the unvoted debt margin was \$13,534,679.

Principal and interest requirements to retire the outstanding debt at December 31, 2009, are as follows:

| Year Ending December 31, | Governmental Activities | | | | | |
|-----------------------------|--------------------------|---------------------|---------------------|--------------------------|------------------|-------------------|
| | General Obligation Bonds | | | Special Assessment Bonds | | |
| | Principal | Interest | Total | Principal | Interest | Total |
| 2010 | \$ 799,249 | \$ 182,271 | \$ 981,520 | \$ 38,469 | \$ 5,461 | \$ 43,930 |
| 2011 | 822,640 | 159,087 | 981,727 | 40,212 | 3,786 | 43,998 |
| 2012 | 853,165 | 133,566 | 986,731 | 11,973 | 2,034 | 14,007 |
| 2013 | 689,179 | 105,055 | 794,234 | 12,452 | 1,555 | 14,007 |
| 2014 | 125,391 | 82,267 | 207,658 | 12,949 | 1,057 | 14,006 |
| 2015 - 2019 | 508,870 | 359,398 | 868,268 | 13,467 | 538 | 14,005 |
| 2020 - 2024 | 599,261 | 255,869 | 855,130 | - | - | - |
| 2025 - 2029 | 759,957 | 109,722 | 869,679 | - | - | - |
| Total | <u>\$ 5,157,712</u> | <u>\$ 1,387,235</u> | <u>\$ 6,544,947</u> | <u>\$ 129,522</u> | <u>\$ 14,431</u> | <u>\$ 143,953</u> |

| Year Ending December 31, | Governmental Activities | | | | | |
|-----------------------------|-------------------------|-------------------|-------------------|--------------------------------|------------------|-------------------|
| | HUD Section 108 Loans | | | State Infrastructure Bank Loan | | |
| | Principal | Interest | Total | Principal | Interest | Total |
| 2010 | \$ 115,000 | \$ 40,354 | \$ 155,354 | \$ 22,051 | \$ 6,134 | \$ 28,185 |
| 2011 | 115,000 | 35,581 | 150,581 | 22,718 | 5,467 | 28,185 |
| 2012 | 115,000 | 30,475 | 145,475 | 23,404 | 4,780 | 28,184 |
| 2013 | 520,000 | 25,116 | 545,116 | 24,112 | 4,073 | 28,185 |
| 2014 | - | - | - | 24,840 | 3,344 | 28,184 |
| 2015 - 2017 | - | - | - | 65,435 | 5,026 | 70,461 |
| Total | <u>\$ 865,000</u> | <u>\$ 131,526</u> | <u>\$ 996,526</u> | <u>\$ 182,560</u> | <u>\$ 28,824</u> | <u>\$ 211,384</u> |

CITY OF BARBERTON, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009

NOTE 10 - LONG-TERM OBLIGATIONS - (Continued)

| Year Ending December 31, | Business-Type Activities | | | | | |
|-----------------------------|--------------------------|-------------------|---------------------|---------------------|---------------------|----------------------|
| | General Obligation Bonds | | | Revenue Bonds | | |
| | Principal | Interest | Total | Principal | Interest | Total |
| 2010 | \$ 680,757 | \$ 114,949 | \$ 795,706 | \$ 335,000 | \$ 353,879 | \$ 688,879 |
| 2011 | 707,366 | 94,073 | 801,439 | 345,000 | 341,316 | 686,316 |
| 2012 | 731,841 | 71,240 | 803,081 | 360,000 | 328,379 | 688,379 |
| 2013 | 195,820 | 46,062 | 241,882 | 375,000 | 314,879 | 689,879 |
| 2014 | 44,609 | 39,839 | 84,448 | 390,000 | 300,816 | 690,816 |
| 2015 - 2019 | 251,130 | 177,365 | 428,495 | 2,250,000 | 1,192,581 | 3,442,581 |
| 2020 - 2024 | 295,739 | 126,273 | 422,012 | 2,820,000 | 623,630 | 3,443,630 |
| 2025 - 2029 | 375,043 | 54,148 | 429,191 | 1,295,000 | 81,133 | 1,376,133 |
| Total | <u>\$ 3,282,305</u> | <u>\$ 723,949</u> | <u>\$ 4,006,254</u> | <u>\$ 8,170,000</u> | <u>\$ 3,536,613</u> | <u>\$ 11,706,613</u> |

Conduit Debt

From time to time, the City has issued housing revenue bonds pursuant to Article VIII, Section 16 of the Ohio Constitution and Section 133.51, of the Ohio Revised Code. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans provided to the public sector entity by the City. The bonds do not constitute a debt or pledge of the faith and credit of the City and, accordingly, have not been reported as a liability in the accompanying financial statements. The borrower of the bonds makes payments to the City who in turn makes payments to the assignee, the Barberton Community Foundation.

Since the City has acted in a fiduciary capacity related to these transactions, the payment activity has been presented within an agency fund in the accompanying financial statements. As of December 31, 2009, there were three series of housing revenue bonds outstanding. The aggregate principal amount payable at December 31, 2009 was \$2,567,802.

NOTE 11 - RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. The City purchases fire and extended coverage insurance on all buildings and contents to \$71,700,111 with a variety of deductibles beginning at \$5,000. Coverage is purchased on City vehicles for a combined single limit liability of \$1,000,000. The City purchases general liability insurance coverage with a \$1,000,000 limit per occurrence. The City also has an umbrella policy which provides an additional \$5,000,000 in coverage over and above listed policies.

No settlements exceeded the insurance coverage in the last three years. There has been no significant reduction in coverage from the prior year.

The City pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs. The rate for 2009 payroll (payable in 2010) is 5.0283%.

CITY OF BARBERTON, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009

NOTE 11 - RISK MANAGEMENT - (Continued)

The City has elected to provide employee medical, dental, prescription drug and vision benefits through a self-insurance program. The City maintains a self-insurance internal service fund to account for and finance its uninsured risks for loss in this program. The plan provides a medical/surgical plan with a \$100.00 single and \$300.00 family deductible. The City uses a third party administrator to review, process, and pay all claims, on behalf of the City.

The City purchases stop-loss coverage for claims in excess of \$100,000 per employee with an aggregate of \$1,000,000 per year. The City pays into the self-insurance internal service fund \$775.00 for family coverage or \$329.00 for individual coverage per employee per month which represents the entire premium required for the non-bargaining, dispatch, police and fire employees. For AFSCME and health district employees the City pays \$300.00 for single coverage and \$695.00 for family coverage. The City also pays \$213.25 for both single and family coverage for AFSCME employees for prescription, vision, hearing and dental benefits. These premiums are paid by the fund that pays the wage or salary of the employee and is based on historical cost information. At December 31, 2009, all participating employees contributed \$15.00 for single and \$25.00 for family coverage per pay towards healthcare.

The claims liability of \$255,779 reported in the internal service fund at December 31, 2009 is estimated by a third party administrator and is based on the requirements of Governmental Accounting Standards Board Statement No. 30 which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses. The claims liability is expected to be paid within one year. Changes in the fund's claims liability amounts in 2008 and 2009 are:

| | <u>Balance at Beginning of Year</u> | <u>Current Claims</u> | <u>Claims Payment</u> | <u>Balance at End of Year</u> |
|------|---|---------------------------|---------------------------|-----------------------------------|
| 2008 | \$ 269,480 | \$ 2,886,553 | \$ (2,664,939) | \$ 491,094 |
| 2009 | 491,094 | 2,440,335 | (2,675,650) | 255,779 |

NOTE 12 - PENSION PLANS

A. Ohio Public Employees Retirement System

Plan Description - The City participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The Traditional Pension Plan is a cost-sharing, multiple-employer defined benefit pension plan. The Member-Directed Plan 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 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. While members in the State and local divisions may participate in all three plans, law enforcement (generally sheriffs, deputy sheriffs and township police) and public safety divisions exist only within the traditional pension plan.

CITY OF BARBERTON, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009**

NOTE 12 - PENSION PLANS - (Continued)

OPERS provides retirement, disability, survivor and death benefits and annual cost of living adjustments to members of the Traditional Pension and the 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 that may be obtained by writing to OPERS, Attention: Finance Director, 277 E. Town St., Columbus, OH 43215-4642 or by calling (614) 222-5601 or (800) 222-7377.

Funding Policy - The Ohio Revised Code provides statutory authority for member and employer contributions. For 2009, member and contribution rates were consistent across all three plans. While members in the State and local divisions may participate in all three plans, law enforcement and public safety divisions exist only within the Traditional Plan. The 2009 member contribution rates were 10.00% for members in State and local classifications. Public safety and law enforcement members contributed 10.10%. The City's contribution rate for 2009 was 14.00%, except for those plan members in law enforcement or public safety, for whom the City's contribution was 17.63% of covered payroll.

The City's contribution rate for pension benefits for 2009 was 7.00% from January 1 through March 31, 2009 and 8.50% from April 1 through December 31, 2009, except for those plan members in law enforcement and public safety. For those classifications, pension contributions were 10.63% from January 1 through March 31, 2009 and 12.13% from April 1 through December 31, 2009. The City's required contributions for pension obligations to the Traditional Pension and Combined Plans for the years ended December 31, 2009, 2008 and 2007 were \$673,853, \$576,754 and \$717,781, respectively; 92.58% has been contributed for 2009 and 100% has been contributed for 2008 and 2007.

B. Ohio Police and Fire Pension Fund

Plan Description - 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 statements and required supplementary information for the plan. That report may be obtained by writing to the OP&F, 140 East Town Street, Columbus, Ohio 43215-5164.

Funding Policy - Plan members are required to contribute 10.0% of their annual covered salary, while the City is required to contribute 19.50% and 24.00% for police officers and firefighters, respectively. Contribution rates are established by State statute. For 2009, the portion of the City's contributions to fund pension obligations was 12.75% for police officers and 17.25% for firefighters. The City's required contributions for pension obligations to OP&F for police officers and firefighters were \$360,242 and \$518,567 for the year ended December 31, 2009, \$345,852 and \$517,757 for the year ended December 31, 2008 and \$339,810 and \$492,796 for the year ended December 31, 2007. The full amount has been contributed for 2008 and 2007. 76.80% has been contributed for police and firefighters for 2009.

CITY OF BARBERTON, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2009

NOTE 13 - POSTRETIREMENT BENEFIT PLANS

A. Ohio Public Employees Retirement System

Plan Description - OPERS maintains a cost-sharing multiple employer defined benefit post-employment healthcare plan, which includes a medical plan, prescription drug program and Medicare Part B premium reimbursement, to qualifying members of both the Traditional Pension and the Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits, including post-employment health care coverage.

To qualify for post-employment health care coverage, age-and-service retirees under the Traditional Pension and Combined Plans must have ten years or more of qualifying Ohio service credit. The Ohio Revised Code permits, but not does mandate, OPERS to provide OPEB benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.

Disclosures for the healthcare plan are presented separately in the OPERS financial report which may be obtained by writing to OPERS, Attention: Finance Director, 277 E. Town St., Columbus, OH 43215-4642 or by calling (614) 222-5601 or (800) 222-7377.

Funding Policy - The post-employment healthcare plan was established under, and is administrated in accordance with, Internal Revenue Code 401(h). State statute requires that public employers fund post-employment healthcare through contributions to OPERS. A portion of each employer's contribution to the Traditional or Combined Plans is set aside for the funding of post-employment health care.

Employer contribution rates are expressed as a percentage of the covered payroll of active employees. In 2009, local government employers contributed 14.00% of covered payroll (17.63% for public safety and law enforcement). Each year the OPERS Retirement Board determines the portion of the employer contribution rate that will be set aside for the funding of the postemployment health care benefits. The portion of employer contributions allocated to fund post-employment healthcare for 2009 was 7.00% from January 1 through March 31, 2009 and 5.50% from April 1 through December 31, 2009.

The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the health care benefits provided, by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected. Active members do not make contributions to the post-employment healthcare plan.

The City's contributions allocated to fund post-employment health care benefits for the years ended December 31, 2009, 2008 and 2007 were \$492,781, \$576,754 and \$468,414, respectively; 92.58% has been contributed for 2009 and 100% has been contributed for 2008 and 2007.

The Health Care Preservation Plan (HCPP) adopted by the OPERS Board of Trustees on September 9, 2004, was effective January 1, 2007. Member and employer contribution rates increased as of January 1, 2006, January 1, 2007 and January 1, 2008, which allowed additional funds to be allocated to the health care plan.

CITY OF BARBERTON, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2009

NOTE 13 - POSTRETIREMENT BENEFIT PLANS - (Continued)

B. Ohio Police and Fire Pension Fund

Plan Description - The City contributes to the OP&F Pension Fund sponsored health care program, a cost-sharing multiple-employer defined postemployment health care plan administered by OP&F. OP&F provides healthcare benefits including coverage for medical, prescription drugs, dental, vision, Medicare Part B Premium and long term care to retirees, qualifying benefit recipients and their eligible dependents.

OP&F provides access to post-employment 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.

The Ohio Revised Code allows, but does not mandate OP&F to provide OPEB benefits. Authority for the OP&F Board of Trustees to provide health care coverage to eligible participants and to establish and amend benefits is codified in Chapter 742 of the Ohio Revised Code.

OP&F issues a publicly available financial report that includes financial statements and required supplementary information for the plan. That report may be obtained by writing to the OP&F, 140 East Town Street, Columbus, Ohio 43215-5164.

Funding Policy - The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OP&F (defined benefit pension plan). Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently, 19.50% and 24.00% of covered payroll for police and fire employers, respectively. The Ohio Revised Code states that the employer contribution may not exceed 19.50% of covered payroll for police employer units and 24.00% of covered payroll for fire employer units. Active members do not make contributions to the OPEB Plan.

OP&F maintains funds for health care in two separate accounts. One for health care benefits under an IRS Code Section 115 trust and one for Medicare Part B reimbursements administrated as an Internal Revenue Code 401(h) account, both of which are within the defined benefit pension plan, under the authority granted by the Ohio Revised Code to the OP&F Board of Trustees.

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan into the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. For the year ended December 31, 2009, the employer contribution allocated to the health care plan was 6.75% of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that the pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

The OP&F Board of Trustees also is authorized to establish requirements for contributions to the health care plan by retirees and their eligible dependents, or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

The City's contributions to OP&F which were allocated to fund post-employment healthcare benefits for police officers and firefighters were \$190,716 and \$202,918 for the year ended December 31, 2009, \$183,098 and \$202,601 for the year ended December 31, 2008 and \$179,777 and \$192,595 for the year ended December 31, 2007. The full amount has been contributed for 2008 and 2007. 76.80% has been contributed for police and firefighters for 2009.

CITY OF BARBERTON, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009**

NOTE 14 - OTHER POSTEMPLOYMENT BENEFITS

A. Compensated Absences

Vacation leave is earned at rates which vary depending upon length of service. Current policy credits vacation leave on January 1 of each year for all full time employees. Vacation accumulation may not exceed one week at year end. Any unused excess is eliminated from the employee's leave balance. In case of death, termination, lay-off, or retirement, an employee (or their estate) is paid for his unused vacation to a maximum of the one week carry-over from the previous year plus any current year accrual which depends on number of years of service. Employees with a minimum of 12 to 15 years of service (depending on the bargaining unit) may "bank" any amount of unused vacation leave, up to a maximum accumulation of 108 to 120 days to be paid upon retirement except for 1) firefighters with more than 14 years can bank up to 912 hours at retirement; 2) health district workers can bank any current and any properly accrued vacation hours upon retirement; and 3) finance workers who can bank up to 90 days at retirement.

Sick leave is earned for all full time employees at the rate of 4.6 hours per 80 hours, except for 1) firefighters working 24 hour shifts earn 8.3 hours per 80 hours; 2) health district workers who earn 4.312 hours per 75 hours; and 3) full time employees of emergency medical services who receive 13.3 hours per month. Employees, at the time of retirement are paid for up to 480-900 hours (depending on bargaining unit).

Employees also receive a tenure payment of 14.4 hours (or 1.8 days) - 17.3 hours (depending on bargaining unit) for each year of service with the City.

B. Life Insurance

The City provides a life insurance benefit for retired employees based on the negotiated rate in force at the time of their retirement. Substantially all of the City's full time employees may become eligible for this benefit if they reach normal retirement age or become eligible for total disability benefits while working for the City. The cost of retirees' life insurance is recognized as an expenditure/expense when the insurance premiums are paid.

NOTE 15 - BUDGETARY BASIS OF ACCOUNTING

While the City is reporting financial position, results of operations and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The statement of revenues, expenditures and changes in fund balance - budget and actual (non-GAAP budgetary basis) presented for the general fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and GAAP basis are as follows:

1. Revenues and other sources are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP);
2. Expenditures and other uses are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP);
3. Encumbrances are treated as expenditures (budget) rather than as a reservation of fund balance (GAAP); and,

CITY OF BARBERTON, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009

NOTE 15 - BUDGETARY BASIS OF ACCOUNTING - (Continued)

4. Unreported cash represents amounts received but not included as revenue on the budget basis operating statements. These amounts are included as revenue on the GAAP basis operating statement.

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements (as reported in the fund financial statements) to the budgetary basis statements for the general fund.

Net Change in Fund Balance

| | <u>General</u> |
|---|-----------------------|
| Budget basis | \$ (2,171,926) |
| Net adjustment for revenue accruals | 244,367 |
| Net adjustment for expenditure accruals | 311,312 |
| Net adjustment for other financing sources (uses) | (661) |
| Adjustment for encumbrances | <u>375,180</u> |
| GAAP basis | <u>\$ (1,241,728)</u> |

NOTE 16 - RELATED ORGANIZATIONS

A. Barberton Community Development Corporation

The City participates in the Barberton Community Development Corporation (the "Corporation"). The City appoints a voting majority of the governing board of the Corporation; however the City cannot influence the Corporation's operation nor does the Corporation represent a potential financial benefit for or burden to the City. The City acts as a pass through entity for community development block grant monies.

B. Barberton Community Foundation

The City participates in the Barberton Community Foundation (the "Foundation"). The City initially appointed a voting majority of the Foundation. The City Council has limited veto abilities over subsequent nominees to the Foundation Board and therefore has limited influence on the Foundation's operation. In 2009, the City received \$548,193 in grants from the Foundation. During 2009, the City also acted as the issuer of bonds for conduit debt (See Note 10) in which the Foundation acts as the assignee.

CITY OF BARBERTON, OHIO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009**

NOTE 17 - CONTINGENCIES

A. Grants

The City receives significant financial assistance from numerous federal and State agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on any of the financial statements of the individual fund types included herein or on the overall financial position of the City at December 31, 2009.

B. Litigation

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

NOTE 18 - SIGNIFICANT SUBSEQUENT EVENTS

On December 15, 2009, the City signed an agreement with the Ohio EPA and the Ohio Water Development Authority ("OWDA") for the purpose of upgrading the City's wastewater treatment processes. The contract calls for the funding of the project by a loan from the Water Pollution Control Loan Fund supplemented by a grant from the American Recovery and Reinvestment Act of 2009 ("ARRA"). Total project costs are estimated at \$6,252,260 with \$2,597,355 financed via the ARRA awarded grant and \$2,523,005 financed via a loan administered by the OWDA. Loan repayments are scheduled to begin July 2011. Semi-annual payments are estimated at \$78,012. Total loan obligation and semi-annual payments shall be adjusted when final project costs are known. The balance of the estimated project costs (\$1,131,900) represents the City's (non-loan) share. The City's share and future loan payments will be paid from the customer service charges collected in the sewer fund.

In 2010, the City entered into a three-year lease-purchase agreement to finance a 2009 wheeled coach ambulance for the cost of \$112,089. The interest rate will be 3.23% with annual payments of \$39,802.

COMBINING STATEMENTS
AND INDIVIDUAL FUND SCHEDULES

CITY OF BARBERTON, OHIO

*INDIVIDUAL FUND SCHEDULES
FUND DESCRIPTIONS - GOVERNMENTAL FUNDS*

GENERAL FUND

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

NONMAJOR SPECIAL REVENUE FUNDS

The special revenue funds are used to account for all specific financial resources (other than major capital projects) that are legally restricted for specified expenditure purposes. The following are the special revenue funds which the City operates:

Street Construction, Maintenance and Repair Fund

This fund accounts for the portion of state gasoline tax and motor vehicle registration fees designated for the maintenance of the streets within the City.

State Highway Improvement Fund

This fund accounts for the portion of the state gasoline tax and motor vehicle registration fees designated for maintenance of state highways within the City.

Permissive License Tax Fund

This fund accounts for local vehicle license fees designated for the maintenance of streets in the City.

Residential Street Fund

This fund was established by City Council to ensure that monies are being allocated for street resurfacing needs throughout the City.

Fire Capital Levy Fund

This fund accounts for property tax collections received through a tax levy. Expenditures are for operations and capital expenditures of the fire department.

Court Computer Fund

This fund accounts for additional court fees designated for the computerization of the municipal court and the acquisition and maintenance of legal research services for the municipal court.

Court Special Projects Fund

This fund accounts for revenues collected from the municipal court to be used on various projects of the municipal court.

9-1-1 Phone System Fund

This fund accounts for revenues that are designated for the replacement of the 911 phone system and computer aided dispatch records.

Indigent Drivers Alcohol Treatment Fund

This fund accounts for fees and fines to be used as payment of the cost of attendance at an alcohol and drug addiction treatment program.

Sports Complex Operating Fund

This fund accounts for the revenue and expenditures associated with operating and maintaining a sports complex along with managing the various athletic leagues that use the facility.

CITY OF BARBERTON, OHIO

*INDIVIDUAL FUND SCHEDULES
FUND DESCRIPTIONS - GOVERNMENTAL FUNDS*

NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)

Parks Recreation Improvement Fund

This fund accounts for proceeds from the sale of park land in Tuscora Park to Barberton Citizens Hospital. These monies are required to be used in making improvements to the parks throughout the City.

Gas and Oil Royalty Fund

This fund accounts for royalty money received from gas wells located on City property. These revenues are used for economic development within the City.

D.A.R.E. Program Fund

This fund accounts for monies received from various sources to be used for the continuance of the Drug Abuse Resistance Education Program in the City's schools.

Mandatory Drug Fines Fund

This fund accounts for fines received by the City that are restricted under the Ohio Revised Code to subsidize law enforcement efforts that pertain to drug offenses.

Local Law Enforcement Trust Fund

This fund accounts for grant monies received from the U.S. Department of Justice to be used for specific law enforcement purposes and proceeds from the sale of contraband that are restricted to subsidize law enforcement efforts.

Parks Revolving Loan Fund

This fund accounts for parks and recreation user fees utilized for parks and recreation activities.

Sidewalk Improvement Program Fund

This fund accounts for the monies used to subsidize the cost of replacing existing sidewalks for homeowners within the City.

City Grant Fund

This fund was established by City Council to account for various grant receipts.

Federal Emergency Management Agency Fund

This fund accounts for the federal portion of grant monies received from the Federal Emergency Management Agency through the State of Ohio Emergency Management Agency Public Assistance Disaster Recovery Grant Program.

Emergency Reserve Fund

This fund accounts for monies received from the income tax fund for the purpose of providing for the consistent delivery of public services in the case of a downturn in the City's economy.

Neighborhood Stabilization Program Fund

This fund accounts for monies received from the Neighborhood Stabilization Program for the purpose of stabilizing communities that have suffered from foreclosures and abandonment.

Clean Ohio Revitalization Fund

This fund accounts for monies received from the Clean Ohio Fund to restore, protect, and connect Ohio's important natural and urban places by preserving green space and farmland, improving outdoor recreation, and by cleaning up brownfields to encourage redevelopment and revitalize communities.

CITY OF BARBERTON, OHIO

*INDIVIDUAL FUND SCHEDULES
FUND DESCRIPTIONS - GOVERNMENTAL FUNDS*

NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)

Community Development Block Grant Fund (CDBG)

This fund accounts for monies received from the federal government under the Community Development Block Grant Program which are restricted for City-wide development projects such as the Neighborhood Conservation Services and Barberton Community Development Corporation.

Rental Rehabilitation Fund

This fund accounts for grant monies received from the Ohio Department of Development for the rehabilitation of rental property.

Home Investment Partnership Fund

This fund accounts for monies received from the federal government under then National Affordable Housing Act, passed through the Ohio Department of Development, which are restricted to City-wide housing activities. This fund did not have any activity on cash-basis during 2009; therefore a budget and actual (non-GAAP budgetary basis) schedule has not been presented.

Tax Increment Financing Fund

This fund accounts for the annual collection of service payments in lieu of taxes distributed to the City with respect to improvements on downtown property which are declared to be a public purpose.

Lake Cinema Complex Maintenance Fund

This fund accounts for the cost of maintaining a City-owned theater complex.

Project Impact Fund

This fund accounts for grant monies received from the Barberton Community Foundation to raze hazardous structures.

Health District Fund

This fund accounts for the revenues and expenditures of the City Health District utilized for delivering health and welfare services.

Beautification Fund

This fund accounts for donations restricted for floral beautification projects within the City.

Downtown Sales and Rental Fund

This fund accounts for the revenues received from sale of property and rental income. Monies used for property maintenance and capital improvement to the downtown area.

Senior Center Trust Fund

This fund accounts for the monies received and expended for Senior Center Operations.

Fire Pension Fund

This fund accounts for property taxes levied and other monies for the payment of the accrued liability for fire disability and pension benefits.

Police Pension Fund

This fund accounts for property taxes levied and other monies for the payment of the accrued liability for police disability and pension benefits.

CITY OF BARBERTON, OHIO

*INDIVIDUAL FUND SCHEDULES
FUND DESCRIPTIONS - GOVERNMENTAL FUNDS*

NONMAJOR DEBT SERVICE FUNDS

The debt service funds are used to account for the accumulation of resources and the payments of general obligation and special assessment principal, interest, and related costs.

General Obligation Bond Retirement Fund

This fund accounts for the resources that are used for the payment of principal, interest, and other fiscal charges on general obligation debt.

Special Assessment Bond Retirement Fund

This fund accounts for the retirement of debt issued to finance public improvements deemed to benefit the properties against which special assessments are levied.

NONMAJOR CAPITAL PROJECTS FUNDS

The capital project funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary fund types. Following is a description of the capital project funds:

Fire Station Construction Fund

This fund accounts for the revenues and expenditures associated with the construction of the fire station.

Street Improvement Fund

This fund accounts for revenues and expenditures for street improvements.

Senior Center Construction Fund

This fund accounts for the revenues and expenditures associated with the construction of the new Senior Center.

Issue II Fund

This fund accounts for projects funded by Issue II money.

Infrastructure Improvement Reserve Fund

This fund accounts for monies received from the income tax fund which are restricted for the purpose of funding infrastructure improvements identified in the City's Five-Year Capital Improvements Plan.

Street and Storm Sewer Improvement Fund

This fund accounts for income tax revenue used for the improvement of street and storm sewers within the City.

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2009*

| | Budgeted Amounts | | Actual | Variance with |
|------------------------------------|-------------------|-------------------|-------------------|--|
| | Original | Final | | Final Budget Positive (Negative) |
| Revenues: | | | | |
| Property and other taxes | \$ 1,311,815 | \$ 1,209,433 | \$ 1,209,433 | \$ - |
| Municipal income taxes. | 11,242,431 | 10,365,000 | 10,354,081 | (10,919) |
| Charges for services. | 1,810,372 | 1,669,079 | 1,806,645 | 137,566 |
| Licenses and permits | 145,029 | 133,710 | 137,327 | 3,617 |
| Fines and forfeitures | 91,925 | 84,751 | 86,194 | 1,443 |
| Intergovernmental | 3,144,512 | 2,899,094 | 2,733,536 | (165,558) |
| Investment income | 126,775 | 116,881 | 119,714 | 2,833 |
| Other | 265,888 | 245,136 | 298,630 | 53,494 |
| Total revenues. | 18,138,747 | 16,723,084 | 16,745,560 | 22,476 |
| Expenditures: | | | | |
| Current: | | | | |
| General government | | | | |
| City council | | | | |
| Personal services. | 203,510 | 200,610 | 199,705 | 905 |
| Operating. | 4,700 | 4,700 | 4,166 | 534 |
| Municipal court judges | | | | |
| Personal services. | 425,113 | 414,784 | 414,754 | 30 |
| Operating. | 25,458 | 19,287 | 12,859 | 6,428 |
| Clerk of court | | | | |
| Personal services. | 722,367 | 757,667 | 766,388 | (8,721) |
| Operating. | 121,610 | 121,610 | 117,276 | 4,334 |
| Mayor | | | | |
| Personal services. | 172,986 | 174,486 | 175,361 | (875) |
| Operating. | 16,843 | 16,843 | 13,525 | 3,318 |
| Service director | | | | |
| Personal services. | 65,992 | 65,992 | 66,049 | (57) |
| Operating. | 278,732 | 258,732 | 254,383 | 4,349 |
| Civil service commission | | | | |
| Personal services. | 22,513 | 17,513 | 16,863 | 650 |
| Operating. | 25,543 | 7,543 | 6,539 | 1,004 |
| Finance department | | | | |
| Personal services. | 355,501 | 355,501 | 354,481 | 1,020 |
| Operating. | 99,922 | 96,422 | 94,422 | 2,000 |
| Law department | | | | |
| Personal services. | 326,779 | 330,869 | 331,412 | (543) |
| Operating. | 120,201 | 105,701 | 97,977 | 7,724 |
| Safety director | | | | |
| Personal services. | 86,218 | 86,218 | 85,752 | 466 |
| Operating. | 17,520 | 17,520 | 15,790 | 1,730 |
| Human resources | | | | |
| Personal services. | 47,698 | 45,198 | 43,999 | 1,199 |
| Operating. | 53,808 | 53,808 | 48,413 | 5,395 |
| Information systems | | | | |
| Personal services. | 69,129 | 71,139 | 70,505 | 634 |
| Operating. | 44,260 | 39,261 | 31,861 | 7,400 |

Continued

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2009*

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with Final Budget Positive (Negative)</u> |
|---|-------------------------|-------------------|-------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| Municipal buildings | | | | |
| Personal services. | \$ 98,306 | \$ 98,306 | \$ 97,766 | \$ 540 |
| Operating. | 265,986 | 226,486 | 222,408 | 4,078 |
| Probation | | | | |
| Personal services. | 159,020 | 163,620 | 162,371 | 1,249 |
| Operating. | 7,724 | 7,724 | 5,361 | 2,363 |
| Income tax | | | | |
| Personal services. | 55,755 | 57,155 | 57,288 | (133) |
| Operating. | 210,000 | 271,000 | 270,695 | 305 |
| General liability | | | | |
| Operating. | - | 10,800 | 10,792 | 8 |
| Other | | | | |
| Personal services. | 118,000 | 126,000 | 129,870 | (3,870) |
| Operating. | 202,981 | 219,691 | 215,429 | 4,262 |
| Total general government. | <u>4,424,175</u> | <u>4,442,186</u> | <u>4,394,460</u> | <u>47,726</u> |
| Public safety | | | | |
| Police department | | | | |
| Personal services. | 5,020,411 | 5,095,510 | 5,094,520 | 990 |
| Operating. | 529,355 | 459,055 | 449,046 | 10,009 |
| Fire department | | | | |
| Personal services. | 4,820,325 | 4,650,325 | 4,640,283 | 10,042 |
| Operating. | 325,858 | 330,858 | 310,328 | 20,530 |
| Total public safety | <u>10,695,949</u> | <u>10,535,748</u> | <u>10,494,177</u> | <u>41,571</u> |
| Transportation | | | | |
| Paint/signal | | | | |
| Personal services. | 145,355 | 147,355 | 147,625 | (270) |
| Operating. | 19,115 | 17,115 | 16,190 | 925 |
| Total transportation. | <u>164,470</u> | <u>164,470</u> | <u>163,815</u> | <u>655</u> |
| Leisure time activities | | | | |
| Parks administration | | | | |
| Personal services. | 239,100 | 239,100 | 238,779 | 321 |
| Operating. | 33,062 | 35,562 | 35,671 | (109) |
| Senior center | | | | |
| Personal services. | 96,875 | 98,975 | 99,162 | (187) |
| Operating. | 45,650 | 42,649 | 39,654 | 2,995 |
| Recreation programs | | | | |
| Personal services. | 18,020 | 19,020 | 18,623 | 397 |
| Operating. | 15,845 | 19,345 | 18,804 | 541 |
| Parks maintenance | | | | |
| Personal services. | 418,449 | 418,671 | 401,055 | 17,616 |
| Operating. | 124,909 | 103,087 | 97,480 | 5,607 |
| Total leisure time activities | <u>991,910</u> | <u>976,409</u> | <u>949,228</u> | <u>27,181</u> |

Continued

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2009*

| | <u>Budgeted Amounts</u> | | | Variance with |
|--|----------------------------|-------------------------|--------------------------|---|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | Final Budget Positive (Negative) |
| Community environment | | | | |
| Building inspection | | | | |
| Personal services. | \$ 565,425 | \$ 562,425 | \$ 512,364 | \$ 50,061 |
| Operating. | 111,498 | 94,498 | 85,029 | 9,469 |
| Planning | | | | |
| Personal services. | 81,239 | 94,239 | 92,663 | 1,576 |
| Operating. | 217,366 | 446,451 | 435,787 | 10,664 |
| Total community environment | <u>975,528</u> | <u>1,197,613</u> | <u>1,125,843</u> | <u>71,770</u> |
| Capital outlay | | | | |
| Mayor | 21,000 | - | - | - |
| Law department | 5,850 | 5,850 | 5,022 | 828 |
| Information systems | 6,250 | 6,250 | 5,006 | 1,244 |
| Municipal buildings | 40,000 | 36,500 | 36,450 | 50 |
| Police department. | 63,296 | 98,810 | 93,074 | 5,736 |
| Fire department. | 5,828 | 5,828 | 6,150 | (322) |
| Parks administration | 65,568 | 65,568 | 65,568 | - |
| Senior center | 9,733 | 9,733 | 9,733 | - |
| Total capital outlay | <u>217,525</u> | <u>228,539</u> | <u>221,003</u> | <u>7,536</u> |
| Debt service: | | | | |
| Principal retirement. | - | - | 39,895 | (39,895) |
| Total debt service | <u>-</u> | <u>-</u> | <u>39,895</u> | <u>(39,895)</u> |
| Total expenditures. | <u>17,469,557</u> | <u>17,544,965</u> | <u>17,388,421</u> | <u>156,544</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>669,190</u> | <u>(821,881)</u> | <u>(642,861)</u> | <u>179,020</u> |
| Other financing sources (uses): | | | | |
| Transfers in | 100 | 92 | 39,990 | 39,898 |
| Transfers out | (1,329,234) | (1,575,005) | (1,575,005) | - |
| Sale of capital assets | - | - | 5,950 | 5,950 |
| Total other financing sources (uses) | <u>(1,329,134)</u> | <u>(1,574,913)</u> | <u>(1,529,065)</u> | <u>45,848</u> |
| Net change in fund balance | (659,944) | (2,396,794) | (2,171,926) | 224,868 |
| Fund balance at beginning of year | 2,017,190 | 2,017,190 | 2,017,190 | - |
| Prior year encumbrances appropriated. | 421,988 | 421,988 | 421,988 | - |
| Fund balance at end of year. | <u>\$ 1,779,234</u> | <u>\$ 42,384</u> | <u>\$ 267,252</u> | <u>\$ 224,868</u> |

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CITY OF BARBERTON, OHIO

*COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2009*

| | <u>Nonmajor Special Revenue Funds</u> | <u>Nonmajor Debt Service Funds</u> | <u>Nonmajor Capital Projects Funds</u> | <u>Total Nonmajor Governmental Funds</u> |
|--|---|--|--|--|
| Assets: | | | | |
| Equity in pooled cash and cash equivalents | \$ 2,428,041 | \$ 320,136 | \$ 1,233,748 | \$ 3,981,925 |
| Receivables (net of allowances of uncollectibles): | | | | |
| Property taxes | 498,509 | - | - | 498,509 |
| Accounts | 4,414 | - | 6,751 | 11,165 |
| Intergovernmental | 870,738 | - | - | 870,738 |
| Special assessments | - | 129,523 | - | 129,523 |
| Notes receivable | 218,100 | - | - | 218,100 |
| Prepayments | 8,668 | - | - | 8,668 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Total assets | <u>\$ 4,028,470</u> | <u>\$ 449,659</u> | <u>\$ 1,240,499</u> | <u>\$ 5,718,628</u> |
| Liabilities: | | | | |
| Accounts payable | \$ 468,076 | \$ - | \$ 36,638 | \$ 504,714 |
| Contracts payable | - | - | 17,460 | 17,460 |
| Accrued wages and benefits | 14,272 | - | - | 14,272 |
| Due to other governments | 114,684 | - | - | 114,684 |
| Due to other funds | 98,716 | - | - | 98,716 |
| Deferred revenue | 637,271 | 129,523 | - | 766,794 |
| Unearned revenue | 464,622 | - | - | 464,622 |
| Accrued interest payable | - | - | 1,402 | 1,402 |
| Notes payable | - | - | 436,000 | 436,000 |
| Unamortized premium on notes payable | - | - | 1,046 | 1,046 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Total liabilities | <u>1,797,641</u> | <u>129,523</u> | <u>492,546</u> | <u>2,419,710</u> |
| Fund Balances: | | | | |
| Reserved for encumbrances | 1,342,210 | - | 128,463 | 1,470,673 |
| Reserved for prepayments | 8,668 | - | - | 8,668 |
| Reserved for notes receivable | 218,100 | - | - | 218,100 |
| Reserved for debt service | - | 320,136 | - | 320,136 |
| Unreserved, undesignated reported in: | | | | |
| Special revenue funds | 661,851 | - | - | 661,851 |
| Capital projects funds | - | - | 619,490 | 619,490 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Total fund balances | <u>2,230,829</u> | <u>320,136</u> | <u>747,953</u> | <u>3,298,918</u> |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Total liabilities and fund balances | <u>\$ 4,028,470</u> | <u>\$ 449,659</u> | <u>\$ 1,240,499</u> | <u>\$ 5,718,628</u> |

CITY OF BARBERTON, OHIO

*COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2009*

| | <u>Nonmajor Special Revenue Funds</u> | <u>Nonmajor Debt Service Funds</u> | <u>Nonmajor Capital Projects Funds</u> | <u>Total Nonmajor Governmental Funds</u> |
|--|---|--|--|--|
| Revenues: | | | | |
| Property and other taxes | \$ 440,421 | \$ - | \$ - | \$ 440,421 |
| Charges for services | 543,034 | - | - | 543,034 |
| Licenses and permits | 196,228 | - | - | 196,228 |
| Fines and forfeitures | 347,439 | - | - | 347,439 |
| Intergovernmental | 3,127,199 | - | - | 3,127,199 |
| Special assessments | 67,564 | 93,929 | - | 161,493 |
| Investment income | 8,685 | - | 7,393 | 16,078 |
| Contributions and donations | 75,437 | 402,964 | 145,229 | 623,630 |
| Other | 193,890 | - | 6,994 | 200,884 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Total revenues | 4,999,897 | 496,893 | 159,616 | 5,656,406 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Expenditures: | | | | |
| Current: | | | | |
| General government | 67,869 | - | - | 67,869 |
| Public safety | 334,071 | - | - | 334,071 |
| Health and welfare | 1,472,491 | - | - | 1,472,491 |
| Transportation | 1,312,837 | - | - | 1,312,837 |
| Community environment | 1,469,675 | - | - | 1,469,675 |
| Leisure time activities | 346,434 | - | - | 346,434 |
| Capital outlay | 1,497,661 | - | 418,949 | 1,916,610 |
| Debt service: | | | | |
| Principal retirement | 385,039 | 590,858 | - | 975,897 |
| Interest and fiscal charges | 84,941 | 137,199 | 51,882 | 274,022 |
| Bond issuance costs | - | 83,445 | - | 83,445 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Total expenditures | 6,971,018 | 811,502 | 470,831 | 8,253,351 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Deficiency of revenues under expenditures | (1,971,121) | (314,609) | (311,215) | (2,596,945) |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Other financing sources (uses): | | | | |
| Bonds issued | - | 39,394 | 2,270,606 | 2,310,000 |
| Discount on bond issuance | - | (16,555) | - | (16,555) |
| Sale of capital assets | 26,263 | - | - | 26,263 |
| Transfers in | 1,255,044 | 280,954 | 300,000 | 1,835,998 |
| Transfers out | (101,046) | - | (160,039) | (261,085) |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Total other financing sources (uses) | 1,180,261 | 303,793 | 2,410,567 | 3,894,621 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Net change in fund balances | (790,860) | (10,816) | 2,099,352 | 1,297,676 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Fund balances at beginning of year | 3,021,689 | 330,952 | (1,351,399) | 2,001,242 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Fund balances at end of year | <u>\$ 2,230,829</u> | <u>\$ 320,136</u> | <u>\$ 747,953</u> | <u>\$ 3,298,918</u> |

CITY OF BARBERTON, OHIO

*COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2009*

| | <u>Street Construction Maintenance and Repair</u> | <u>State Highway Improvement</u> | <u>Permissive License Tax</u> | <u>Residential Street</u> |
|---|---|--|-----------------------------------|-------------------------------|
| Assets: | | | | |
| Equity in pooled cash and cash equivalents. | \$ 150,779 | \$ 25,505 | \$ 406,724 | \$ 108,352 |
| Receivables (net of allowances for uncollectibles): | | | | |
| Property taxes. | - | - | - | - |
| Accounts | - | - | - | 4,414 |
| Intergovernmental. | 309,639 | 25,106 | 3,848 | - |
| Notes receivable | - | - | - | - |
| Prepayments | 7,738 | - | - | - |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Total assets | <u>\$ 468,156</u> | <u>\$ 50,611</u> | <u>\$ 410,572</u> | <u>\$ 112,766</u> |
| Liabilities: | | | | |
| Accounts payable | \$ 36,853 | \$ - | \$ 2,124 | \$ - |
| Accrued wages and benefits | 12,743 | - | - | - |
| Due to other governments | 35,727 | 3,726 | - | - |
| Due to other funds | - | - | - | - |
| Deferred revenue. | 206,193 | 18,786 | - | - |
| Unearned revenue | - | - | - | - |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Total liabilities | <u>291,516</u> | <u>22,512</u> | <u>2,124</u> | <u>-</u> |
| Fund Balances: | | | | |
| Reserved for encumbrances | 29,829 | - | 1,789 | 88,939 |
| Reserved for prepayments. | 7,738 | - | - | - |
| Reserved for notes receivable | - | - | - | - |
| Unreserved, undesignated (deficit) reported in: | | | | |
| Special revenue funds. | 139,073 | 28,099 | 406,659 | 23,827 |
| Total fund balances | <u>176,640</u> | <u>28,099</u> | <u>408,448</u> | <u>112,766</u> |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Total liabilities and fund balances | <u>\$ 468,156</u> | <u>\$ 50,611</u> | <u>\$ 410,572</u> | <u>\$ 112,766</u> |

| <u>Fire Capital Levy</u> | <u>Court Computer</u> | <u>Court Special Projects</u> | <u>9-1-1 Phone System</u> | <u>Indigent Drivers Alcohol Treatment</u> | <u>Sports Complex Operating</u> |
|----------------------------------|---------------------------|-----------------------------------|-----------------------------------|---|---|
| \$ 84,812 | \$ 25,950 | \$ 326,614 | \$ 184,016 | \$ 77,419 | \$ 11,145 |
| 276,949 | - | - | - | - | - |
| - | - | - | - | - | - |
| 20,037 | 3,223 | 15,915 | 13,558 | 1,225 | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| <u>\$ 381,798</u> | <u>\$ 29,173</u> | <u>\$ 342,529</u> | <u>\$ 197,574</u> | <u>\$ 78,644</u> | <u>\$ 11,145</u> |
| \$ 30,889 | \$ 18,530 | \$ - | \$ 27,203 | \$ - | \$ - |
| - | - | - | - | - | - |
| - | - | - | - | - | 784 |
| - | - | - | - | - | - |
| 38,862 | - | - | - | - | - |
| 258,124 | - | - | - | - | - |
| <u>327,875</u> | <u>18,530</u> | <u>-</u> | <u>27,203</u> | <u>-</u> | <u>784</u> |
| 15,111 | 6,898 | - | 81,609 | - | 3,272 |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| <u>38,812</u> | <u>3,745</u> | <u>342,529</u> | <u>88,762</u> | <u>78,644</u> | <u>7,089</u> |
| <u>53,923</u> | <u>10,643</u> | <u>342,529</u> | <u>170,371</u> | <u>78,644</u> | <u>10,361</u> |
| <u>\$ 381,798</u> | <u>\$ 29,173</u> | <u>\$ 342,529</u> | <u>\$ 197,574</u> | <u>\$ 78,644</u> | <u>\$ 11,145</u> |

-- Continued

CITY OF BARBERTON, OHIO

*COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
DECEMBER 31, 2009*

| | <u>Parks Recreation Improvement</u> | <u>Gas and Oil Royalty</u> | <u>D.A.R.E. Program</u> | <u>Mandatory Drug Fines</u> |
|---|---|--------------------------------|-----------------------------|---------------------------------|
| Assets: | | | | |
| Equity in pooled cash and cash equivalents. | \$ 196,585 | \$ 3,510 | \$ 3,573 | \$ 3,700 |
| Receivables (net of allowances for uncollectibles): | | | | |
| Property taxes. | - | - | - | - |
| Accounts | - | - | - | - |
| Intergovernmental. | - | - | - | - |
| Notes receivable | - | - | - | - |
| Prepayments | - | - | - | - |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Total assets | <u>\$ 196,585</u> | <u>\$ 3,510</u> | <u>\$ 3,573</u> | <u>\$ 3,700</u> |
| Liabilities: | | | | |
| Accounts payable | \$ - | \$ - | \$ - | \$ - |
| Accrued wages and benefits | - | - | - | - |
| Due to other governments | - | - | - | - |
| Due to other funds | - | - | - | - |
| Deferred revenue. | - | - | - | - |
| Unearned revenue | - | - | - | - |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Total liabilities | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Fund Balances: | | | | |
| Reserved for encumbrances | 657 | - | 358 | 73 |
| Reserved for prepayments. | - | - | - | - |
| Reserved for notes receivable | - | - | - | - |
| Unreserved, undesignated (deficit) reported in: | | | | |
| Special revenue funds. | 195,928 | 3,510 | 3,215 | 3,627 |
| Total fund balances | <u>196,585</u> | <u>3,510</u> | <u>3,573</u> | <u>3,700</u> |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Total liabilities and fund balances | <u>\$ 196,585</u> | <u>\$ 3,510</u> | <u>\$ 3,573</u> | <u>\$ 3,700</u> |

| Local Law Enforcement Trust | Parks Revolving Loan | Sidewalk Improvement Program | City Grant | Federal Emergency Management Agency | Emergency Reserve |
|--|---------------------------------|---|-----------------------|--|------------------------------|
| \$ 14,433 | \$ 24,143 | \$ 57,042 | \$ 43,322 | \$ 1,492 | \$ 283 |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| <u>\$ 14,433</u> | <u>\$ 24,143</u> | <u>\$ 57,042</u> | <u>\$ 43,322</u> | <u>\$ 1,492</u> | <u>\$ 283</u> |
| \$ 1,346 | \$ - | \$ - | \$ - | \$ - | \$ - |
| - | - | - | - | - | - |
| - | 1,966 | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| <u>1,346</u> | <u>1,966</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| 7,048 | 537 | 49,400 | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| <u>6,039</u> | <u>21,640</u> | <u>7,642</u> | <u>43,322</u> | <u>1,492</u> | <u>283</u> |
| <u>13,087</u> | <u>22,177</u> | <u>57,042</u> | <u>43,322</u> | <u>1,492</u> | <u>283</u> |
| <u>\$ 14,433</u> | <u>\$ 24,143</u> | <u>\$ 57,042</u> | <u>\$ 43,322</u> | <u>\$ 1,492</u> | <u>\$ 283</u> |

-- Continued

CITY OF BARBERTON, OHIO

*COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
DECEMBER 31, 2009*

| | <u>Neighborhood Stabilization Program</u> | <u>Community Development Block Grant</u> | <u>Rental Rehabilitation</u> | <u>Tax Increment Financing</u> |
|---|---|--|----------------------------------|--|
| Assets: | | | | |
| Equity in pooled cash and cash equivalents. | \$ 164,489 | \$ 3,806 | \$ 2,000 | \$ 67,959 |
| Receivables (net of allowances for uncollectibles): | | | | |
| Property taxes. | - | - | - | - |
| Accounts | - | - | - | - |
| Intergovernmental. | - | 447,884 | - | - |
| Notes receivable | - | 218,100 | - | - |
| Prepayments | - | - | - | - |
| Total assets | <u>\$ 164,489</u> | <u>\$ 669,790</u> | <u>\$ 2,000</u> | <u>\$ 67,959</u> |
| Liabilities: | | | | |
| Accounts payable | \$ 331,667 | \$ 19,464 | \$ - | \$ - |
| Accrued wages and benefits | - | 549 | - | - |
| Due to other governments | - | 7,783 | - | - |
| Due to other funds | - | 98,716 | - | - |
| Deferred revenue. | - | 341,068 | - | - |
| Unearned revenue | - | - | - | - |
| Total liabilities | <u>331,667</u> | <u>467,580</u> | <u>-</u> | <u>-</u> |
| Fund Balances: | | | | |
| Reserved for encumbrances | 945,163 | 103,777 | - | - |
| Reserved for prepayments. | - | - | - | - |
| Reserved for notes receivable | - | 218,100 | - | - |
| Unreserved, undesignated (deficit) reported in: | | | | |
| Special revenue funds. | <u>(1,112,341)</u> | <u>(119,667)</u> | <u>2,000</u> | <u>67,959</u> |
| Total fund balances | <u>(167,178)</u> | <u>202,210</u> | <u>2,000</u> | <u>67,959</u> |
| Total liabilities and fund balances | <u>\$ 164,489</u> | <u>\$ 669,790</u> | <u>\$ 2,000</u> | <u>\$ 67,959</u> |

| Lake Cinema Complex Maintenance | Project Impact | Health District | Beautification | Senior Center Trust | Fire Pension |
|--|---------------------------|----------------------------|-----------------------|--------------------------------|-------------------------|
| \$ 34,200 | \$ 117 | \$ 232,353 | \$ 51,779 | \$ 64,107 | \$ 19,929 |
| - | - | - | - | - | 110,780 |
| - | - | - | - | - | - |
| - | - | 13,003 | - | - | 8,650 |
| - | - | - | - | - | - |
| - | - | 359 | - | 571 | - |
| <u>\$ 34,200</u> | <u>\$ 117</u> | <u>\$ 245,715</u> | <u>\$ 51,779</u> | <u>\$ 64,678</u> | <u>\$ 139,359</u> |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| - | - | 400 | 580 | - | - |
| - | - | 61,892 | 2,676 | 130 | - |
| - | - | - | - | - | - |
| - | - | - | - | - | 16,181 |
| - | - | - | - | - | 103,249 |
| - | - | 62,292 | 3,256 | 130 | 119,430 |
| - | - | 3,010 | 4,135 | 605 | - |
| - | - | 359 | - | 571 | - |
| - | - | - | - | - | - |
| 34,200 | 117 | 180,054 | 44,388 | 63,372 | 19,929 |
| <u>34,200</u> | <u>117</u> | <u>183,423</u> | <u>48,523</u> | <u>64,548</u> | <u>19,929</u> |
| <u>\$ 34,200</u> | <u>\$ 117</u> | <u>\$ 245,715</u> | <u>\$ 51,779</u> | <u>\$ 64,678</u> | <u>\$ 139,359</u> |

-- Continued

CITY OF BARBERTON, OHIO

*COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
DECEMBER 31, 2009*

| | <u>Police Pension</u> | <u>Total Nonmajor Special Revenue Funds</u> |
|---|---------------------------|---|
| Assets: | | |
| Equity in pooled cash and cash equivalents. | \$ 37,903 | \$ 2,428,041 |
| Receivables (net of allowances for uncollectibles): | | |
| Property taxes. | 110,780 | 498,509 |
| Accounts | - | 4,414 |
| Intergovernmental. | 8,650 | 870,738 |
| Notes receivable | - | 218,100 |
| Prepayments | - | 8,668 |
| | <hr/> | <hr/> |
| Total assets | <u>\$ 157,333</u> | <u>\$ 4,028,470</u> |
| Liabilities: | | |
| Accounts payable | \$ - | \$ 468,076 |
| Accrued wages and benefits | - | 14,272 |
| Due to other governments | - | 114,684 |
| Due to other funds | - | 98,716 |
| Deferred revenue. | 16,181 | 637,271 |
| Unearned revenue | 103,249 | 464,622 |
| | <hr/> | <hr/> |
| Total liabilities | <u>119,430</u> | <u>1,797,641</u> |
| Fund Balances: | | |
| Reserved for encumbrances | - | 1,342,210 |
| Reserved for prepayments. | - | 8,668 |
| Reserved for notes receivable | - | 218,100 |
| Unreserved, undesignated (deficit) reported in: | | |
| Special revenue funds. | 37,903 | 661,851 |
| Total fund balances | <hr/> <u>37,903</u> | <hr/> <u>2,230,829</u> |
| | <hr/> | <hr/> |
| Total liabilities and fund balances | <u>\$ 157,333</u> | <u>\$ 4,028,470</u> |

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CITY OF BARBERTON

*COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2009*

| | Street Construction Maintenance and Repair | State Highway Improvement | Permissive License Tax | Residential Street |
|--|---|--|-----------------------------------|-------------------------------|
| Revenues: | | | | |
| Property and other taxes | \$ - | \$ - | \$ - | \$ - |
| Charges for services | - | - | - | - |
| Licenses and permits | - | - | - | - |
| Fines and forfeitures | - | - | - | - |
| Intergovernmental | 914,717 | 57,521 | 51,654 | - |
| Special assessments | - | - | - | 46,591 |
| Investment income | 1,577 | 603 | 3,075 | - |
| Contributions and donations | - | - | - | - |
| Other | 7,759 | 88 | - | - |
| Total revenues | <u>924,053</u> | <u>58,212</u> | <u>54,729</u> | <u>46,591</u> |
| Expenditures: | | | | |
| Current: | | | | |
| General government | - | - | - | - |
| Public safety | - | - | - | - |
| Health and welfare | - | - | - | - |
| Transportation | 1,189,465 | 94,264 | 29,108 | - |
| Community environment | - | - | - | - |
| Leisure time activities | - | - | - | - |
| Capital outlay | 11,486 | - | - | 277,728 |
| Debt service: | | | | |
| Principal retirement | 1,075 | - | 10,782 | - |
| Interest and fiscal charges | 148 | - | 3,311 | - |
| Total expenditures | <u>1,202,174</u> | <u>94,264</u> | <u>43,201</u> | <u>277,728</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>(278,121)</u> | <u>(36,052)</u> | <u>11,528</u> | <u>(231,137)</u> |
| Other financing sources (uses): | | | | |
| Sale of capital assets | - | - | - | - |
| Transfers in | 65,043 | - | - | 200,000 |
| Transfers out | - | - | - | - |
| Total other financing sources (uses) | <u>65,043</u> | <u>-</u> | <u>-</u> | <u>200,000</u> |
| Net change in fund balances | (213,078) | (36,052) | 11,528 | (31,137) |
| Fund balances at beginning of year | <u>389,718</u> | <u>64,151</u> | <u>396,920</u> | <u>143,903</u> |
| Fund balances (deficit) at end of year | <u>\$ 176,640</u> | <u>\$ 28,099</u> | <u>\$ 408,448</u> | <u>\$ 112,766</u> |

| Fire Capital Levy | Court Computer | Court Special Projects | 9-1-1 Phone System | Indigent Drivers Alcohol Treatment | Sports Complex Operating |
|----------------------------------|---------------------------|-----------------------------------|-----------------------------------|---|---|
| \$ 244,647 | \$ - | \$ - | \$ - | \$ - | \$ - |
| - | - | - | - | - | 59,743 |
| - | - | - | - | - | - |
| - | 52,102 | 237,871 | - | 55,962 | - |
| 42,659 | - | - | 13,558 | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | 40 |
| <u>287,306</u> | <u>52,102</u> | <u>237,871</u> | <u>13,558</u> | <u>55,962</u> | <u>59,783</u> |
| - | 63,923 | - | - | - | - |
| - | - | - | 27,203 | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | 92,025 |
| 106,003 | 38,728 | - | - | - | - |
| 115,848 | - | - | - | - | 117,678 |
| 18,597 | - | - | - | - | 16,026 |
| <u>240,448</u> | <u>102,651</u> | <u>-</u> | <u>27,203</u> | <u>-</u> | <u>225,729</u> |
| <u>46,858</u> | <u>(50,549)</u> | <u>237,871</u> | <u>(13,645)</u> | <u>55,962</u> | <u>(165,946)</u> |
| - | - | - | - | - | - |
| - | - | 86,234 | 184,016 | - | 171,000 |
| <u>(86,230)</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <u>(86,230)</u> | <u>-</u> | <u>86,234</u> | <u>184,016</u> | <u>-</u> | <u>171,000</u> |
| (39,372) | (50,549) | 324,105 | 170,371 | 55,962 | 5,054 |
| 93,295 | 61,192 | 18,424 | - | 22,682 | 5,307 |
| <u>\$ 53,923</u> | <u>\$ 10,643</u> | <u>\$ 342,529</u> | <u>\$ 170,371</u> | <u>\$ 78,644</u> | <u>\$ 10,361</u> |

-- Continued

CITY OF BARBERTON

*COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2009*

| | <u>Parks Recreation Improvement</u> | <u>Gas and Oil Royalty</u> | <u>D.A.R.E. Program</u> | <u>Mandatory Drug Fines</u> |
|--|---|--------------------------------|-----------------------------|---------------------------------|
| Revenues: | | | | |
| Property and other taxes | \$ - | \$ - | \$ - | \$ - |
| Charges for services | - | - | - | - |
| Licenses and permits | - | - | - | - |
| Fines and forfeitures | - | - | - | 1,504 |
| Intergovernmental | - | - | - | - |
| Special assessments | - | - | - | - |
| Investment income | 2,936 | - | - | - |
| Contributions and donations | - | - | - | - |
| Other | 48,738 | 1,250 | - | - |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Total revenues | 51,674 | 1,250 | - | 1,504 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Expenditures: | | | | |
| Current: | | | | |
| General government | - | - | - | - |
| Public safety | - | - | 8,512 | - |
| Health and welfare | - | - | - | - |
| Transportation | - | - | - | - |
| Community environment | - | - | - | - |
| Leisure time activities | - | - | - | - |
| Capital outlay | 476,801 | - | - | 3,927 |
| Debt service: | | | | |
| Principal retirement | - | - | - | - |
| Interest and fiscal charges | - | - | - | - |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Total expenditures | 476,801 | - | 8,512 | 3,927 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Excess (deficiency) of revenues over (under) expenditures | (425,127) | 1,250 | (8,512) | (2,423) |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Other financing sources (uses): | | | | |
| Sale of capital assets | - | - | 2,626 | - |
| Transfers in | - | - | - | - |
| Transfers out | - | - | - | - |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Total other financing sources (uses) | - | - | 2,626 | - |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Net change in fund balances | (425,127) | 1,250 | (5,886) | (2,423) |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Fund balances at beginning of year | 621,712 | 2,260 | 9,459 | 6,123 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Fund balances (deficit) at end of year | <u>\$ 196,585</u> | <u>\$ 3,510</u> | <u>\$ 3,573</u> | <u>\$ 3,700</u> |

| Local Law Enforcement Trust | Parks Revolving Loan | Sidewalk Improvement Program | City Grant | Federal Emergency Management Agency | Emergency Reserve |
|--|---------------------------------|---|-----------------------|--|------------------------------|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| - | 36,142 | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | 32,079 | - | 4,822 | 355,950 | - |
| - | - | 20,973 | - | - | - |
| - | - | - | - | - | 2 |
| - | - | - | - | - | - |
| - | 46,922 | 2,975 | - | - | - |
| - | 115,143 | 23,948 | 4,822 | 355,950 | 2 |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | 112,524 | - | - | - | - |
| 16,846 | - | 3,213 | - | 354,616 | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| 16,846 | 112,524 | 3,213 | - | 354,616 | - |
| (16,846) | 2,619 | 20,735 | 4,822 | 1,334 | 2 |
| 23,637 | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| 23,637 | - | - | - | - | - |
| 6,791 | 2,619 | 20,735 | 4,822 | 1,334 | 2 |
| 6,296 | 19,558 | 36,307 | 38,500 | 158 | 281 |
| <u>\$ 13,087</u> | <u>\$ 22,177</u> | <u>\$ 57,042</u> | <u>\$ 43,322</u> | <u>\$ 1,492</u> | <u>\$ 283</u> |

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CITY OF BARBERTON

*COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2009*

| | <u>Neighborhood Stabilization Program</u> | <u>Community Development Block Grant</u> | <u>Rental Rehabilitation</u> | <u>Home Investment Partnership</u> |
|--|---|--|----------------------------------|--|
| Revenues: | | | | |
| Property and other taxes | \$ - | \$ - | \$ - | \$ - |
| Charges for services | - | - | - | - |
| Licenses and permits | - | - | - | - |
| Fines and forfeitures | - | - | - | - |
| Intergovernmental | 360,647 | 700,147 | - | - |
| Special assessments | - | - | - | - |
| Investment income | - | - | - | - |
| Contributions and donations | - | - | - | - |
| Other | - | 18,145 | - | 31,451 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Total revenues | 360,647 | 718,292 | - | 31,451 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Expenditures: | | | | |
| Current: | | | | |
| General government | - | - | - | - |
| Public safety | - | - | - | - |
| Health and welfare | - | - | - | - |
| Transportation | - | - | - | - |
| Community environment. | 331,667 | 752,209 | - | 298,451 |
| Leisure time activities | - | - | - | - |
| Capital outlay | 196,158 | - | - | - |
| Debt service: | | | | |
| Principal retirement. | - | 138,126 | - | - |
| Interest and fiscal charges | - | 46,647 | - | - |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Total expenditures | 527,825 | 936,982 | - | 298,451 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Excess (deficiency) of revenues over (under) expenditures | (167,178) | (218,690) | - | (267,000) |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Other financing sources (uses): | | | | |
| Sale of capital assets | - | - | - | - |
| Transfers in | - | 61,755 | - | - |
| Transfers out | - | - | - | - |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Total other financing sources (uses). | - | 61,755 | - | - |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Net change in fund balances. | (167,178) | (156,935) | - | (267,000) |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Fund balances at beginning of year | - | 359,145 | 2,000 | 267,000 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Fund balances (deficit) at end of year. | <u>\$ (167,178)</u> | <u>\$ 202,210</u> | <u>\$ 2,000</u> | <u>\$ -</u> |

| Tax Increment Financing | Lake Cinema Complex Maintenance | Project Impact | Health District | Beautification | Downtown Sales and Rental |
|--|--|---------------------------|----------------------------|-----------------------|--|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| - | - | - | 420,586 | - | - |
| - | - | - | 196,228 | - | - |
| - | - | - | - | - | - |
| 104,271 | - | - | 399,162 | 22,280 | - |
| - | - | - | - | - | - |
| - | - | - | - | 75,437 | - |
| - | 8,300 | - | 21,998 | - | - |
| <u>104,271</u> | <u>8,300</u> | <u>-</u> | <u>1,037,974</u> | <u>97,717</u> | <u>-</u> |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | 1,472,491 | - | - |
| - | - | - | - | - | - |
| 69,655 | - | 17,693 | - | - | - |
| - | - | - | - | 120,757 | - |
| - | - | - | - | - | - |
| - | - | - | 765 | - | - |
| - | - | - | 106 | - | - |
| <u>69,655</u> | <u>-</u> | <u>17,693</u> | <u>1,473,362</u> | <u>120,757</u> | <u>-</u> |
| <u>34,616</u> | <u>8,300</u> | <u>(17,693)</u> | <u>(435,388)</u> | <u>(23,040)</u> | <u>-</u> |
| - | - | - | - | - | - |
| - | - | - | 486,996 | - | - |
| <u>(14,724)</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>(92)</u> |
| <u>(14,724)</u> | <u>-</u> | <u>-</u> | <u>486,996</u> | <u>-</u> | <u>(92)</u> |
| 19,892 | 8,300 | (17,693) | 51,608 | (23,040) | (92) |
| <u>48,067</u> | <u>25,900</u> | <u>17,810</u> | <u>131,815</u> | <u>71,563</u> | <u>92</u> |
| <u>\$ 67,959</u> | <u>\$ 34,200</u> | <u>\$ 117</u> | <u>\$ 183,423</u> | <u>\$ 48,523</u> | <u>\$ -</u> |

-- Continued

CITY OF BARBERTON

*COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2009*

| | Senior Center Trust | Fire Pension | Police Pension | Total Nonmajor Special Revenue Funds |
|--|--------------------------------|-------------------------|---------------------------|---|
| Revenues: | | | | |
| Property and other taxes | \$ - | \$ 97,887 | \$ 97,887 | \$ 440,421 |
| Charges for services | 26,563 | - | - | 543,034 |
| Licenses and permits | - | - | - | 196,228 |
| Fines and forfeitures | - | - | - | 347,439 |
| Intergovernmental | - | 33,866 | 33,866 | 3,127,199 |
| Special assessments | - | - | - | 67,564 |
| Investment income | 492 | - | - | 8,685 |
| Contributions and donations | - | - | - | 75,437 |
| Other | 6,224 | - | - | 193,890 |
| Total revenues | 33,279 | 131,753 | 131,753 | 4,999,897 |
| Expenditures: | | | | |
| Current: | | | | |
| General government | - | 1,973 | 1,973 | 67,869 |
| Public safety | - | 150,000 | 148,356 | 334,071 |
| Health and welfare | - | - | - | 1,472,491 |
| Transportation | - | - | - | 1,312,837 |
| Community environment. | - | - | - | 1,469,675 |
| Leisure time activities | 21,128 | - | - | 346,434 |
| Capital outlay | 12,155 | - | - | 1,497,661 |
| Debt service: | | | | |
| Principal retirement. | 765 | - | - | 385,039 |
| Interest and fiscal charges | 106 | - | - | 84,941 |
| Total expenditures | 34,154 | 151,973 | 150,329 | 6,971,018 |
| Excess (deficiency) of revenues over (under) expenditures | (875) | (20,220) | (18,576) | (1,971,121) |
| Other financing sources (uses): | | | | |
| Sale of capital assets | - | - | - | 26,263 |
| Transfers in. | - | - | - | 1,255,044 |
| Transfers out | - | - | - | (101,046) |
| Total other financing sources (uses). | - | - | - | 1,180,261 |
| Net change in fund balances. | (875) | (20,220) | (18,576) | (790,860) |
| Fund balances at beginning of year | 65,423 | 40,149 | 56,479 | 3,021,689 |
| Fund balances (deficit) at end of year. | \$ 64,548 | \$ 19,929 | \$ 37,903 | \$ 2,230,829 |

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
STREET CONSTRUCTION, MAINTENANCE AND REPAIR FUND
FOR THE YEAR ENDED DECEMBER 31, 2009*

| | <u>Budgeted Amounts</u> | | | Variance with Final Budget Positive (Negative) |
|--|-------------------------|---------------------|------------------|---|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | |
| Revenues: | | | | |
| Intergovernmental. | \$ 1,030,469 | \$ 859,719 | \$ 908,505 | \$ 48,786 |
| Investment income | 10,788 | 9,000 | 1,577 | (7,423) |
| Other | 10,788 | 9,000 | 8,770 | (230) |
| Total revenues. | <u>1,052,045</u> | <u>877,719</u> | <u>918,852</u> | <u>41,133</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Transportation | | | | |
| Personal services. | 887,460 | 887,460 | 796,210 | 91,250 |
| Operating. | 569,292 | 569,562 | 501,832 | 67,730 |
| Capital outlay | <u>11,590</u> | <u>11,590</u> | <u>11,486</u> | <u>104</u> |
| Total expenditures. | <u>1,468,342</u> | <u>1,468,612</u> | <u>1,309,528</u> | <u>159,084</u> |
| Deficiency of revenues under expenditures | <u>(416,297)</u> | <u>(590,893)</u> | <u>(390,676)</u> | <u>200,217</u> |
| Other financing sources: | | | | |
| Transfers in. | <u>77,955</u> | <u>65,038</u> | <u>65,043</u> | <u>5</u> |
| Total other financing sources. | <u>77,955</u> | <u>65,038</u> | <u>65,043</u> | <u>5</u> |
| Net change in fund balance. | (338,342) | (525,855) | (325,633) | 200,222 |
| Fund balance at beginning of year | 330,818 | 330,818 | 330,818 | - |
| Prior year encumbrances appropriated | <u>62,422</u> | <u>62,422</u> | <u>62,422</u> | <u>-</u> |
| Fund balance (deficit) at end of year | <u>\$ 54,898</u> | <u>\$ (132,615)</u> | <u>\$ 67,607</u> | <u>\$ 200,222</u> |

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
STATE HIGHWAY IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2009*

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | Variance with Final Budget Positive (Negative) |
|---|-------------------------|-----------------|------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| Revenues: | | | | |
| Intergovernmental. | \$ 61,535 | \$ 63,000 | \$ 57,680 | \$ (5,320) |
| Investment income | 1,465 | 1,500 | 603 | (897) |
| Other | - | - | 88 | 88 |
| Total revenues. | <u>63,000</u> | <u>64,500</u> | <u>58,371</u> | <u>(6,129)</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Transportation | | | | |
| Personal services. | <u>116,800</u> | <u>116,965</u> | <u>92,389</u> | <u>24,576</u> |
| Total expenditures. | <u>116,800</u> | <u>116,965</u> | <u>92,389</u> | <u>24,576</u> |
| Net change in fund balance | (53,800) | (52,465) | (34,018) | 18,447 |
| Fund balance at beginning of year. | <u>59,523</u> | <u>59,523</u> | <u>59,523</u> | <u>-</u> |
| Fund balance at end of year | <u>\$ 5,723</u> | <u>\$ 7,058</u> | <u>\$ 25,505</u> | <u>\$ 18,447</u> |

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
PERMISSIVE LICENSE TAX FUND
FOR THE YEAR ENDED DECEMBER 31, 2009*

| | <u>Budgeted Amounts</u> | | | Variance with Final Budget Positive (Negative) |
|---|-------------------------|-------------------|-------------------|---|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | |
| Revenues: | | | | |
| Intergovernmental. | \$ 54,000 | \$ 54,000 | \$ 51,789 | \$ (2,211) |
| Investment income | 8,000 | 8,000 | 3,075 | (4,925) |
| Total revenues. | <u>62,000</u> | <u>62,000</u> | <u>54,864</u> | <u>(7,136)</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Transportation | | | | |
| Operating. | 33,260 | 77,910 | 47,910 | 30,000 |
| Debt service: | | | | |
| Principal retirement. | - | 10,782 | 10,782 | - |
| Interest and fiscal charges. | - | 3,311 | 3,311 | - |
| Total expenditures. | <u>33,260</u> | <u>92,003</u> | <u>62,003</u> | <u>30,000</u> |
| Net change in fund balance | 28,740 | (30,003) | (7,139) | 22,864 |
| Fund balance at beginning of year. | 376,687 | 376,687 | 376,687 | - |
| Prior year encumbrances appropriated | <u>33,260</u> | <u>33,260</u> | <u>33,260</u> | <u>-</u> |
| Fund balance at end of year | <u>\$ 438,687</u> | <u>\$ 379,944</u> | <u>\$ 402,808</u> | <u>\$ 22,864</u> |

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
RESIDENTIAL STREET FUND
FOR THE YEAR ENDED DECEMBER 31, 2009*

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with Final Budget Positive (Negative)</u> |
|--|-------------------------|--------------------|------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| Revenues: | | | | |
| Special assessments | \$ 59,081 | \$ 40,617 | \$ 42,177 | \$ 1,560 |
| Total revenues | <u>59,081</u> | <u>40,617</u> | <u>42,177</u> | <u>1,560</u> |
| Expenditures: | | | | |
| Capital outlay | 409,604 | 409,604 | 366,667 | 42,937 |
| Total expenditures | <u>409,604</u> | <u>409,604</u> | <u>366,667</u> | <u>42,937</u> |
| Deficiency of revenues under expenditures. . . | <u>(350,523)</u> | <u>(368,987)</u> | <u>(324,490)</u> | <u>44,497</u> |
| Other financing sources: | | | | |
| Transfers in. | 290,919 | 200,000 | 200,000 | - |
| Total other financing sources. | <u>290,919</u> | <u>200,000</u> | <u>200,000</u> | <u>-</u> |
| Net change in fund balance. | (59,604) | (168,987) | (124,490) | 44,497 |
| Fund balance at beginning of year | 94,299 | 94,299 | 94,299 | - |
| Prior year encumbrances appropriated . . . | <u>49,604</u> | <u>49,604</u> | <u>49,604</u> | <u>-</u> |
| Fund balance (deficit) at end of year | <u>\$ 84,299</u> | <u>\$ (25,084)</u> | <u>\$ 19,413</u> | <u>\$ 44,497</u> |

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FIRE CAPITAL LEVY FUND
FOR THE YEAR ENDED DECEMBER 31, 2009*

| | <u>Budgeted Amounts</u> | | | Variance with Final Budget Positive (Negative) |
|--|-------------------------|------------------|------------------|---|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | |
| Revenues: | | | | |
| Property and other taxes | \$ 249,517 | \$ 252,646 | \$ 244,647 | \$ (7,999) |
| Intergovernmental. | 50,862 | 51,500 | 42,659 | (8,841) |
| Total revenues | <u>300,379</u> | <u>304,146</u> | <u>287,306</u> | <u>(16,840)</u> |
| Expenditures: | | | | |
| Capital outlay | 159,865 | 174,941 | 137,919 | 37,022 |
| Debt service: | | | | |
| Principal retirement | 115,850 | 115,850 | 115,848 | 2 |
| Interest and fiscal charges | <u>18,600</u> | <u>18,600</u> | <u>18,597</u> | <u>3</u> |
| Total expenditures. | <u>294,315</u> | <u>309,391</u> | <u>272,364</u> | <u>37,027</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>6,064</u> | <u>(5,245)</u> | <u>14,942</u> | <u>20,187</u> |
| Other financing uses: | | | | |
| Transfers out | <u>(60,610)</u> | <u>(86,230)</u> | <u>(86,230)</u> | <u>-</u> |
| Total other financing uses | <u>(60,610)</u> | <u>(86,230)</u> | <u>(86,230)</u> | <u>-</u> |
| Net change in fund balance | (54,546) | (91,475) | (71,288) | 20,187 |
| Fund balance at beginning of year. | 93,235 | 93,235 | 93,235 | - |
| Prior year encumbrances appropriated | <u>16,865</u> | <u>16,865</u> | <u>16,865</u> | <u>-</u> |
| Fund balance at end of year | <u>\$ 55,554</u> | <u>\$ 18,625</u> | <u>\$ 38,812</u> | <u>\$ 20,187</u> |

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
COURT COMPUTER FUND
FOR THE YEAR ENDED DECEMBER 31, 2009*

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with Final Budget Positive (Negative)</u> |
|--|-------------------------|--------------------|----------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| Revenues: | | | | |
| Fines and forfeitures | \$ 56,000 | \$ 52,763 | \$ 52,763 | \$ - |
| Total revenues | <u>56,000</u> | <u>52,763</u> | <u>52,763</u> | <u>-</u> |
| Expenditures: | | | | |
| Current: | | | | |
| General government | | | | |
| Operating | 15,087 | 56,937 | 48,944 | 7,993 |
| Capital outlay | 95,269 | 73,702 | 63,162 | 10,540 |
| Total expenditures. | <u>110,356</u> | <u>130,639</u> | <u>112,106</u> | <u>18,533</u> |
| Net change in fund balance | (54,356) | (77,876) | (59,343) | 18,533 |
| Fund balance at beginning of year. | 43,509 | 43,509 | 43,509 | - |
| Prior year encumbrances appropriated | <u>16,356</u> | <u>16,356</u> | <u>16,356</u> | <u>-</u> |
| Fund balance (deficit) at end of year | <u>\$ 5,509</u> | <u>\$ (18,011)</u> | <u>\$ 522</u> | <u>\$ 18,533</u> |

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
COURT SPECIAL PROJECTS FUND
FOR THE YEAR ENDED DECEMBER 31, 2009*

| | <u>Budgeted Amounts</u> | | | Variance with Final Budget Positive (Negative) |
|---|-------------------------|-------------------|-------------------|---|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | |
| Revenues: | | | | |
| Fines and forfeitures | \$ - | \$ 200,000 | \$ 240,380 | \$ 40,380 |
| Total revenues | - | 200,000 | 240,380 | 40,380 |
| Excess of revenues over expenditures. | - | 200,000 | 240,380 | 40,380 |
| Other financing sources: | | | | |
| Transfers in | - | 86,234 | 86,234 | - |
| Total other financing sources | - | 86,234 | 86,234 | - |
| Net change in fund balance | - | 286,234 | 326,614 | 40,380 |
| Fund balance at beginning of year. | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Fund balance at end of year | <u>\$ -</u> | <u>\$ 286,234</u> | <u>\$ 326,614</u> | <u>\$ 40,380</u> |

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
9-1-1 PHONE SYSTEM FUND
FOR THE YEAR ENDED DECEMBER 31, 2009*

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | Variance with Final Budget Positive (Negative) |
|---|-------------------------|-------------------------|-------------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| Expenditures: | | | | |
| Current: | | | | |
| Public safety | | | | |
| Capital outlay | \$ - | \$ 108,811 | \$ 108,811 | \$ - |
| Total expenditures. | <u>-</u> | <u>108,811</u> | <u>108,811</u> | <u>-</u> |
| Deficiency of revenues under expenditures. . . | <u>-</u> | <u>(108,811)</u> | <u>(108,811)</u> | <u>-</u> |
| Other financing sources: | | | | |
| Transfers in. | <u>-</u> | <u>184,016</u> | <u>184,016</u> | <u>-</u> |
| Total other financing sources. | <u>-</u> | <u>184,016</u> | <u>184,016</u> | <u>-</u> |
| Net change in fund balance | - | 75,205 | 75,205 | - |
| Fund balance at beginning of year. | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Fund balance at end of year | <u><u>\$ -</u></u> | <u><u>\$ 75,205</u></u> | <u><u>\$ 75,205</u></u> | <u><u>\$ -</u></u> |

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
INDIGENT DRIVERS ALCOHOL TREATMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2009*

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | Variance with Final Budget Positive (Negative) |
|--|-------------------------|---------------|------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| Revenues: | | | | |
| Fines and forfeitures | \$ 41,000 | \$ 39,000 | \$ 54,737 | \$ 15,737 |
| Total revenues | <u>41,000</u> | <u>39,000</u> | <u>54,737</u> | <u>15,737</u> |
| Expenditures: | | | | |
| Current: | | | | |
| General government | | | | |
| Operating | 61,000 | 61,000 | - | 61,000 |
| Total expenditures | <u>61,000</u> | <u>61,000</u> | <u>-</u> | <u>61,000</u> |
| Net change in fund balance. | (20,000) | (22,000) | 54,737 | 76,737 |
| Fund balance at beginning of year | <u>22,682</u> | <u>22,682</u> | <u>22,682</u> | <u>-</u> |
| Fund balance at end of year. | <u>\$ 2,682</u> | <u>\$ 682</u> | <u>\$ 77,419</u> | <u>\$ 76,737</u> |

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPORTS COMPLEX OPERATING FUND
FOR THE YEAR ENDED DECEMBER 31, 2009*

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with Final Budget Positive (Negative)</u> |
|--|-------------------------|-------------------|------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| Revenues: | | | | |
| Charges for services | \$ 63,081 | \$ 56,500 | \$ 59,743 | \$ 3,243 |
| Other | - | - | 40 | 40 |
| Total revenues | <u>63,081</u> | <u>56,500</u> | <u>59,783</u> | <u>3,283</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Leisure time activities | | | | |
| Personal services | 18,175 | 19,775 | 19,490 | 285 |
| Operating | 81,350 | 81,350 | 75,962 | 5,388 |
| Debt service: | | | | |
| Principal retirement | 117,678 | 117,678 | 117,678 | - |
| Interest and fiscal charges | 16,081 | 16,081 | 16,026 | 55 |
| Total expenditures | <u>233,284</u> | <u>234,884</u> | <u>229,156</u> | <u>5,728</u> |
| Deficiency of revenues under expenditures. | <u>(170,203)</u> | <u>(178,384)</u> | <u>(169,373)</u> | <u>9,011</u> |
| Other financing sources: | | | | |
| Transfers in | 190,919 | 171,000 | 171,000 | - |
| Total other financing sources | <u>190,919</u> | <u>171,000</u> | <u>171,000</u> | <u>-</u> |
| Net change in fund balance | 20,716 | (7,384) | 1,627 | 9,011 |
| Fund balance at beginning of year | - | - | - | - |
| Prior year encumbrances appropriated | <u>5,800</u> | <u>5,800</u> | <u>5,800</u> | <u>-</u> |
| Fund balance (deficit) at end of year | <u>\$ 26,516</u> | <u>\$ (1,584)</u> | <u>\$ 7,427</u> | <u>\$ 9,011</u> |

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
PARKS RECREATION IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2009*

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with Final Budget Positive (Negative)</u> |
|--|-------------------------|-----------------|-------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| Revenues: | | | | |
| Investment income | \$ 2,000 | \$ 2,000 | \$ 2,936 | \$ 936 |
| Other | - | - | 48,738 | 48,738 |
| Total revenues. | <u>2,000</u> | <u>2,000</u> | <u>51,674</u> | <u>49,674</u> |
| Expenditures: | | | | |
| Capital outlay | <u>522,302</u> | <u>621,852</u> | <u>477,457</u> | <u>144,395</u> |
| Total expenditures | <u>522,302</u> | <u>621,852</u> | <u>477,457</u> | <u>144,395</u> |
| Net change in fund balance | (520,302) | (619,852) | (425,783) | 194,069 |
| Fund balance at beginning of year | 199,410 | 199,410 | 199,410 | - |
| Prior year encumbrances appropriated. . . | <u>422,302</u> | <u>422,302</u> | <u>422,302</u> | <u>-</u> |
| Fund balance at end of year | <u>\$ 101,410</u> | <u>\$ 1,860</u> | <u>\$ 195,929</u> | <u>\$ 194,069</u> |

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GAS AND OIL ROYALTY FUND
FOR THE YEAR ENDED DECEMBER 31, 2009*

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with Final Budget Positive (Negative)</u> |
|--|-------------------------|-----------------|-----------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| Revenues: | | | | |
| Other | \$ 1,500 | \$ 1,500 | \$ 1,250 | \$ (250) |
| Total revenues | <u>1,500</u> | <u>1,500</u> | <u>1,250</u> | <u>(250)</u> |
| Net change in fund balance. | 1,500 | 1,500 | 1,250 | (250) |
| Fund balance at beginning of year | <u>2,260</u> | <u>2,260</u> | <u>2,260</u> | <u>-</u> |
| Fund balance at end of year | <u>\$ 3,760</u> | <u>\$ 3,760</u> | <u>\$ 3,510</u> | <u>\$ (250)</u> |

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
D.A.R.E. PROGRAM FUND
FOR THE YEAR ENDED DECEMBER 31, 2009*

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | Variance with Final Budget Positive (Negative) |
|--|-------------------------|-----------------|-----------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| Expenditures: | | | | |
| Current: | | | | |
| Public safety | | | | |
| Operating. | \$ 5,097 | \$ 10,097 | \$ 8,870 | \$ 1,227 |
| Total expenditures | <u>5,097</u> | <u>10,097</u> | <u>8,870</u> | <u>1,227</u> |
| Deficiency of revenues under expenditures. | <u>(5,097)</u> | <u>(10,097)</u> | <u>(8,870)</u> | <u>1,227</u> |
| Other financing sources: | | | | |
| Sale of capital assets | <u>-</u> | <u>2,626</u> | <u>2,626</u> | <u>-</u> |
| Total other financing sources. | <u>-</u> | <u>2,626</u> | <u>2,626</u> | <u>-</u> |
| Net change in fund balance. | (5,097) | (7,471) | (6,244) | 1,227 |
| Fund balance at beginning of year | 9,184 | 9,184 | 9,184 | - |
| Prior year encumbrances appropriated . . | <u>275</u> | <u>275</u> | <u>275</u> | <u>-</u> |
| Fund balance at end of year. | <u>\$ 4,362</u> | <u>\$ 1,988</u> | <u>\$ 3,215</u> | <u>\$ 1,227</u> |

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
MANDATORY DRUG FINES FUND
FOR THE YEAR ENDED DECEMBER 31, 2009*

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with Final Budget Positive (Negative)</u> |
|--|-------------------------|-----------------|-----------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| Revenues: | | | | |
| Fines and forfeitures | \$ 2,000 | \$ 2,300 | \$ 1,504 | \$ (796) |
| Total revenues | <u>2,000</u> | <u>2,300</u> | <u>1,504</u> | <u>(796)</u> |
| Expenditures: | | | | |
| Capital outlay | - | 4,000 | 4,000 | - |
| Total expenditures | <u>-</u> | <u>4,000</u> | <u>4,000</u> | <u>-</u> |
| Net change in fund balance | 2,000 | (1,700) | (2,496) | (796) |
| Fund balance at beginning of year | <u>6,123</u> | <u>6,123</u> | <u>6,123</u> | <u>-</u> |
| Fund balance at end of year | <u>\$ 8,123</u> | <u>\$ 4,423</u> | <u>\$ 3,627</u> | <u>\$ (796)</u> |

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
LOCAL LAW ENFORCEMENT TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 2009*

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | Variance with Final Budget Positive (Negative) |
|--|-------------------------|-----------------|-----------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| Expenditures: | | | | |
| Capital outlay | \$ - | \$ 28,000 | \$ 23,894 | \$ 4,106 |
| Total expenditures | - | 28,000 | 23,894 | 4,106 |
| Deficiency of revenues under expenditures. | - | (28,000) | (23,894) | 4,106 |
| Other financing sources: | | | | |
| Sale of capital assets | 5,500 | 23,637 | 23,637 | - |
| Total other financing sources. | 5,500 | 23,637 | 23,637 | - |
| Net change in fund balance. | 5,500 | (4,363) | (257) | 4,106 |
| Fund balance at beginning of year | <u>6,296</u> | <u>6,296</u> | <u>6,296</u> | <u>-</u> |
| Fund balance at end of year. | <u>\$ 11,796</u> | <u>\$ 1,933</u> | <u>\$ 6,039</u> | <u>\$ 4,106</u> |

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
PARKS REVOLVING LOAN FUND
FOR THE YEAR ENDED DECEMBER 31, 2009*

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with Final Budget Positive (Negative)</u> |
|--|-------------------------|-------------------|------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| Revenues: | | | | |
| Intergovernmental. | \$ 44,260 | \$ 33,078 | \$ 36,579 | \$ 3,501 |
| Charges for services. | 48,838 | 36,500 | 36,142 | (358) |
| Other | 66,902 | 50,000 | 46,922 | (3,078) |
| Total revenues. | <u>160,000</u> | <u>119,578</u> | <u>119,643</u> | <u>65</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Leisure time activities | | | | |
| Personal services. | 73,250 | 73,250 | 59,896 | 13,354 |
| Operating. | 71,127 | 71,127 | 53,817 | 17,310 |
| Total expenditures. | <u>144,377</u> | <u>144,377</u> | <u>113,713</u> | <u>30,664</u> |
| Net change in fund balance. | 15,623 | (24,799) | 5,930 | 30,729 |
| Fund balance at beginning of year | 14,461 | 14,461 | 14,461 | - |
| Prior year encumbrances appropriated | 1,673 | 1,673 | 1,673 | - |
| Fund balance (deficit) at end of year | <u>\$ 31,757</u> | <u>\$ (8,665)</u> | <u>\$ 22,064</u> | <u>\$ 30,729</u> |

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SIDEWALK IMPROVEMENT PROGRAM FUND
FOR THE YEAR ENDED DECEMBER 31, 2009*

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with Final Budget Positive (Negative)</u> |
|--|-------------------------|-----------------|-----------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| Revenues: | | | | |
| Special assessment | \$ 57,000 | \$ 22,000 | \$ 20,973 | \$ (1,027) |
| Other | - | - | 2,975 | 2,975 |
| Total revenues. | <u>57,000</u> | <u>22,000</u> | <u>23,948</u> | <u>1,948</u> |
| Expenditures: | | | | |
| Capital outlay | <u>28,238</u> | <u>53,238</u> | <u>52,613</u> | <u>625</u> |
| Total expenditures. | <u>28,238</u> | <u>53,238</u> | <u>52,613</u> | <u>625</u> |
| Net change in fund balance. | 28,762 | (31,238) | (28,665) | 2,573 |
| Fund balance at beginning of year | 33,069 | 33,069 | 33,069 | - |
| Prior year encumbrances appropriated . . . | <u>3,238</u> | <u>3,238</u> | <u>3,238</u> | <u>-</u> |
| Fund balance at end of year | <u>\$ 65,069</u> | <u>\$ 5,069</u> | <u>\$ 7,642</u> | <u>\$ 2,573</u> |

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CITY GRANT FUND
FOR THE YEAR ENDED DECEMBER 31, 2009*

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | Variance with Final Budget Positive (Negative) |
|--|-------------------------|------------------|------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| Revenues: | | | | |
| Intergovernmental. | \$ - | \$ - | \$ 4,822 | \$ 4,822 |
| Total revenues. | - | - | 4,822 | 4,822 |
| Net change in fund balance. | - | - | 4,822 | 4,822 |
| Fund balance at beginning of year | <u>38,500</u> | <u>38,500</u> | <u>38,500</u> | <u>-</u> |
| Fund balance at end of year | <u>\$ 38,500</u> | <u>\$ 38,500</u> | <u>\$ 43,322</u> | <u>\$ 4,822</u> |

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FEDERAL EMERGENCY MANAGEMENT AGENCY FUND
FOR THE YEAR ENDED DECEMBER 31, 2009*

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with Final Budget Positive (Negative)</u> |
|--|-------------------------|---------------|-----------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| Revenues: | | | | |
| Intergovernmental | \$ - | \$ 354,616 | \$ 355,950 | \$ 1,334 |
| Total revenues | - | 354,616 | 355,950 | 1,334 |
| Expenditures: | | | | |
| Capital outlay | - | 354,616 | 354,616 | - |
| Total expenditures | - | 354,616 | 354,616 | - |
| Net change in fund balance. | - | - | 1,334 | 1,334 |
| Fund balance at beginning of year | <u>158</u> | <u>158</u> | <u>158</u> | <u>-</u> |
| Fund balance at end of year. | <u>\$ 158</u> | <u>\$ 158</u> | <u>\$ 1,492</u> | <u>\$ 1,334</u> |

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
EMERGENCY RESERVE FUND
FOR THE YEAR ENDED DECEMBER 31, 2009*

| | <u>Budgeted Amounts</u> | | | Variance with Final Budget Positive (Negative) |
|--|-------------------------|---------------|---------------|---|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | |
| Revenues: | | | | |
| Investment income | \$ 10 | \$ - | \$ 2 | \$ 2 |
| Total revenues | <u>10</u> | <u>-</u> | <u>2</u> | <u>2</u> |
| Net change in fund balance. | 10 | - | 2 | 2 |
| Fund balance at beginning of year | <u>281</u> | <u>281</u> | <u>281</u> | <u>-</u> |
| Fund balance at end of year | <u>\$ 291</u> | <u>\$ 281</u> | <u>\$ 283</u> | <u>\$ 2</u> |

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
NEIGHBORHOOD STABILIZATION PROGRAM FUND
FOR THE YEAR ENDED DECEMBER 31, 2009*

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with Final Budget Positive (Negative)</u> |
|--|-------------------------|-------------------|-----------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| Revenues: | | | | |
| Intergovernmental | \$ - | \$ 2,192,098 | \$ 360,647 | \$ (1,831,451) |
| Total revenues | - | 2,192,098 | 360,647 | (1,831,451) |
| Expenditures: | | | | |
| Current: | | | | |
| Community environment | - | 424,362 | 423,208 | 1,154 |
| Capital outlay | - | 2,192,098 | 1,524,271 | 667,827 |
| Total expenditures | - | 2,616,460 | 1,947,479 | 668,981 |
| Deficiency of revenues under expenditures | - | (424,362) | (1,586,832) | (1,162,470) |
| Other financing sources (uses): | | | | |
| Sale of capital assets | - | 853,995 | 426,998 | (426,997) |
| Advances in | - | 424,361 | 424,361 | - |
| Advances out | - | (424,361) | (424,361) | - |
| Total other financing sources (uses) | - | 853,995 | 426,998 | (426,997) |
| Net change in fund balance | - | 429,633 | (1,159,834) | (1,589,467) |
| Fund balance at beginning of year | - | - | - | - |
| Fund balance (deficit) at end of year | <u>\$ -</u> | <u>\$ 429,633</u> | <u>\$ (1,159,834)</u> | <u>\$ (1,589,467)</u> |

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CLEAN OHIO REVITALIZATION FUND
FOR THE YEAR ENDED DECEMBER 31, 2009*

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with Final Budget Positive (Negative)</u> |
|--|-------------------------|--------------|---------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| Revenues: | | | | |
| Intergovernmental | \$ - | \$ 1,512,889 | \$ - | \$ (1,512,889) |
| Total revenues | - | 1,512,889 | - | (1,512,889) |
| Expenditures: | | | | |
| Current: | | | | |
| Community environment | - | 1,512,889 | - | 1,512,889 |
| Total expenditures | - | 1,512,889 | - | 1,512,889 |
| Net change in fund balance. | - | - | - | - |
| Fund balance at beginning of year | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Fund balance at end of year | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
COMMUNITY DEVELOPMENT BLOCK GRANT FUND (CDBG)
FOR THE YEAR ENDED DECEMBER 31, 2009*

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with Final Budget Positive (Negative)</u> |
|--|-------------------------|-------------------|---------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| Revenues: | | | | |
| Intergovernmental | \$ 862,663 | \$ 1,850,726 | \$ 628,433 | \$ (1,222,293) |
| Other | 8,552 | 18,347 | 20,406 | 2,059 |
| Total revenues | <u>871,215</u> | <u>1,869,073</u> | <u>648,839</u> | <u>(1,220,234)</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Community environment | | | | |
| Operating | 85,284 | 1,596,315 | 768,120 | 828,195 |
| Debt service: | | | | |
| Principal retirement | - | 138,126 | 138,126 | - |
| Interest and fiscal charges | - | 46,647 | 46,647 | - |
| Total expenditures | <u>85,284</u> | <u>1,781,088</u> | <u>952,893</u> | <u>828,195</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>785,931</u> | <u>87,985</u> | <u>(304,054)</u> | <u>(392,039)</u> |
| Other financing sources: | | | | |
| Transfers in | 28,785 | 61,755 | 61,755 | - |
| Total other financing sources | <u>28,785</u> | <u>61,755</u> | <u>61,755</u> | <u>-</u> |
| Net change in fund balance | 814,716 | 149,740 | (242,299) | (392,039) |
| Fund balance (deficit) at beginning of year . . | (64,942) | (64,942) | (64,942) | - |
| Prior year encumbrances appropriated . . . | <u>85,284</u> | <u>85,284</u> | <u>85,284</u> | <u>-</u> |
| Fund balance (deficit) at end of year | <u>\$ 835,058</u> | <u>\$ 170,082</u> | <u>\$ (221,957)</u> | <u>\$ (392,039)</u> |

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
RENTAL REHABILITATION FUND
FOR THE YEAR ENDED DECEMBER 31, 2009*

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with Final Budget Positive (Negative)</u> |
|--|-------------------------|--------------|-----------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| Expenditures: | | | | |
| Current: | | | | |
| General government | | | | |
| Operating. | \$ - | \$ 2,000 | \$ - | \$ 2,000 |
| Total expenditures | - | 2,000 | - | 2,000 |
| Net change in fund balance. | - | (2,000) | - | 2,000 |
| Fund balance at beginning of year | <u>2,000</u> | <u>2,000</u> | <u>2,000</u> | <u>-</u> |
| Fund balance at end of year. | <u>\$ 2,000</u> | <u>\$ -</u> | <u>\$ 2,000</u> | <u>\$ 2,000</u> |

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
TAX INCREMENT FINANCING FUND
FOR THE YEAR ENDED DECEMBER 31, 2009*

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | Variance with Final Budget Positive (Negative) |
|---|-------------------------|------------------|------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| Revenues: | | | | |
| Intergovernmental. | \$ 37,000 | \$ 54,083 | \$ 104,271 | \$ 50,188 |
| Total revenues. | <u>37,000</u> | <u>54,083</u> | <u>104,271</u> | <u>50,188</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Community environment | | | | |
| Operating. | 17,584 | 69,659 | 69,655 | 4 |
| Total expenditures. | <u>17,584</u> | <u>69,659</u> | <u>69,655</u> | <u>4</u> |
| Excess (deficiency) of revenues over (under) expenditures. | <u>19,416</u> | <u>(15,576)</u> | <u>34,616</u> | <u>50,192</u> |
| Other financing uses: | | | | |
| Transfers out. | (14,724) | (14,724) | (14,724) | - |
| Total other financing uses. | <u>(14,724)</u> | <u>(14,724)</u> | <u>(14,724)</u> | <u>-</u> |
| Net change in fund balance. | 4,692 | (30,300) | 19,892 | 50,192 |
| Fund balance at beginning of year | <u>48,067</u> | <u>48,067</u> | <u>48,067</u> | <u>-</u> |
| Fund balance at end of year | <u>\$ 52,759</u> | <u>\$ 17,767</u> | <u>\$ 67,959</u> | <u>\$ 50,192</u> |

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
LAKE CINEMA COMPLEX MAINTENANCE FUND
FOR THE YEAR ENDED DECEMBER 31, 2009*

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with Final Budget Positive (Negative)</u> |
|--|-------------------------|------------------|------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| Revenues: | | | | |
| Other | \$ 24,000 | \$ 10,000 | \$ 13,300 | \$ 3,300 |
| Total revenues | <u>24,000</u> | <u>10,000</u> | <u>13,300</u> | <u>3,300</u> |
| Net change in fund balance. | 24,000 | 10,000 | 13,300 | 3,300 |
| Fund balance at beginning of year | <u>20,900</u> | <u>20,900</u> | <u>20,900</u> | <u>-</u> |
| Fund balance at end of year | <u>\$ 44,900</u> | <u>\$ 30,900</u> | <u>\$ 34,200</u> | <u>\$ 3,300</u> |

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
PROJECT IMPACT FUND
FOR THE YEAR ENDED DECEMBER 31, 2009*

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with Final Budget Positive (Negative)</u> |
|--|-------------------------|-------------------|---------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| Revenues: | | | | |
| Contributions and donations. | \$ 50,000 | \$ - | \$ - | \$ - |
| Total revenues | <u>50,000</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Community environment | | | | |
| Operating. | <u>2,770</u> | <u>20,580</u> | <u>17,693</u> | <u>2,887</u> |
| Total expenditures | <u>2,770</u> | <u>20,580</u> | <u>17,693</u> | <u>2,887</u> |
| Net change in fund balance. | 47,230 | (20,580) | (17,693) | 2,887 |
| Fund balance at beginning of year | 15,040 | 15,040 | 15,040 | - |
| Prior year encumbrances appropriated . . . | <u>2,770</u> | <u>2,770</u> | <u>2,770</u> | <u>-</u> |
| Fund balance (deficit) at end of year | <u>\$ 65,040</u> | <u>\$ (2,770)</u> | <u>\$ 117</u> | <u>\$ 2,887</u> |

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
HEALTH DISTRICT FUND
FOR THE YEAR ENDED DECEMBER 31, 2009*

| | <u>Budgeted Amounts</u> | | | <u>Variance with Final Budget Positive (Negative)</u> |
|--|-------------------------|------------------|-------------------|---|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | |
| Revenues: | | | | |
| Charges for services. | \$ 457,377 | \$ 358,552 | \$ 420,586 | \$ 62,034 |
| Licenses and permits | 245,296 | 192,295 | 196,228 | 3,933 |
| Intergovernmental. | 505,490 | 396,269 | 422,786 | 26,517 |
| Other | 25,512 | 20,000 | 21,998 | 1,998 |
| Total revenues | <u>1,233,675</u> | <u>967,116</u> | <u>1,061,598</u> | <u>94,482</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Health and welfare | | | | |
| Personal services | 1,428,534 | 1,334,561 | 1,282,462 | 52,099 |
| Operating. | 390,369 | 283,277 | 233,786 | 49,491 |
| Total expenditures | <u>1,818,903</u> | <u>1,617,838</u> | <u>1,516,248</u> | <u>101,590</u> |
| Deficiency of revenues under expenditures . . . | <u>(585,228)</u> | <u>(650,722)</u> | <u>(454,650)</u> | <u>196,072</u> |
| Other financing sources: | | | | |
| Transfers in. | 621,325 | 487,076 | 486,996 | (80) |
| Total other financing sources | <u>621,325</u> | <u>487,076</u> | <u>486,996</u> | <u>(80)</u> |
| Net change in fund balance | 36,097 | (163,646) | 32,346 | 195,992 |
| Fund balance at beginning of year | 165,553 | 165,553 | 165,553 | - |
| Prior year encumbrances appropriated. | <u>4,557</u> | <u>4,557</u> | <u>4,557</u> | <u>-</u> |
| Fund balance at end of year | <u>\$ 206,207</u> | <u>\$ 6,464</u> | <u>\$ 202,456</u> | <u>\$ 195,992</u> |

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
BEAUTIFICATION FUND
FOR THE YEAR ENDED DECEMBER 31, 2009*

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | Variance with Final Budget Positive (Negative) |
|--|-------------------------|------------------|------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| Revenues: | | | | |
| Intergovernmental. | \$ 26,318 | \$ 27,518 | \$ 22,280 | \$ (5,238) |
| Contributions and donations. | 94,682 | 99,000 | 75,437 | (23,563) |
| Total revenues. | <u>121,000</u> | <u>126,518</u> | <u>97,717</u> | <u>(28,801)</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Leisure time activities | | | | |
| Personal services. | 74,138 | 50,000 | 46,611 | 3,389 |
| Operating. | <u>74,955</u> | <u>99,093</u> | <u>78,270</u> | <u>20,823</u> |
| Total expenditures. | <u>149,093</u> | <u>149,093</u> | <u>124,881</u> | <u>24,212</u> |
| Net change in fund balance. | (28,093) | (22,575) | (27,164) | (4,589) |
| Fund balance at beginning of year | 74,261 | 74,261 | 74,261 | - |
| Prior year encumbrances appropriated . . . | <u>547</u> | <u>547</u> | <u>547</u> | <u>-</u> |
| Fund balance at end of year | <u>\$ 46,715</u> | <u>\$ 52,233</u> | <u>\$ 47,644</u> | <u>\$ (4,589)</u> |

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
DOWNTOWN SALES AND RENTAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2009*

| | <u>Budgeted Amounts</u> | | | Variance with Final Budget Positive (Negative) |
|---|-------------------------|--------------|---------------|---|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | |
| Other financing uses: | | | | |
| Transfers out. | \$ (92) | \$ (92) | \$ (92) | \$ - |
| Total other financing uses | (92) | (92) | (92) | - |
| Net change in fund equity | (92) | (92) | (92) | - |
| Fund balance at beginning of year. | <u>92</u> | <u>92</u> | <u>92</u> | <u>-</u> |
| Fund balance at end of year | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SENIOR CENTER TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 2009*

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | Variance with Final Budget Positive (Negative) |
|--|-------------------------|------------------|------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| Revenues: | | | | |
| Investment income | \$ 473 | \$ 1,000 | \$ 492 | \$ (508) |
| Charges for services | 15,012 | 31,750 | 26,563 | (5,187) |
| Other | 4,515 | 9,550 | 6,224 | (3,326) |
| Total revenues. | <u>20,000</u> | <u>42,300</u> | <u>33,279</u> | <u>(9,021)</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Leisure time activities | | | | |
| Personal services. | 5,550 | 5,550 | 3,207 | 2,343 |
| Operating. | 41,061 | 41,181 | 31,492 | 9,689 |
| Capital outlay | <u>12,155</u> | <u>12,155</u> | <u>12,155</u> | <u>-</u> |
| Total expenditures | <u>58,766</u> | <u>58,886</u> | <u>46,854</u> | <u>12,032</u> |
| Net change in fund balance. | (38,766) | (16,586) | (13,575) | 3,011 |
| Fund balance at beginning of year | 59,271 | 59,271 | 59,271 | - |
| Prior year encumbrances appropriated . . . | <u>17,731</u> | <u>17,731</u> | <u>17,731</u> | <u>-</u> |
| Fund balance at end of year | <u>\$ 38,236</u> | <u>\$ 60,416</u> | <u>\$ 63,427</u> | <u>\$ 3,011</u> |

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FIRE PENSION FUND
FOR THE YEAR ENDED DECEMBER 31, 2009*

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | Variance with Final Budget Positive (Negative) |
|--|-------------------------|------------------|------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| Revenues: | | | | |
| Property and other taxes | \$ 114,961 | \$ 104,900 | \$ 97,887 | \$ (7,013) |
| Intergovernmental | 22,028 | 20,100 | 33,866 | 13,766 |
| Total revenues | <u>136,989</u> | <u>125,000</u> | <u>131,753</u> | <u>6,753</u> |
| Expenditures: | | | | |
| Current: | | | | |
| General government | | | | |
| Operating | 2,000 | 2,000 | 1,973 | 27 |
| Public safety | | | | |
| Personal services | <u>150,000</u> | <u>150,000</u> | <u>150,000</u> | <u>-</u> |
| Total expenditures | <u>152,000</u> | <u>152,000</u> | <u>151,973</u> | <u>27</u> |
| Net change in fund balance. | (15,011) | (27,000) | (20,220) | 6,780 |
| Fund balance at beginning of year | <u>40,149</u> | <u>40,149</u> | <u>40,149</u> | <u>-</u> |
| Fund balance at end of year | <u>\$ 25,138</u> | <u>\$ 13,149</u> | <u>\$ 19,929</u> | <u>\$ 6,780</u> |

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
POLICE PENSION FUND
FOR THE YEAR ENDED DECEMBER 31, 2009*

| | <u>Budgeted Amounts</u> | | | Variance with Final Budget Positive (Negative) |
|--|-------------------------|------------------|------------------|---|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | |
| Revenues: | | | | |
| Property and other taxes | \$ 115,062 | \$ 104,900 | \$ 97,887 | \$ (7,013) |
| Intergovernmental | 22,047 | 20,100 | 33,866 | 13,766 |
| Total revenues | <u>137,109</u> | <u>125,000</u> | <u>131,753</u> | <u>6,753</u> |
| Expenditures: | | | | |
| Current: | | | | |
| General government | 2,000 | 2,000 | 1,973 | 27 |
| Operating | | | | |
| Public safety | <u>165,000</u> | <u>165,000</u> | <u>148,356</u> | <u>16,644</u> |
| Personal services | | | | |
| Total expenditures | <u>167,000</u> | <u>167,000</u> | <u>150,329</u> | <u>16,671</u> |
| Net change in fund balance | (29,891) | (42,000) | (18,576) | 23,424 |
| Fund balance at beginning of year | <u>56,479</u> | <u>56,479</u> | <u>56,479</u> | <u>-</u> |
| Fund balance at end of year | <u>\$ 26,588</u> | <u>\$ 14,479</u> | <u>\$ 37,903</u> | <u>\$ 23,424</u> |

CITY OF BARBERTON, OHIO

*COMBINING BALANCE SHEET
NONMAJOR DEBT SERVICE FUNDS
DECEMBER 31, 2009*

| | General Obligation Bond Retirement | Special Assesment Bond Retirement | Total Nonmajor Debt Service Funds |
|---|---|--|--|
| | <u> </u> | <u> </u> | <u> </u> |
| Assets: | | | |
| Equity in pooled cash and cash equivalents. | \$ 428 | \$ 319,708 | \$ 320,136 |
| Receivables (net of allowances for uncollectibles): | | | |
| Special assessments | <u> -</u> | <u> 129,523</u> | <u> 129,523</u> |
| Total assets | <u><u>\$ 428</u></u> | <u><u>\$ 449,231</u></u> | <u><u>\$ 449,659</u></u> |
| Liabilities: | | | |
| Deferred revenue. | <u> -</u> | <u> 129,523</u> | <u> 129,523</u> |
| Total liabilities | <u> -</u> | <u> 129,523</u> | <u> 129,523</u> |
| Fund Balances: | | | |
| Reserved for debt service | <u> 428</u> | <u> 319,708</u> | <u> 320,136</u> |
| Total fund balances | <u><u> 428</u></u> | <u><u> 319,708</u></u> | <u><u> 320,136</u></u> |
| Total liabilities and fund balance | <u><u>\$ 428</u></u> | <u><u>\$ 449,231</u></u> | <u><u>\$ 449,659</u></u> |

CITY OF BARBERTON

*COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR DEBT SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2009*

| | General Obligation Bond Retirement | Special Assesment Bond Retirement | Total Nonmajor Debt Service Funds |
|---|---|--|--|
| Revenues: | | | |
| Special assessments | \$ - | \$ 93,929 | \$ 93,929 |
| Contributions and donations | 402,964 | - | 402,964 |
| | <hr/> | <hr/> | <hr/> |
| Total revenues | 402,964 | 93,929 | 496,893 |
| | <hr/> | <hr/> | <hr/> |
| Expenditures: | | | |
| Debt service: | | | |
| Principal retirement. | 523,914 | 66,944 | 590,858 |
| Interest and fiscal charges | 122,272 | 14,927 | 137,199 |
| Bond issuance costs. | 83,445 | - | 83,445 |
| | <hr/> | <hr/> | <hr/> |
| Total expenditures | 729,631 | 81,871 | 811,502 |
| | <hr/> | <hr/> | <hr/> |
| Excess (deficiency) of revenues over (under) expenditures. | (326,667) | 12,058 | (314,609) |
| | <hr/> | <hr/> | <hr/> |
| Other financing sources: | | | |
| Bonds issued | 39,394 | - | 39,394 |
| Discount on bond issuance | (16,555) | - | (16,555) |
| Transfers in. | 280,954 | - | 280,954 |
| | <hr/> | <hr/> | <hr/> |
| Total other financing sources | 303,793 | - | 303,793 |
| | <hr/> | <hr/> | <hr/> |
| Net change in fund balances. | (22,874) | 12,058 | (10,816) |
| | <hr/> | <hr/> | <hr/> |
| Fund balances at beginning of year | 23,302 | 307,650 | 330,952 |
| | <hr/> | <hr/> | <hr/> |
| Fund balances at end of year | \$ 428 | \$ 319,708 | \$ 320,136 |
| | <hr/> | <hr/> | <hr/> |

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL OBLIGATION BOND RETIREMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2009*

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | Variance with Final Budget Positive (Negative) |
|--|-------------------------|--------------------|--------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| Revenues: | | | | |
| Contributions and donations. | \$ 572,766 | \$ 548,192 | \$ 548,193 | \$ 1 |
| Total revenues. | <u>572,766</u> | <u>548,192</u> | <u>548,193</u> | <u>1</u> |
| Expenditures: | | | | |
| Debt service: | | | | |
| Principal retirement. | 3,292,005 | 3,292,005 | 3,293,914 | (1,909) |
| Interest and fiscal charges. | 169,103 | 204,723 | 205,153 | (430) |
| Discount on bond issuance. | - | 16,555 | 16,555 | - |
| Bond issuance costs | <u>9,944</u> | <u>93,389</u> | <u>83,445</u> | <u>9,944</u> |
| Total expenditures. | <u>3,471,052</u> | <u>3,606,672</u> | <u>3,599,067</u> | <u>7,605</u> |
| Deficiency of revenues under expenditures . | <u>(2,898,286)</u> | <u>(3,058,480)</u> | <u>(3,050,874)</u> | <u>7,606</u> |
| Other financing sources: | | | | |
| Transfers in. | 330,765 | 316,574 | 280,954 | (35,620) |
| Bond issuance | 2,413,554 | 2,310,000 | 2,310,000 | - |
| Premium on bond issuance | 1,094 | 1,047 | 1,046 | (1) |
| Note issuance | <u>455,545</u> | <u>436,000</u> | <u>436,000</u> | <u>-</u> |
| Total other financing sources. | <u>3,200,958</u> | <u>3,063,621</u> | <u>3,028,000</u> | <u>(35,621)</u> |
| Net change in fund balance | 302,672 | 5,141 | (22,874) | (28,015) |
| Fund balance at beginning of year | <u>23,302</u> | <u>23,302</u> | <u>23,302</u> | <u>-</u> |
| Fund balance at end of year | <u>\$ 325,974</u> | <u>\$ 28,443</u> | <u>\$ 428</u> | <u>\$ (28,015)</u> |

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL ASSESSMENT BOND RETIREMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2009*

| | <u>Budgeted Amounts</u> | | | Variance with Final Budget Positive (Negative) |
|--|-------------------------|-------------------|-------------------|---|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | |
| Revenues: | | | | |
| Special assessment | \$ 91,189 | \$ 85,000 | \$ 93,929 | \$ 8,929 |
| Total revenues. | <u>91,189</u> | <u>85,000</u> | <u>93,929</u> | <u>8,929</u> |
| Expenditures: | | | | |
| Debt service: | | | | |
| Principal retirement. | 66,944 | 66,944 | 66,944 | - |
| Interest and fiscal charges. | <u>14,927</u> | <u>14,927</u> | <u>14,927</u> | <u>-</u> |
| Total expenditures. | <u>81,871</u> | <u>81,871</u> | <u>81,871</u> | <u>-</u> |
| Net change in fund balance. | 9,318 | 3,129 | 12,058 | 8,929 |
| Fund balance at beginning of year | <u>307,650</u> | <u>307,650</u> | <u>307,650</u> | <u>-</u> |
| Fund balance at end of year. | <u>\$ 316,968</u> | <u>\$ 310,779</u> | <u>\$ 319,708</u> | <u>\$ 8,929</u> |

CITY OF BARBERTON, OHIO

*COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
DECEMBER 31, 2009*

| | <u>Fire Station Construction</u> | <u>Street Improvement</u> | <u>Senior Center Construction</u> | <u>Issue II</u> |
|---|--------------------------------------|-------------------------------|---|------------------|
| Assets: | | | | |
| Equity in pooled cash and cash equivalents. | \$ 54,278 | \$ - | \$ 13,926 | \$ - |
| Receivables (net of allowances for uncollectibles): | | | | |
| Accounts | <u>6,751</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total assets | <u>\$ 61,029</u> | <u>\$ -</u> | <u>\$ 13,926</u> | <u>\$ -</u> |
| Liabilities: | | | | |
| Accounts payable | \$ - | \$ - | \$ - | \$ - |
| Contracts payable | 17,460 | - | - | - |
| Accrued interest payable. | - | 759 | - | 643 |
| Notes payable | - | 236,000 | - | 200,000 |
| Unamortized premium on notes payable. | <u>-</u> | <u>480</u> | <u>-</u> | <u>566</u> |
| Total liabilities | <u>17,460</u> | <u>237,239</u> | <u>-</u> | <u>201,209</u> |
| Fund Balances: | | | | |
| Reserved for encumbrances. | 8,516 | - | - | - |
| Unreserved, undesignated (deficit) reported in: | | | | |
| Capital projects funds | <u>35,053</u> | <u>(237,239)</u> | <u>13,926</u> | <u>(201,209)</u> |
| Total fund balances (deficit) | <u>43,569</u> | <u>(237,239)</u> | <u>13,926</u> | <u>(201,209)</u> |
| Total liabilities and fund balance | <u>\$ 61,029</u> | <u>\$ -</u> | <u>\$ 13,926</u> | <u>\$ -</u> |

| Infrastructure Improvement Reserve | Street and Storm Sewer Improvement | Total Nonmajor Capital Projects Funds |
|---|---|--|
| \$ 1,158,434 | \$ 7,110 | \$ 1,233,748 |
| - | - | 6,751 |
| <u>\$ 1,158,434</u> | <u>\$ 7,110</u> | <u>\$ 1,240,499</u> |
| | | |
| \$ 36,638 | \$ - | \$ 36,638 |
| - | - | 17,460 |
| - | - | 1,402 |
| - | - | 436,000 |
| - | - | 1,046 |
| <u>36,638</u> | <u>-</u> | <u>492,546</u> |
| | | |
| 114,352 | 5,595 | 128,463 |
| <u>1,007,444</u> | <u>1,515</u> | <u>619,490</u> |
| <u>1,121,796</u> | <u>7,110</u> | <u>747,953</u> |
| | | |
| <u>\$ 1,158,434</u> | <u>\$ 7,110</u> | <u>\$ 1,240,499</u> |

CITY OF BARBERTON

*COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2009*

| | <u>Fire Station Construction</u> | <u>Street Improvement</u> | <u>Senior Center Construction</u> | <u>Issue II</u> |
|--|--------------------------------------|-------------------------------|---|---------------------|
| Revenues: | | | | |
| Investment income | \$ 316 | \$ - | \$ 106 | \$ - |
| Contributions and donations | - | 85,851 | - | 59,378 |
| Other | <u>6,994</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total revenues | <u>7,310</u> | <u>85,851</u> | <u>106</u> | <u>59,378</u> |
| Expenditures: | | | | |
| Capital outlay | 376,892 | - | 26 | - |
| Debt service: | | | | |
| Interest and fiscal charges | <u>31,220</u> | <u>11,744</u> | <u>-</u> | <u>8,918</u> |
| Total expenditures | <u>408,112</u> | <u>11,744</u> | <u>26</u> | <u>8,918</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>(400,802)</u> | <u>74,107</u> | <u>80</u> | <u>50,460</u> |
| Other financing sources (uses): | | | | |
| Bonds issued | 2,270,606 | - | - | - |
| Transfers in | - | - | - | - |
| Transfers out | <u>(10,000)</u> | <u>(38)</u> | <u>-</u> | <u>(1)</u> |
| Total other financing sources (uses). | <u>2,260,606</u> | <u>(38)</u> | <u>-</u> | <u>(1)</u> |
| Net change in fund balances. | 1,859,804 | 74,069 | 80 | 50,459 |
| Fund balances (deficit) at beginning of year . . | <u>(1,816,235)</u> | <u>(311,308)</u> | <u>13,846</u> | <u>(251,668)</u> |
| Fund balances (deficit) at end of year | <u>\$ 43,569</u> | <u>\$ (237,239)</u> | <u>\$ 13,926</u> | <u>\$ (201,209)</u> |

| Infrastructure Improvement Reserve | Street and Storm Sewer Improvement | Total Nonmajor Capital Projects Funds |
|---|---|--|
| \$ 6,971 | \$ - | \$ 7,393 |
| - | - | 145,229 |
| - | - | 6,994 |
| <u>6,971</u> | <u>-</u> | <u>159,616</u> |
| 42,031 | - | 418,949 |
| <u>-</u> | <u>-</u> | <u>51,882</u> |
| <u>42,031</u> | <u>-</u> | <u>470,831</u> |
| <u>(35,060)</u> | <u>-</u> | <u>(311,215)</u> |
| - | - | 2,270,606 |
| 300,000 | - | 300,000 |
| <u>(150,000)</u> | <u>-</u> | <u>(160,039)</u> |
| <u>150,000</u> | <u>-</u> | <u>2,410,567</u> |
| 114,940 | - | 2,099,352 |
| <u>1,006,856</u> | <u>7,110</u> | <u>(1,351,399)</u> |
| <u>\$ 1,121,796</u> | <u>\$ 7,110</u> | <u>\$ 747,953</u> |

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FIRE STATION CONSTRUCTION FUND
FOR THE YEAR ENDED DECEMBER 31, 2009*

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with Final Budget Positive (Negative)</u> |
|--|-------------------------|------------------|------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| Revenues: | | | | |
| Investment income | \$ - | \$ - | \$ 316 | \$ 316 |
| Miscellaneous. | - | - | 2,227 | 2,227 |
| Total revenues. | <u>-</u> | <u>-</u> | <u>2,543</u> | <u>2,543</u> |
| Expenditures: | | | | |
| Capital outlay | 595,500 | 596,320 | 573,004 | 23,316 |
| Total expenditures. | <u>595,500</u> | <u>596,320</u> | <u>573,004</u> | <u>23,316</u> |
| Deficiency of revenues under expenditures . | <u>(595,500)</u> | <u>(596,320)</u> | <u>(570,461)</u> | <u>25,859</u> |
| Other financing uses: | | | | |
| Transfer out | - | (10,000) | (10,000) | - |
| Total other financing uses | <u>-</u> | <u>(10,000)</u> | <u>(10,000)</u> | <u>-</u> |
| Net change in fund balance. | (595,500) | (606,320) | (580,461) | 25,859 |
| Fund balance at beginning of year | 109,411 | 109,411 | 109,411 | - |
| Prior year encumbrances appropriated . . . | 499,352 | 499,352 | 499,352 | - |
| Fund balance at end of year. | <u>\$ 13,263</u> | <u>\$ 2,443</u> | <u>\$ 28,302</u> | <u>\$ 25,859</u> |

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
STREET IMPROVEMENT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2008*

| | <u>Budgeted Amounts</u> | | | <u>Variance with Final Budget Positive (Negative)</u> |
|--|-------------------------|--------------|---------------|---|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | |
| Other financing uses: | | | | |
| Transfers out. | \$ - | \$ (38) | \$ (38) | \$ - |
| Total other financing uses | - | (38) | (38) | - |
| Net change in fund balance. | - | (38) | (38) | - |
| Fund balance at beginning of year | <u>38</u> | <u>38</u> | <u>38</u> | <u>-</u> |
| Fund balance at end of year. | <u>\$ 38</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SENIOR CENTER CONSTRUCTION FUND
FOR THE YEAR ENDED DECEMBER 31, 2009*

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with Final Budget Positive (Negative)</u> |
|--|-------------------------|------------------|------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| Revenues: | | | | |
| Investment income | \$ - | \$ 1,000 | \$ 106 | \$ (894) |
| Total revenues. | - | 1,000 | 106 | (894) |
| Expenditures: | | | | |
| Capital outlay | - | 30 | 26 | 4 |
| Total expenditures. | - | 30 | 26 | 4 |
| Net change in fund balance. | - | 970 | 80 | (890) |
| Fund balance at beginning of year | <u>13,846</u> | <u>13,846</u> | <u>13,846</u> | <u>-</u> |
| Fund balance at end of year. | <u>\$ 13,846</u> | <u>\$ 14,816</u> | <u>\$ 13,926</u> | <u>\$ (890)</u> |

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
ISSUE II FUND
FOR THE YEAR ENDED DECEMBER 31, 2009*

| | <u>Budgeted Amounts</u> | | | Variance with Final Budget Positive (Negative) |
|--|-------------------------|--------------|---------------|---|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | |
| Other financing uses: | | | | |
| Transfers out | \$ - | \$ (1) | \$ (1) | \$ - |
| Total other financing uses | - | (1) | (1) | - |
| Net change in fund balance. | - | (1) | (1) | - |
| Fund balance at beginning of year | <u>1</u> | <u>1</u> | <u>1</u> | <u>-</u> |
| Fund balance at end of year | <u>\$ 1</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
INFRASTRUCTURE IMPROVEMENT RESERVE FUND
FOR THE YEAR ENDED DECEMBER 31, 2009*

| | <u>Budgeted Amounts</u> | | | Variance with Final Budget Positive (Negative) |
|--|-------------------------|-------------------|---------------------|---|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | |
| Revenues: | | | | |
| Investment income | \$ 18,246 | \$ 16,500 | \$ 6,971 | \$ (9,529) |
| Total revenues. | <u>18,246</u> | <u>16,500</u> | <u>6,971</u> | <u>(9,529)</u> |
| Expenditures: | | | | |
| Capital outlay | 209,584 | 223,234 | 160,625 | 62,609 |
| Total expenditures. | <u>209,584</u> | <u>223,234</u> | <u>160,625</u> | <u>62,609</u> |
| Deficiency of revenues under expenditures . | <u>(191,338)</u> | <u>(206,734)</u> | <u>(153,654)</u> | <u>53,080</u> |
| Other financing sources (uses): | | | | |
| Transfers in. | 331,754 | 300,000 | 300,000 | - |
| Transfers out | (150,000) | (150,000) | (150,000) | - |
| Advance in | - | 424,361 | 424,361 | - |
| Advance out | - | (424,361) | (424,361) | - |
| Total other financing sources (uses) | <u>181,754</u> | <u>150,000</u> | <u>150,000</u> | <u>-</u> |
| Net change in fund balance. | (9,584) | (56,734) | (3,654) | 53,080 |
| Fund balance at beginning of year | 891,514 | 891,514 | 891,514 | - |
| Prior year encumbrances appropriated . . . | 119,584 | 119,584 | 119,584 | - |
| Fund balance at end of year. | <u>\$ 1,001,514</u> | <u>\$ 954,364</u> | <u>\$ 1,007,444</u> | <u>\$ 53,080</u> |

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
STREET AND STORM SEWER IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2009*

| | <u>Budgeted Amounts</u> | | | Variance with Final Budget Positive (Negative) |
|--|-------------------------|-----------------|-----------------|---|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | |
| Expenditures: | | | | |
| Capital outlay | \$ 5,595 | \$ 5,595 | \$ 5,595 | \$ - |
| Total expenditures. | <u>5,595</u> | <u>5,595</u> | <u>5,595</u> | <u>-</u> |
| Net change in fund balance. | (5,595) | (5,595) | (5,595) | - |
| Fund balance at beginning of year | 1,515 | 1,515 | 1,515 | - |
| Prior year encumbrances appropriated . . . | <u>5,595</u> | <u>5,595</u> | <u>5,595</u> | <u>-</u> |
| Fund balance at end of year | <u>\$ 1,515</u> | <u>\$ 1,515</u> | <u>\$ 1,515</u> | <u>\$ -</u> |

CITY OF BARBERTON, OHIO

*INDIVIDUAL FUND SCHEDULES
FUND DESCRIPTIONS - PROPRIETARY FUNDS*

ENTERPRISE FUNDS

To account for the financing of costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis that are financed or recovered primarily through user charges.

Major Enterprise Funds

Water Fund

This fund accounts for revenues generated from the charges for the treatment and provision of water to the residents and commercial users of the City.

Sewer Fund

This fund accounts for the sanitary sewer services provided to the residents and commercial users of the City. The costs of providing these services are financed primarily through user charges.

Solid Waste Fund

This fund accounts for refuse and recycling collection services provided to residential users within the City.

Nonmajor Enterprise Funds

Storm Water Fund

This fund accounts for the storm drainage runoff services provided to the residents and commercial users of the City. The costs of providing these services are financed primarily through user charges.

Community Center Fund

This fund accounts for the revenues and expenses of an indoor natatorium and fitness center.

INTERNAL SERVICE FUNDS

To account for the financing of services provided by one department or agency to other departments or agencies of the City on a cost-reimbursement basis.

Nonmajor Internal Service Funds

Health Insurance Fund

This fund accounts for the costs of medical benefits provided to the City's employees.

Internal Allocation Fund

This fund accounts for the cost of postage and gasoline used by City departments and outside sources.

CITY OF BARBERTON, OHIO

*COMBINING STATEMENT OF FUND NET ASSETS
NONMAJOR ENTERPRISE FUNDS
DECEMBER 31, 2009*

| | <u>Storm Water</u> | <u>Total Nonmajor Enterprise Funds</u> |
|--|------------------------|--|
| Assets: | | |
| Current assets: | | |
| Equity in pooled cash and cash equivalents . . . | \$ 758,586 | \$ 758,586 |
| Receivables (net of allowance for uncollectibles): | | |
| Accounts | 74,933 | 74,933 |
| Total current assets | <u>833,519</u> | <u>833,519</u> |
| Noncurrent assets: | | |
| Capital assets: | | |
| Nondepreciable capital assets | 66,394 | 66,394 |
| Depreciable capital assets, net. | 3,405,637 | 3,405,637 |
| Total capital assets. | <u>3,472,031</u> | <u>3,472,031</u> |
| Total noncurrent assets | <u>3,472,031</u> | <u>3,472,031</u> |
| Total assets | <u>4,305,550</u> | <u>4,305,550</u> |
| Liabilities: | | |
| Current liabilities: | | |
| Accounts payable | 20,874 | 20,874 |
| Accrued wages and benefits | 3,606 | 3,606 |
| Intergovernmental | 12,540 | 12,540 |
| Current portion of capital lease obligations . . . | 54,957 | 54,957 |
| Current portion of compensated absences . . . | 5,648 | 5,648 |
| Total current liabilities | <u>97,625</u> | <u>97,625</u> |
| Long-term liabilities: | | |
| Capital lease obligations. | 57,222 | 57,222 |
| Compensated absences | 25,140 | 25,140 |
| Total long-term liabilities | <u>82,362</u> | <u>82,362</u> |
| Total liabilities | <u>179,987</u> | <u>179,987</u> |
| Net assets: | | |
| Invested in capital assets, net of related debt . | 3,359,852 | 3,359,852 |
| Unrestricted | 765,711 | 765,711 |
| Total net assets | <u>\$ 4,125,563</u> | <u>\$ 4,125,563</u> |

CITY OF BARBERTON, OHIO

*COMBINING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET ASSETS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2009*

| | Storm Water | Community Center | Total Nonmajor Enterprise Funds |
|---|----------------------------|-----------------------------|--|
| Operating revenues: | | | |
| Charges for services | \$ 743,787 | \$ - | \$ 743,787 |
| Other | 426 | - | 426 |
| Total operating revenues | <u>744,213</u> | <u>-</u> | <u>744,213</u> |
| Operating expenses: | | | |
| Personal services | 264,688 | - | 264,688 |
| Contract services | 15,058 | - | 15,058 |
| Materials and supplies | 142,122 | - | 142,122 |
| Other | 3,944 | - | 3,944 |
| Depreciation | 260,859 | - | 260,859 |
| Total operating expenses | <u>686,671</u> | <u>-</u> | <u>686,671</u> |
| Operating income | <u>57,542</u> | <u>-</u> | <u>57,542</u> |
| Nonoperating expenses: | | | |
| Interest expense and fiscal charges | <u>(6,823)</u> | <u>-</u> | <u>(6,823)</u> |
| Total nonoperating expenses | <u>(6,823)</u> | <u>-</u> | <u>(6,823)</u> |
| Income before transfers and special item | 50,719 | - | 50,719 |
| Transfers in | - | 188,622 | 188,622 |
| Transfers out | - | (39,237) | (39,237) |
| Special item - disposal of community center | <u>-</u> | <u>(848,623)</u> | <u>(848,623)</u> |
| Changes in net assets | 50,719 | (699,238) | (648,519) |
| Net assets at beginning of year | <u>4,074,844</u> | <u>699,238</u> | <u>4,774,082</u> |
| Net assets at end of year | <u><u>\$ 4,125,563</u></u> | <u><u>\$ -</u></u> | <u><u>\$ 4,125,563</u></u> |

CITY OF BARBERTON, OHIO

*COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2009*

| | Storm Water | Community Center | Total Nonmajor Enterprise Funds |
|---|------------------------|-----------------------------|--|
| Cash flows from operating activities: | | | |
| Cash received from customers | \$ 784,167 | \$ - | \$ 784,167 |
| Cash received from other operations. | 426 | 3 | 429 |
| Cash payments for personal services | (269,684) | (35) | (269,719) |
| Cash payments for contract services | (21,021) | - | (21,021) |
| Cash payments for materials and supplies . . . | (143,868) | - | (143,868) |
| Net cash provided by (used in) operating activities. | <u>350,020</u> | <u>(32)</u> | <u>349,988</u> |
| Cash flows from noncapital financing activities: | | | |
| Transfers out to other funds. | - | (39,898) | (39,898) |
| Net cash used in noncapital financing activities | <u>-</u> | <u>(39,898)</u> | <u>(39,898)</u> |
| Cash flows from capital and related financing activities: | | | |
| Acquisition of capital assets. | (116,153) | - | (116,153) |
| Principal retirement | (52,783) | - | (52,783) |
| Interest and fiscal charges. | (6,823) | - | (6,823) |
| Net cash used in capital and related financing activities | <u>(175,759)</u> | <u>-</u> | <u>(175,759)</u> |
| Net increase (decrease) in cash and cash equivalents. | 174,261 | (39,930) | 134,331 |
| Cash and cash equivalents at beginning of year | <u>584,325</u> | <u>39,930</u> | <u>624,255</u> |
| Cash and cash equivalents at end of year . . . | <u>\$ 758,586</u> | <u>\$ -</u> | <u>\$ 758,586</u> |
| Reconciliation of operating income to net cash provided by (used in) operating activities: | | | |
| Operating income | \$ 57,542 | \$ - | \$ 57,542 |
| Adjustments: | | | |
| Depreciation | 260,859 | - | 260,859 |
| Changes in assets and liabilities: | | | |
| Decrease in accounts receivable | 38,361 | - | 38,361 |
| Decrease in accounts payable. | (1,746) | - | (1,746) |
| Decrease in accrued wages and benefits . . . | (7,376) | - | (7,376) |
| Increase (decrease) in due to other governments | 1,892 | (32) | 1,860 |
| Increase in compensated absences payable. | 488 | - | 488 |
| Net cash provided by (used in) operating activities | <u>\$ 350,020</u> | <u>\$ (32)</u> | <u>\$ 349,988</u> |

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
WATER FUND
FOR THE YEAR ENDED DECEMBER 31, 2009*

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with</u> |
|---|-------------------------|---------------------|---------------------|----------------------|
| | <u>Original</u> | <u>Final</u> | | <u>Final Budget</u> |
| | | | | <u>Positive</u> |
| | | | | <u>(Negative)</u> |
| Operating revenues: | | | | |
| Charges for services | \$ 4,449,151 | \$ 5,184,961 | \$ 4,882,313 | \$ (302,648) |
| Other | - | - | 5,582 | 5,582 |
| Total revenues | <u>4,449,151</u> | <u>5,184,961</u> | <u>4,887,895</u> | <u>(297,066)</u> |
| Operating expenses: | | | | |
| Personal services | 2,296,900 | 2,296,900 | 2,210,083 | 86,817 |
| Contractual services | 165,857 | 179,007 | 165,980 | 13,027 |
| Materials and supplies | 1,063,546 | 1,075,396 | 1,024,710 | 50,686 |
| Other | 34,500 | 43,390 | 41,477 | 1,913 |
| Capital outlay | <u>3,415,613</u> | <u>3,390,613</u> | <u>3,175,746</u> | <u>214,867</u> |
| Total expenses | <u>6,976,416</u> | <u>6,985,306</u> | <u>6,617,996</u> | <u>367,310</u> |
| Operating loss | <u>(2,527,265)</u> | <u>(1,800,345)</u> | <u>(1,730,101)</u> | <u>70,244</u> |
| Nonoperating revenues (expenses): | | | | |
| Investment income | - | - | 32,665 | 32,665 |
| Special assessments | - | - | 4,605 | 4,605 |
| Bonds issued | 888,520 | 1,035,465 | 1,035,465 | - |
| Notes issued | 947,329 | 1,104,000 | 1,204,000 | 100,000 |
| Premium on notes issued | - | - | 273 | 273 |
| Debt service: | | | | |
| Principal retirement | (2,177,883) | (3,081,465) | (3,181,434) | (99,969) |
| Interest and fiscal charges | (338,069) | (482,105) | (482,060) | 45 |
| Bond issuance costs | (29,554) | (38,040) | (38,040) | - |
| Discount on bond issuance | <u>(5,210)</u> | <u>(7,372)</u> | <u>(7,375)</u> | <u>(3)</u> |
| Total nonoperating revenues (expenses) | <u>(714,867)</u> | <u>(1,469,517)</u> | <u>(1,431,901)</u> | <u>37,616</u> |
| Net change in fund equity | (3,242,132) | (3,269,862) | (3,162,002) | 107,860 |
| Fund equity at beginning of year | 1,940,027 | 1,940,027 | 1,940,027 | - |
| Prior year encumbrances appropriated | <u>3,197,536</u> | <u>3,197,536</u> | <u>3,197,536</u> | <u>-</u> |
| Fund equity at end of year | <u>\$ 1,895,431</u> | <u>\$ 1,867,701</u> | <u>\$ 1,975,561</u> | <u>\$ 107,860</u> |

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SEWER FUND
FOR THE YEAR ENDED DECEMBER 31, 2009*

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | Variance with Final Budget Positive (Negative) |
|---|-------------------------|---------------------|---------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| Operating revenues: | | | | |
| Charges for services | \$ 4,323,159 | \$ 4,422,467 | \$ 4,259,210 | \$ (163,257) |
| Other | 1,955 | 2,000 | 2,637 | 637 |
| Total revenues | <u>4,325,114</u> | <u>4,424,467</u> | <u>4,261,847</u> | <u>(162,620)</u> |
| Operating expenses: | | | | |
| Personal services | 2,014,300 | 2,014,300 | 1,938,793 | 75,507 |
| Contractual services | 277,596 | 375,596 | 354,179 | 21,417 |
| Materials and supplies | 1,304,236 | 1,288,235 | 1,118,526 | 169,709 |
| Other | 17,000 | 17,000 | 12,163 | 4,837 |
| Capital outlay | <u>1,482,490</u> | <u>1,649,491</u> | <u>1,226,316</u> | <u>423,175</u> |
| Total expenses | <u>5,095,622</u> | <u>5,344,622</u> | <u>4,649,977</u> | <u>694,645</u> |
| Operating loss | <u>(770,508)</u> | <u>(920,155)</u> | <u>(388,130)</u> | <u>532,025</u> |
| Nonoperating revenues (expenses): | | | | |
| Special assessments | 2,444 | 2,500 | 6,110 | 3,610 |
| Bonds issued | 102,188 | 104,535 | 104,535 | - |
| Notes issued | 97,754 | - | - | - |
| Debt service: | | | | |
| Principal retirement | (473,999) | (478,956) | (478,953) | 3 |
| Interest and fiscal charges | (43,967) | (44,427) | (45,922) | (1,495) |
| Bond issuance costs | (3,801) | (3,841) | (3,841) | - |
| Discount on bond issuance | <u>(739)</u> | <u>(747)</u> | <u>(745)</u> | <u>2</u> |
| Total nonoperating revenues (expenses) | <u>(320,120)</u> | <u>(420,936)</u> | <u>(418,816)</u> | <u>2,120</u> |
| Net change in fund equity | (1,090,628) | (1,341,091) | (806,946) | 534,145 |
| Fund equity at beginning of year | 2,201,657 | 2,201,657 | 2,201,657 | - |
| Prior year encumbrances appropriated | <u>304,172</u> | <u>304,172</u> | <u>304,172</u> | <u>-</u> |
| Fund equity at end of year | <u>\$ 1,415,201</u> | <u>\$ 1,164,738</u> | <u>\$ 1,698,883</u> | <u>\$ 534,145</u> |

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SOLID WASTE FUND
FOR THE YEAR ENDED DECEMBER 31, 2009*

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | Variance with Final Budget Positive (Negative) |
|---|-------------------------|-------------------|-------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| Operating revenues: | | | | |
| Charges for services | \$ 1,890,000 | \$ 1,850,000 | \$ 1,917,540 | \$ 67,540 |
| Other. | - | - | 71 | 71 |
| Total revenues | <u>1,890,000</u> | <u>1,850,000</u> | <u>1,917,611</u> | <u>67,611</u> |
| Operating expenses: | | | | |
| Personal services. | 57,639 | 57,639 | 53,892 | 3,747 |
| Contractual services | 2,162,124 | 2,162,124 | 2,133,164 | 28,960 |
| Materials and supplies | <u>6,200</u> | <u>6,200</u> | <u>2,599</u> | <u>3,601</u> |
| Total expenses | <u>2,225,963</u> | <u>2,225,963</u> | <u>2,189,655</u> | <u>36,308</u> |
| Net change in fund equity | (335,963) | (375,963) | (272,044) | 103,919 |
| Fund equity at beginning of year. | 483,660 | 483,660 | 483,660 | - |
| Prior year encumbrances appropriated . . . | <u>412,124</u> | <u>412,124</u> | <u>412,124</u> | - |
| Fund equity at end of year | <u>\$ 559,821</u> | <u>\$ 519,821</u> | <u>\$ 623,740</u> | <u>\$ 103,919</u> |

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
STORM WATER FUND
FOR THE YEAR ENDED DECEMBER 31, 2009*

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with Final Budget Positive (Negative)</u> |
|---|-------------------------|-------------------|-------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| Operating revenues: | | | | |
| Charges for services | \$ 800,000 | \$ 800,000 | \$ 784,167 | \$ (15,833) |
| Other. | - | - | 426 | 426 |
| Total revenues | <u>800,000</u> | <u>800,000</u> | <u>784,593</u> | <u>(15,407)</u> |
| Operating expenses: | | | | |
| Personal services. | 238,075 | 273,075 | 272,123 | 952 |
| Contractual services | 25,650 | 30,650 | 26,576 | 4,074 |
| Materials and supplies | 193,898 | 188,898 | 134,791 | 54,107 |
| Capital outlay | 741,126 | 741,126 | 473,681 | 267,445 |
| Total expenses | <u>1,198,749</u> | <u>1,233,749</u> | <u>907,171</u> | <u>326,578</u> |
| Operating loss | <u>(398,749)</u> | <u>(433,749)</u> | <u>(122,578)</u> | <u>311,171</u> |
| Nonoperating revenues (expenses): | | | | |
| Premium on notes issued | 250,000 | 250,000 | - | (250,000) |
| Debt service: | | | | |
| Principal retirement | (52,805) | (52,805) | (52,783) | 22 |
| Interest and fiscal charges. | <u>(6,803)</u> | <u>(6,803)</u> | <u>(6,823)</u> | <u>(20)</u> |
| Total nonoperating revenues (expenses). . . | <u>190,392</u> | <u>190,392</u> | <u>(59,606)</u> | <u>(249,998)</u> |
| Net change in fund equity | (208,357) | (243,357) | (182,184) | 61,173 |
| Fund equity at beginning of year. | 327,356 | 327,356 | 327,356 | - |
| Prior year encumbrances appropriated . . . | <u>253,804</u> | <u>253,804</u> | <u>253,804</u> | <u>-</u> |
| Fund equity at end of year | <u>\$ 372,803</u> | <u>\$ 337,803</u> | <u>\$ 398,976</u> | <u>\$ 61,173</u> |

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
COMMUNITY CENTER FUND
FOR THE YEAR ENDED DECEMBER 31, 2009*

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with Final Budget Positive (Negative)</u> |
|--|-------------------------|-----------------|-----------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| Operating revenues: | | | | |
| Other | \$ 150,000 | \$ - | \$ 3 | \$ 3 |
| Total revenues | <u>150,000</u> | <u>-</u> | <u>3</u> | <u>3</u> |
| Operating income | <u>150,000</u> | <u>-</u> | <u>3</u> | <u>3</u> |
| Nonoperating expenses: | | | | |
| Debt service: | | | | |
| Principal retirement | <u>(39,895)</u> | <u>(39,895)</u> | <u>-</u> | <u>39,895</u> |
| Total nonoperating expenses | <u>(39,895)</u> | <u>(39,895)</u> | <u>-</u> | <u>39,895</u> |
| Net change in fund equity before transfers | <u>110,105</u> | <u>(39,895)</u> | <u>3</u> | <u>39,898</u> |
| Transfers out | <u>-</u> | <u>-</u> | <u>(39,898)</u> | <u>39,898</u> |
| Net change in fund equity | 110,105 | (39,895) | (39,895) | 79,796 |
| Fund equity at beginning of year | <u>39,895</u> | <u>39,895</u> | <u>39,895</u> | <u>-</u> |
| Fund equity at end of year | <u>\$ 150,000</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 79,796</u> |

CITY OF BARBERTON, OHIO

*COMBINING STATEMENT OF NET ASSETS
NONMAJOR INTERNAL SERVICE FUNDS
DECEMBER 31, 2009*

| | Health Insurance | Internal Allocation | Total Nonmajor Internal Service Funds |
|--|-----------------------------|--------------------------------|--|
| | <hr/> | <hr/> | <hr/> |
| Assets: | | | |
| Current assets: | | | |
| Equity in pooled cash and cash equivalents . . . | \$ 1,142,086 | \$ 55,561 | \$ 1,197,647 |
| Receivables (net of allowance for uncollectibles): | | | |
| Accounts | 7,656 | 7,593 | 15,249 |
| | <hr/> | <hr/> | <hr/> |
| Total assets | 1,149,742 | 63,154 | 1,212,896 |
| | <hr/> | <hr/> | <hr/> |
| Liabilities: | | | |
| Current liabilities: | | | |
| Accounts payable | - | 15,620 | 15,620 |
| Claims payable. | 255,779 | - | 255,779 |
| | <hr/> | <hr/> | <hr/> |
| Total liabilities | 255,779 | 15,620 | 271,399 |
| | <hr/> | <hr/> | <hr/> |
| Net assets: | | | |
| Unrestricted | 893,963 | 47,534 | 941,497 |
| Total net assets | <u>\$ 893,963</u> | <u>\$ 47,534</u> | <u>\$ 941,497</u> |

CITY OF BARBERTON, OHIO

*COMBINING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET ASSETS
NONMAJOR INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2009*

| | Health Insurance | Internal Allocation | Total Nonmajor Internal Service Funds |
|--|-----------------------------|--------------------------------|--|
| Operating revenues: | | | |
| Charges for services | \$ 2,497,442 | \$ 298,549 | \$ 2,795,991 |
| Other | 49,276 | - | 49,276 |
| Total operating revenues | <u>2,546,718</u> | <u>298,549</u> | <u>2,845,267</u> |
| Operating expenses: | | | |
| Contract services | 197,060 | - | 197,060 |
| Materials and supplies | - | 318,238 | 318,238 |
| Claims | <u>2,440,335</u> | <u>-</u> | <u>2,440,335</u> |
| Total operating expenses | <u>2,637,395</u> | <u>318,238</u> | <u>2,955,633</u> |
| Changes in net assets | (90,677) | (19,689) | (110,366) |
| Net assets at beginning of year | <u>984,640</u> | <u>67,223</u> | <u>1,051,863</u> |
| Net assets at end of year | <u>\$ 893,963</u> | <u>\$ 47,534</u> | <u>\$ 941,497</u> |

CITY OF BARBERTON, OHIO

*COMBINING STATEMENT OF CASH FLOWS
NONMAJOR INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2009*

| | Health Insurance | Internal Allocation | Total Nonmajor Internal Service Funds |
|---|-----------------------------|--------------------------------|--|
| Cash flows from operating activities: | | | |
| Cash received from customers | \$ 2,497,442 | \$ - | \$ 2,497,442 |
| Cash received from other funds | - | 295,498 | 295,498 |
| Cash received from other operations. | 41,620 | - | 41,620 |
| Cash payments for contract services | (197,060) | - | (197,060) |
| Cash payments for materials and supplies | - | (311,672) | (311,672) |
| Cash payments for claims | (2,675,650) | - | (2,675,650) |
| Net decrease in cash and cash equivalents | (333,648) | (16,174) | (349,822) |
| Cash and cash equivalents at beginning of year | <u>1,475,734</u> | <u>71,735</u> | <u>1,547,469</u> |
| Cash and cash equivalents at end of year | <u><u>\$ 1,142,086</u></u> | <u><u>\$ 55,561</u></u> | <u><u>\$ 1,197,647</u></u> |
| Reconciliation of operating loss to net cash used in operating activities: | | | |
| Operating loss | \$ (90,677) | \$ (19,689) | \$ (110,366) |
| Changes in assets and liabilities: | | | |
| Increase in accounts receivable | (7,656) | (3,051) | (10,707) |
| Increase in accounts payable | - | 6,566 | 6,566 |
| Decrease in claims payable | (235,315) | - | (235,315) |
| Net cash used in operating activities. | <u><u>\$ (333,648)</u></u> | <u><u>\$ (16,174)</u></u> | <u><u>\$ (349,822)</u></u> |

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
HEALTH INSURANCE FUND
FOR THE YEAR ENDED DECEMBER 31, 2009*

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | Variance with Final Budget Positive (Negative) |
|---|-------------------------|---------------------|---------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| Operating revenues: | | | | |
| Charges for services | \$ 2,430,000 | \$ 2,398,595 | \$ 2,497,442 | \$ 98,847 |
| Other. | - | - | 41,620 | 41,620 |
| Total revenues | <u>2,430,000</u> | <u>2,398,595</u> | <u>2,539,062</u> | <u>140,467</u> |
| Operating expenses: | | | | |
| Contractual services | 206,253 | 206,253 | 218,660 | (12,407) |
| Claims | <u>2,424,024</u> | <u>2,624,024</u> | <u>2,675,650</u> | <u>(51,626)</u> |
| Total expenses | <u>2,630,277</u> | <u>2,830,277</u> | <u>2,894,310</u> | <u>(64,033)</u> |
| Net change in fund equity | (200,277) | (431,682) | (355,248) | 76,434 |
| Fund equity at beginning of year. | 1,451,734 | 1,451,734 | 1,451,734 | - |
| Prior year encumbrances appropriated . . . | <u>24,000</u> | <u>24,000</u> | <u>24,000</u> | - |
| Fund equity at end of year | <u>\$ 1,275,457</u> | <u>\$ 1,044,052</u> | <u>\$ 1,120,486</u> | <u>\$ 76,434</u> |

CITY OF BARBERTON, OHIO

*SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
INTERNAL ALLOCATION FUND
FOR THE YEAR ENDED DECEMBER 31, 2009*

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | Variance with Final Budget Positive (Negative) |
|---|-------------------------|-----------------|------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| Operating revenues: | | | | |
| Charges for services | \$ 385,000 | \$ 499,000 | \$ 295,498 | \$ (203,502) |
| Total revenues | <u>385,000</u> | <u>499,000</u> | <u>295,498</u> | <u>(203,502)</u> |
| Operating expenses: | | | | |
| Materials and supplies | 568,320 | 568,320 | 331,672 | 236,648 |
| Total expenses | <u>568,320</u> | <u>568,320</u> | <u>331,672</u> | <u>236,648</u> |
| Net change in fund equity | (183,320) | (69,320) | (36,174) | 33,146 |
| Fund equity (deficit) at beginning of year . . | (21,585) | (21,585) | (21,585) | - |
| Prior year encumbrances appropriated . . . | <u>93,320</u> | <u>93,320</u> | <u>93,320</u> | <u>-</u> |
| Fund equity (deficit) at end of year. | <u>\$ (111,585)</u> | <u>\$ 2,415</u> | <u>\$ 35,561</u> | <u>\$ 33,146</u> |

CITY OF BARBERTON, OHIO

*INDIVIDUAL FUND SCHEDULES
FUND DESCRIPTION - AGENCY FUNDS*

Agency Funds

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

Deposit Fund

To account for monies put on deposit with the City in accordance with various City ordinances.

New Haven/Forest City Fund

This fund accounts for monies received by the City that are required to be distributed to various entities for use in constructing the New Haven development and making the associated debt payments.

CITY OF BARBERTON, OHIO

*COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2009*

| | Beginning Balance 12/31/2008 | Additions | Reductions | Ending Balance 12/31/2009 |
|---|---|-------------------|-------------------|--|
| Deposit | | | | |
| Assets: | | | | |
| Equity in pooled cash and cash equivalents | \$ 155,308 | \$ (3,936) | \$ 235 | \$ 151,137 |
| Total assets. | <u>\$ 155,308</u> | <u>\$ (3,936)</u> | <u>\$ 235</u> | <u>\$ 151,137</u> |
| Liabilities: | | | | |
| Deposits held and due to others | \$ 155,308 | \$ (3,936) | \$ 235 | \$ 151,137 |
| Total liabilities | <u>\$ 155,308</u> | <u>\$ (3,936)</u> | <u>\$ 235</u> | <u>\$ 151,137</u> |
| New Haven/Forest City | | | | |
| Assets: | | | | |
| Equity in pooled cash and cash equivalents | \$ - | \$ 444,261 | \$ 444,261 | \$ - |
| Total assets. | <u>\$ -</u> | <u>\$ 444,261</u> | <u>\$ 444,261</u> | <u>\$ -</u> |
| Liabilities: | | | | |
| Deposits held and due to others | \$ - | \$ 444,261 | \$ 444,261 | \$ - |
| Total liabilities | <u>\$ -</u> | <u>\$ 444,261</u> | <u>\$ 444,261</u> | <u>\$ -</u> |
| Total Agency Funds | | | | |
| Assets: | | | | |
| Equity in pooled cash and cash equivalents | \$ 155,308 | \$ 440,325 | \$ 444,496 | \$ 151,137 |
| Total assets. | <u>\$ 155,308</u> | <u>\$ 440,325</u> | <u>\$ 444,496</u> | <u>\$ 151,137</u> |
| Liabilities: | | | | |
| Deposits held and due to others | \$ 155,308 | \$ 440,325 | \$ 444,496 | \$ 151,137 |
| Total liabilities | <u>\$ 155,308</u> | <u>\$ 440,325</u> | <u>\$ 444,496</u> | <u>\$ 151,137</u> |

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STATISTICAL SECTION

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CITY OF BARBERTON, OHIO
STATISTICAL SECTION
TABLE OF CONTENTS

This part of the City of Barberton's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

| <u>Contents</u> | <u>Page</u> |
|--|--------------------|
| Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time. | 158-167 |
| Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue sources, income and property taxes. | 168-175 |
| Debt Capacity These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future. | 176-182 |
| Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place. | 183-184 |
| Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs. | 186-191 |

Sources: Sources are noted on the individual schedules. The City implemented GASB Statement 34 in 2003; schedules presenting government-wide information include information beginning in that year.

CITY OF BARBERTON, OHIO

*NET ASSETS BY COMPONENT
LAST SEVEN YEARS
(ACCRUAL BASIS OF ACCOUNTING)*

| | <u>2009</u> | <u>2008</u> | <u>2007</u> | <u>2006</u> |
|---|----------------------|----------------------|----------------------|----------------------|
| Governmental Activities | | | | |
| Invested in capital assets, net of related debt | \$ 18,536,399 | \$ 17,207,130 | \$ 17,895,365 | \$ 15,884,161 |
| Restricted for: | | | | |
| Capital projects | 1,142,832 | 633,917 | 779,845 | 2,337,727 |
| Debt service | 415,866 | 299,259 | 506,371 | 516,125 |
| Transportation projects | 881,165 | 1,204,290 | 1,221,355 | 1,095,324 |
| Community development projects | 588,994 | 1,028,741 | 997,544 | 862,668 |
| Other projects | 1,223,244 | 1,269,994 | 1,050,941 | 1,269,116 |
| Unrestricted | 401,450 | 3,298,794 | 2,914,075 | 3,191,576 |
| Total governmental activities net assets | <u>\$ 23,189,950</u> | <u>\$ 24,942,125</u> | <u>\$ 25,365,496</u> | <u>\$ 25,156,697</u> |
| Business-type Activities | | | | |
| Invested in capital assets, net of related debt | \$ 30,422,322 | \$ 31,995,482 | \$ 31,383,963 | \$ 30,704,621 |
| Restricted for: | | | | |
| Debt service | - | - | - | 31,821 |
| Other projects | 801,222 | 1,039,101 | 1,008,948 | 1,237,596 |
| Unrestricted | 8,211,503 | 6,806,972 | 6,485,673 | 5,975,596 |
| Total business-type activities net assets | <u>\$ 39,435,047</u> | <u>\$ 39,841,555</u> | <u>\$ 38,878,584</u> | <u>\$ 37,949,634</u> |
| Total Primary Government | | | | |
| Invested in capital assets, net of related debt | \$ 48,958,721 | \$ 49,202,612 | \$ 49,279,328 | \$ 46,588,782 |
| Restricted for: | | | | |
| Capital projects | 1,142,832 | 633,917 | 779,845 | 2,337,727 |
| Debt service | 415,866 | 299,259 | 506,371 | 547,946 |
| Transportation projects | 881,165 | 1,204,290 | 1,221,355 | 1,095,324 |
| Community development projects | 588,994 | 1,028,741 | 997,544 | 862,668 |
| Other projects | 2,024,466 | 2,309,095 | 2,059,889 | 2,506,712 |
| Unrestricted | 8,612,953 | 10,105,766 | 9,399,748 | 9,167,172 |
| Total primary government net assets | <u>\$ 62,624,997</u> | <u>\$ 64,783,680</u> | <u>\$ 64,244,080</u> | <u>\$ 63,106,331</u> |

Note: 2003 was the first year the City implemented GASB Statement No. 34, so comparative information before that date is not available.

| <u>2005</u> | <u>2004</u> | <u>2003</u> |
|----------------------|----------------------|----------------------|
| \$ 19,954,622 | \$ 23,568,720 | \$ 21,528,319 |
| 4,443,464 | 884,157 | 582,840 |
| 537,306 | 176,573 | 408,930 |
| 843,410 | 660,339 | 263,116 |
| 764,691 | 773,257 | 1,257,960 |
| 2,312,611 | 2,028,216 | 2,043,398 |
| 978,746 | 503,102 | 1,090,277 |
| <u>\$ 29,834,850</u> | <u>\$ 28,594,364</u> | <u>\$ 27,174,840</u> |
| | | |
| \$ 24,952,452 | \$ 26,599,164 | \$ 25,922,369 |
| 663,928 | 701,095 | 709,457 |
| 2,236,554 | 2,432,132 | 2,397,248 |
| 5,955,495 | 2,969,473 | 2,880,167 |
| <u>\$ 33,808,429</u> | <u>\$ 32,701,864</u> | <u>\$ 31,909,241</u> |
| | | |
| \$ 44,907,074 | \$ 50,167,884 | \$ 47,450,688 |
| 4,443,464 | 884,157 | 582,840 |
| 1,201,234 | 877,668 | 1,118,387 |
| 843,410 | 660,339 | 263,116 |
| 764,691 | 773,257 | 1,257,960 |
| 4,549,165 | 4,460,348 | 4,440,646 |
| 6,934,241 | 3,472,575 | 3,970,444 |
| <u>\$ 63,643,279</u> | <u>\$ 61,296,228</u> | <u>\$ 59,084,081</u> |

CITY OF BARBERTON, OHIO

*CHANGES IN NET ASSETS
LAST SEVEN YEARS
(ACCRUAL BASIS OF ACCOUNTING)*

| | <u>2009</u> | <u>2008</u> | <u>2007</u> | <u>2006</u> |
|---|------------------------|------------------------|------------------------|------------------------|
| Program Revenues: | | | | |
| Governmental activities: | | | | |
| Charges for services: | | | | |
| General government | \$ 1,892,083 | \$ 1,786,759 | \$ 1,547,954 | \$ 1,600,236 |
| Public safety | 603,223 | 621,327 | 523,684 | 463,696 |
| Health and welfare | 616,814 | 798,884 | 973,909 | 854,293 |
| Transportation | 46,636 | 79,507 | 4,520 | 48,592 |
| Community environment | 167,840 | 172,991 | 179,663 | 233,326 |
| Leisure time activities | 130,748 | 94,240 | 138,278 | 80,098 |
| Operating grants and contributions | 4,164,877 | 3,855,139 | 3,521,558 | 3,702,419 |
| Capital grants and contributions | 145,229 | 147,321 | 152,821 | 160,183 |
| Total governmental activities program revenues | <u>7,767,450</u> | <u>7,556,168</u> | <u>7,042,387</u> | <u>7,142,843</u> |
| Business-type activities: | | | | |
| Charges for services: | | | | |
| Water | 4,594,956 | 4,574,609 | 4,242,131 | 4,202,919 |
| Sewer | 4,096,518 | 4,289,991 | 4,347,404 | 4,091,632 |
| Storm Water | 743,787 | 796,332 | 775,680 | 498,372 |
| Solid Waste | 1,939,373 | 1,835,994 | 1,839,605 | 1,467,339 |
| Community Center | - | - | 80,666 | 292,976 |
| Lake Cinema | - | - | - | 257 |
| Total business-type activities program revenues | <u>11,374,634</u> | <u>11,496,926</u> | <u>11,285,486</u> | <u>10,553,495</u> |
| Total primary government | <u>\$ 19,142,084</u> | <u>\$ 19,053,094</u> | <u>\$ 18,327,873</u> | <u>\$ 17,696,338</u> |
| Expenses: | | | | |
| Governmental activities: | | | | |
| General government | \$ 4,554,994 | \$ 4,619,097 | \$ 3,883,172 | \$ 4,097,563 |
| Public safety | 11,207,888 | 11,339,496 | 10,049,252 | 9,745,177 |
| Health and welfare | 1,511,973 | 1,889,854 | 2,343,579 | 2,384,744 |
| Transportation | 2,340,290 | 2,265,378 | 2,025,147 | 2,218,732 |
| Community environment | 2,292,939 | 1,855,258 | 1,535,323 | 1,303,440 |
| Leisure time activities | 1,294,285 | 1,636,664 | 1,240,444 | 1,742,270 |
| Intergovernmental | - | - | 1,578,763 | 1,328,572 |
| Interest and fiscal charges | 289,245 | 253,275 | 265,787 | 283,305 |
| Total governmental activities expenses | <u>23,491,614</u> | <u>23,859,022</u> | <u>22,921,467</u> | <u>23,103,803</u> |
| Business-type activities: | | | | |
| Water | 4,158,746 | 3,778,649 | 4,241,689 | 4,295,926 |
| Sewer | 4,497,443 | 4,542,875 | 4,284,959 | 4,017,338 |
| Solid Waste | 1,760,928 | 1,773,299 | 1,785,145 | 1,500,928 |
| Storm Water | 684,083 | 650,516 | 648,268 | 292,441 |
| Community Center | - | 131,104 | 362,163 | 547,635 |
| Lake Cinema | - | - | 2,005 | 2,005 |
| Total business-type activities expenses | <u>11,101,200</u> | <u>10,876,443</u> | <u>11,324,229</u> | <u>10,656,273</u> |
| Total primary government | <u>\$ 34,592,814</u> | <u>\$ 34,735,465</u> | <u>\$ 34,245,696</u> | <u>\$ 33,760,076</u> |
| Governmental activities | \$ (15,724,164) | \$ (16,302,854) | \$ (15,879,080) | \$ (15,960,960) |
| Business-type activities | 273,434 | 620,483 | (38,743) | (102,778) |
| Total primary government net expense | <u>\$ (15,450,730)</u> | <u>\$ (15,682,371)</u> | <u>\$ (15,917,823)</u> | <u>\$ (16,063,738)</u> |

| <u>2005</u> | <u>2004</u> | <u>2003</u> |
|------------------------|------------------------|------------------------|
| \$ 1,798,314 | \$ 1,129,924 | \$ 1,166,821 |
| 276,556 | 188,715 | 93,042 |
| 606,666 | 398,654 | 472,620 |
| 33,203 | 63 | 53,688 |
| 145,911 | 209,880 | 148,763 |
| 93,607 | 67,942 | 56,089 |
| 4,278,454 | 3,064,285 | 2,362,914 |
| 476,933 | 1,852,649 | 1,148,276 |
| <u>7,709,644</u> | <u>6,912,112</u> | <u>5,502,213</u> |
| 4,102,007 | 3,724,170 | 3,340,724 |
| 4,113,032 | 3,783,899 | 3,557,601 |
| - | - | - |
| 1,414,758 | 1,402,180 | 1,353,257 |
| 350,454 | 413,842 | 421,153 |
| 850,829 | 995,126 | 1,017,078 |
| <u>10,831,080</u> | <u>10,319,217</u> | <u>9,689,813</u> |
| <u>\$ 18,540,724</u> | <u>\$ 17,231,329</u> | <u>\$ 15,192,026</u> |
| \$ 3,837,242 | \$ 3,733,749 | \$ 4,133,258 |
| 9,579,081 | 9,077,025 | 9,704,268 |
| 2,246,143 | 1,903,090 | 2,105,425 |
| 2,606,966 | 2,543,136 | 5,216,097 |
| 1,404,166 | 1,526,834 | 1,432,849 |
| 1,705,276 | 1,505,036 | 1,755,276 |
| - | - | - |
| 223,084 | 300,427 | 236,121 |
| <u>21,601,958</u> | <u>20,589,297</u> | <u>24,583,294</u> |
| 3,377,859 | 3,490,864 | 3,625,367 |
| 3,816,607 | 3,379,220 | 4,576,124 |
| 1,393,999 | 1,359,244 | 1,325,266 |
| - | - | - |
| 544,489 | 702,065 | 688,010 |
| 946,621 | 1,046,021 | 1,080,084 |
| <u>10,079,575</u> | <u>9,977,414</u> | <u>11,294,851</u> |
| <u>\$ 31,681,533</u> | <u>\$ 30,566,711</u> | <u>\$ 35,878,145</u> |
| \$ (13,892,314) | \$ (13,677,185) | \$ (19,081,081) |
| 751,505 | 341,803 | (1,605,038) |
| <u>\$ (13,140,809)</u> | <u>\$ (13,335,382)</u> | <u>\$ (20,686,119)</u> |

-- Continued

CITY OF BARBERTON, OHIO

*CHANGES IN NET ASSETS
LAST SEVEN YEARS (CONTINUED)
(ACCRUAL BASIS OF ACCOUNTING)*

| | <u>2009</u> | <u>2008</u> | <u>2007</u> | <u>2006</u> |
|--|-----------------------|----------------------|----------------------|----------------------|
| General Revenues and Other Changes in Net Assets: | | | | |
| Governmental activities | | | | |
| Taxes: | | | | |
| Property taxes levied for: | | | | |
| General purposes | \$ 1,188,981 | \$ 1,209,964 | \$ 1,334,131 | \$ 1,248,270 |
| Fire capital levy | 239,362 | 288,602 | - | - |
| Police pension | 95,772 | 104,512 | 116,625 | 104,339 |
| Fire pension | 95,772 | 104,512 | 116,911 | 104,053 |
| Municipal income taxes levied for: | | | | |
| General purposes | 10,320,696 | 10,859,015 | 11,254,122 | 11,391,350 |
| Grants and entitlements | | | | |
| not restricted to specific programs | 2,159,444 | 2,821,199 | 2,885,135 | 2,552,742 |
| Investment earnings | 72,965 | 398,822 | 681,251 | 762,314 |
| Other | 141,724 | 199,199 | 109,704 | 746,914 |
| Special item | - | - | - | (1,856,330) |
| Transfers | <u>(149,385)</u> | <u>(106,342)</u> | <u>(410,000)</u> | <u>(3,770,845)</u> |
| Total governmental activities | <u>14,165,331</u> | <u>15,879,483</u> | <u>16,087,879</u> | <u>11,282,807</u> |
| Business-type activities | | | | |
| Investment earnings | 10,580 | 163,851 | 505,193 | 416,614 |
| Other | 8,716 | 72,295 | 52,500 | 56,524 |
| Transfers | 149,385 | 106,342 | 410,000 | 3,770,845 |
| Special item - disposal of community center | <u>(848,623)</u> | - | - | - |
| Total business-type activities | <u>(679,942)</u> | <u>342,488</u> | <u>967,693</u> | <u>4,243,983</u> |
| Total primary government | <u>\$ 13,485,389</u> | <u>\$ 16,221,971</u> | <u>\$ 17,055,572</u> | <u>\$ 15,526,790</u> |
| Change in Net Assets: | | | | |
| Governmental activities | \$ (1,558,833) | \$ (423,371) | \$ 208,799 | \$ (4,678,153) |
| Business-type activities | <u>(406,508)</u> | <u>962,971</u> | <u>928,950</u> | <u>4,141,205</u> |
| Total primary government | <u>\$ (1,965,341)</u> | <u>\$ 539,600</u> | <u>\$ 1,137,749</u> | <u>\$ (536,948)</u> |

Note: 2003 was the first year the City implemented GASB Statement No. 34, so comparative information before that date is not available.

| <u>2005</u> | <u>2004</u> | <u>2003</u> |
|----------------------|----------------------|-----------------------|
| \$ 1,518,135 | \$ 1,452,119 | \$ 1,123,725 |
| - | - | - |
| 128,942 | 125,841 | 97,813 |
| 128,942 | 125,841 | 97,813 |
| 9,968,415 | 10,263,255 | 9,718,674 |
| 2,077,635 | 2,448,748 | 2,391,699 |
| 432,745 | 87,309 | 158,020 |
| 1,104,986 | 813,596 | 826,707 |
| - | - | 970,516 |
| <u>(227,000)</u> | <u>(220,000)</u> | <u>(159,000)</u> |
| <u>15,132,800</u> | <u>15,096,709</u> | <u>15,225,967</u> |
| 96,244 | 40,695 | 65,027 |
| 31,816 | 190,125 | 228,615 |
| 227,000 | 220,000 | 159,000 |
| - | - | - |
| <u>355,060</u> | <u>450,820</u> | <u>452,642</u> |
| <u>\$ 15,487,860</u> | <u>\$ 15,547,529</u> | <u>\$ 15,678,609</u> |
| \$ 1,240,486 | \$ 1,419,524 | \$ (3,855,114) |
| 1,106,565 | 792,623 | (1,152,396) |
| <u>\$ 2,347,051</u> | <u>\$ 2,212,147</u> | <u>\$ (5,007,510)</u> |

CITY OF BARBERTON, OHIO

*FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)*

| | <u>2009</u> | <u>2008</u> | <u>2007</u> | <u>2006</u> | <u>2005</u> | <u>2004</u> |
|--------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| General Fund: | | | | | | |
| Reserved | \$ 355,293 | \$ 323,073 | \$ 272,616 | \$ 220,343 | \$ 178,449 | \$ 208,201 |
| Unreserved | <u>1,779,411</u> | <u>3,053,359</u> | <u>3,713,078</u> | <u>3,391,929</u> | <u>1,551,627</u> | <u>2,018,677</u> |
| Total general fund | <u>\$ 2,134,704</u> | <u>\$ 3,376,432</u> | <u>\$ 3,985,694</u> | <u>\$ 3,612,272</u> | <u>\$ 1,730,076</u> | <u>\$ 2,226,878</u> |
| All Other Governmental Funds: | | | | | | |
| Reserved | \$ 2,017,577 | \$ 2,037,009 | \$ 1,477,235 | \$ 2,592,065 | \$ 1,877,103 | \$ 1,893,382 |
| Unreserved, reported in: | | | | | | |
| Special revenue funds | 661,851 | 1,757,970 | 1,992,357 | 1,819,428 | 1,799,025 | 2,236,562 |
| Capital projects funds | <u>619,490</u> | <u>(1,793,737)</u> | <u>(84,211)</u> | <u>532,399</u> | <u>3,572,711</u> | <u>2,109,970</u> |
| Total all other governmental funds | <u>\$ 3,298,918</u> | <u>\$ 2,001,242</u> | <u>\$ 3,385,381</u> | <u>\$ 4,943,892</u> | <u>\$ 7,248,839</u> | <u>\$ 6,239,914</u> |

| <u>2003</u> | <u>2002</u> | <u>2001</u> | <u>2000</u> |
|---------------------|---------------------|---------------------|---------------------|
| \$ 259,154 | \$ 648,803 | \$ 809,897 | \$ 794,954 |
| <u>2,921,841</u> | <u>1,232,325</u> | <u>1,739,302</u> | <u>1,583,796</u> |
| <u>\$ 3,180,995</u> | <u>\$ 1,881,128</u> | <u>\$ 2,549,199</u> | <u>\$ 2,378,750</u> |
| | | | |
| \$ 2,424,692 | \$ 3,989,023 | \$ 3,891,445 | \$ 2,683,540 |
| 2,271,484 | 3,877,995 | 3,353,935 | 3,881,550 |
| <u>1,911,656</u> | <u>(4,036,155)</u> | <u>(124,592)</u> | <u>(1,106,655)</u> |
| <u>\$ 6,607,832</u> | <u>\$ 3,830,863</u> | <u>\$ 7,120,788</u> | <u>\$ 5,458,435</u> |

CITY OF BARBERTON, OHIO

*CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)*

| | <u>2009</u> | <u>2008</u> | <u>2007</u> | <u>2006</u> | <u>2005</u> |
|--|--------------------|-----------------------|-----------------------|---------------------|-------------------|
| Revenues | | | | | |
| Taxes | \$ 12,126,149 | \$ 12,601,886 | \$ 12,732,465 | \$ 13,279,202 | \$ 11,927,679 |
| Charges for services | 2,335,224 | 2,348,503 | 2,146,709 | 2,019,348 | 1,638,856 |
| Licenses and permits | 333,555 | 483,615 | 611,907 | 683,398 | 446,544 |
| Fines and forfeitures | 432,347 | 202,586 | 178,769 | 171,796 | 167,198 |
| Intergovernmental | 5,742,603 | 5,646,214 | 5,428,350 | 6,482,569 | 6,431,013 |
| Special assessments | 161,493 | 187,152 | 129,680 | 159,635 | 239,011 |
| Investment income | 76,849 | 434,513 | 669,402 | 736,737 | 431,559 |
| Contributions and donations | 623,630 | 981,965 | 177,625 | 144,227 | 63,111 |
| Other | 814,483 | 568,318 | 1,169,287 | 1,086,628 | 1,508,184 |
| Total revenues | <u>22,646,333</u> | <u>23,454,752</u> | <u>23,244,194</u> | <u>24,763,540</u> | <u>22,853,155</u> |
| Expenditures | | | | | |
| Current: | | | | | |
| General government | 4,396,948 | 4,177,189 | 3,864,219 | 4,081,556 | 3,751,477 |
| Public safety | 10,653,804 | 10,273,963 | 9,876,927 | 9,832,423 | 9,505,500 |
| Health and welfare | 1,472,491 | 1,793,038 | 2,397,461 | 2,513,403 | 2,295,683 |
| Transportation | 1,471,332 | 1,611,276 | 1,328,988 | 1,576,717 | 1,599,891 |
| Community environment | 2,213,192 | 1,680,902 | 1,428,273 | 1,841,026 | 1,499,781 |
| Leisure time activity | 1,217,596 | 1,368,699 | 1,084,396 | 922,867 | 1,320,267 |
| Capital outlay | 2,122,784 | 3,552,712 | 1,557,554 | 2,053,974 | 1,250,150 |
| Intergovernmental | - | - | 1,578,763 | 1,328,572 | - |
| Debt service: | | | | | |
| Principal retirement | 1,045,558 | 932,580 | 856,591 | 883,603 | 888,081 |
| Interest and fiscal charges | 278,130 | 253,241 | 252,483 | 280,010 | 221,050 |
| Bond issuance cost | 83,445 | - | - | - | 3,985 |
| Note issuance cost | - | 10,745 | 10,292 | - | - |
| Total expenditures | <u>24,955,280</u> | <u>25,654,345</u> | <u>24,235,947</u> | <u>25,314,151</u> | <u>22,335,865</u> |
| Excess of revenues over (under) expenditures | <u>(2,308,947)</u> | <u>(2,199,593)</u> | <u>(991,753)</u> | <u>(550,611)</u> | <u>517,290</u> |
| Other Financing Sources (Uses) | | | | | |
| Notes issued | - | - | 20,000 | 40,000 | 96,000 |
| Bonds issued | 2,310,000 | - | - | - | 112,450 |
| Discount on bond issuance | (16,555) | - | - | - | - |
| Premium on notes | - | 17,282 | - | - | 8,754 |
| Premium on bonds | - | - | - | - | - |
| Capital lease transaction | - | 300,000 | 211,276 | 160,621 | - |
| Sale of capital assets | 32,213 | 79,843 | 10,388 | 149,224 | 19,629 |
| Transfers in | 1,875,327 | 1,771,349 | 1,853,518 | 1,955,289 | 1,835,266 |
| Transfers (out) | (1,836,090) | (1,962,282) | (2,288,518) | (2,177,274) | (2,077,266) |
| Advances in | - | - | - | - | - |
| Advances (out) | - | - | - | - | - |
| Proceeds from Sale of Park Land | - | - | - | - | - |
| Total other financing sources (uses) | <u>2,364,895</u> | <u>206,192</u> | <u>(193,336)</u> | <u>127,860</u> | <u>(5,167)</u> |
| Net change in fund balances | <u>\$ 55,948</u> | <u>\$ (1,993,401)</u> | <u>\$ (1,185,089)</u> | <u>\$ (422,751)</u> | <u>\$ 512,123</u> |
| Capital expenditures | 1,904,639 | 2,916,887 | 1,571,458 | 1,999,901 | 1,431,678 |
| Debt service as a percentage of noncapital expenditures. | 6.10% | 5.26% | 4.94% | 4.99% | 5.32% |

| 2004 | 2003 | 2002 | 2001 | 2000 |
|-----------------------|---------------------|-----------------------|---------------------|-----------------------|
| \$ 11,960,729 | \$ 11,183,137 | \$ 11,506,273 | \$ 11,061,586 | \$ 11,493,618 |
| 1,216,431 | 1,444,431 | 1,253,346 | 1,284,076 | 1,094,676 |
| 287,608 | 319,293 | - | - | - |
| 167,498 | 124,520 | 481,448 | 409,842 | 332,977 |
| 6,953,520 | 5,502,060 | 6,272,143 | 7,291,904 | 5,030,544 |
| 90,295 | 58,408 | 77,415 | 75,554 | - |
| 85,085 | 159,936 | 256,061 | 596,880 | 785,250 |
| 103,054 | 107,607 | 145,587 | - | - |
| 1,315,743 | 822,919 | 1,364,777 | 2,950,929 | 1,321,609 |
| <u>22,179,963</u> | <u>19,722,311</u> | <u>21,357,050</u> | <u>23,670,771</u> | <u>20,058,674</u> |
| 3,659,636 | 3,679,467 | 3,534,937 | 3,506,389 | 3,628,810 |
| 9,491,837 | 8,788,013 | 8,234,631 | 7,838,848 | 8,490,187 |
| 1,948,426 | 1,995,233 | 1,511,059 | 1,551,580 | 1,479,699 |
| 1,750,043 | 2,084,648 | 2,022,707 | 2,117,422 | 2,184,005 |
| 1,246,612 | 1,481,803 | 1,644,131 | 2,250,150 | 1,258,922 |
| 1,112,732 | 1,128,444 | 1,410,912 | 1,153,810 | 1,124,321 |
| 3,212,171 | 3,370,531 | 4,083,068 | 4,734,189 | 3,759,579 |
| - | - | - | - | - |
| 1,773,799 | 281,544 | 305,738 | 625,729 | 327,961 |
| 266,290 | 280,871 | 212,878 | 182,584 | 182,799 |
| 18,955 | 68,142 | - | - | - |
| 5,671 | - | - | - | - |
| <u>24,486,172</u> | <u>23,158,696</u> | <u>22,960,061</u> | <u>23,960,701</u> | <u>22,436,283</u> |
| <u>(2,306,209)</u> | <u>(3,436,385)</u> | <u>(1,603,011)</u> | <u>(289,930)</u> | <u>(2,377,609)</u> |
| 120,000 | 1,180,000 | 31,318 | 2,095,000 | 315,000 |
| 1,396,000 | 4,967,610 | - | 237,000 | - |
| - | - | - | - | - |
| 1,842 | 15,241 | - | - | - |
| - | 17,194 | - | - | - |
| - | - | - | - | - |
| 6,332 | 3,855 | 4,616 | 8,452 | 20,078 |
| 2,193,627 | 3,023,461 | 11,009,340 | 10,652,498 | 10,748,243 |
| (2,733,627) | (3,182,461) | (11,305,260) | (10,870,218) | (10,884,683) |
| - | - | - | 2,224,334 | - |
| - | - | - | (2,224,334) | - |
| - | 1,000,000 | - | - | - |
| <u>984,174</u> | <u>7,024,900</u> | <u>(259,986)</u> | <u>2,122,732</u> | <u>198,638</u> |
| <u>\$ (1,322,035)</u> | <u>\$ 3,588,515</u> | <u>\$ (1,862,997)</u> | <u>\$ 1,832,802</u> | <u>\$ (2,178,971)</u> |
| 4,515,836 | 1,112,511 | 4,083,068 | 4,734,189 | 3,759,579 |
| 10.34% | 2.86% | 2.75% | 4.20% | 2.73% |

CITY OF BARBERTON, OHIO

*ASSESSED VALUATION AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN YEARS*

| Year | Real Property | | Public Utility Property | | Tangible Personal Property | |
|------|----------------|----------------------------|-------------------------|----------------------------|----------------------------|----------------------------|
| | Assessed Value | Estimated Actual Value (a) | Assessed Value | Estimated Actual Value (b) | Assessed Value | Estimated Actual Value (c) |
| 2009 | \$ 391,015,700 | \$ 1,117,187,714 | \$ 8,516,450 | 9,677,784 | \$ 1,089,778 | 17,436,448 |
| 2008 | 396,658,680 | 1,133,310,514 | 8,342,960 | 9,480,636 | 15,652,615 | 250,441,840 |
| 2007 | 395,700,530 | 1,130,572,943 | 11,588,150 | 13,168,352 | 27,517,101 | 220,136,808 |
| 2006 | 394,443,500 | 1,126,981,429 | 11,919,510 | 13,544,898 | 39,558,953 | 210,981,083 |
| 2005 | 355,412,060 | 1,015,463,029 | 13,188,960 | 14,987,455 | 52,299,023 | 209,196,092 |
| 2004 | 349,333,560 | 998,095,886 | 13,290,740 | 15,103,114 | 52,299,023 | 209,196,092 |
| 2003 | 346,150,520 | 989,001,486 | 13,506,780 | 15,348,614 | 55,431,515 | 221,726,060 |
| 2002 | 293,874,030 | 839,640,086 | 13,555,340 | 15,403,795 | 61,990,815 | 247,963,260 |
| 2001 | 279,511,680 | 798,604,800 | 17,025,420 | 19,347,068 | 60,465,467 | 241,861,868 |
| 2000 | 273,990,060 | 782,828,743 | 19,728,220 | 22,418,432 | 59,725,808 | 238,903,232 |

Source: Summit County, Ohio; Fiscal Officer

- (a) Real property is assessed at 35% of actual value.
- (b) Public utility is assessed at 88% percent of actual value.
- (c) For 2005 and prior, tangible personal is assessed at 25% of true value for capital assets and 23% of true value for inventory included in tangible personal property.
 For 2006, tangible personal is assessed at 18.75% of property value, including inventory.
 For 2007, tangible personal is assessed at 12.50% of property value, including inventory.
 For 2008, tangible personal is assessed at 6.25% of property value, including inventory.
 For 2009, tangible personal personal property tax is assessed at 0.00% of property value, including inventory, except for telephone

| Total | | | |
|-----------------------|-------------------------------|------------------------------|--------------|
| Assessed Value | Estimated Actual Value | Total Direct Tax Rate | Ratio |
| \$ 400,621,928 | \$ 1,144,301,945 | 3.50 | 35.01% |
| 420,654,255 | 1,393,232,990 | 3.50 | 30.19% |
| 434,805,781 | 1,363,878,103 | 3.50 | 31.88% |
| 445,921,963 | 1,351,507,410 | 3.50 | 32.99% |
| 420,900,043 | 1,239,646,576 | 3.50 | 33.95% |
| 414,923,323 | 1,222,395,092 | 3.50 | 33.94% |
| 415,088,815 | 1,226,076,160 | 3.50 | 33.86% |
| 369,420,185 | 1,103,007,141 | 3.50 | 33.49% |
| 357,002,567 | 1,059,813,736 | 3.50 | 33.69% |
| 353,444,088 | 1,044,150,407 | 3.50 | 33.85% |

CITY OF BARBERTON, OHIO

*DIRECT AND OVERLAPPING PROPERTY TAX RATES
(RATE PER \$1,000 OF ASSESSED VALUE)
LAST TEN YEARS*

| Collection Year | City Direct Rates | | | Overlapping Rates | | | Total Direct and Overlapping Rates | |
|----------------------------|--------------------------|------------------------------------|------------------------------|--------------------------|---|---|---|--|
| | Operating | Police and Fire Pension | Total Direct Rate | Summit County | Barberton City School District | Barberton Public Library | | Total Overlapping Rates |
| 2009 | 2.90 | 0.60 | 3.50 | 14.16 | 58.11 | 1.37 | 73.64 | 77.14 |
| 2008 | 2.90 | 0.60 | 3.50 | 14.26 | 59.89 | 1.37 | 75.52 | 79.02 |
| 2007 | 2.90 | 0.60 | 3.50 | 14.57 | 58.94 | 1.37 | 74.88 | 78.38 |
| 2006 | 2.90 | 0.60 | 3.50 | 13.07 | 64.06 | 1.37 | 78.50 | 82.00 |
| 2005 | 2.90 | 0.60 | 3.50 | 13.07 | 56.90 | - | 69.97 | 73.47 |
| 2004 | 2.90 | 0.60 | 3.50 | 13.07 | 56.90 | - | 69.97 | 73.47 |
| 2003 | 2.90 | 0.60 | 3.50 | 13.07 | 56.73 | - | 69.80 | 73.30 |
| 2002 | 2.90 | 0.60 | 3.50 | 13.07 | 56.73 | - | 69.80 | 73.30 |
| 2001 | 2.90 | 0.60 | 3.50 | 13.07 | 53.36 | - | 66.43 | 69.93 |
| 2000 | 2.90 | 0.60 | 3.50 | 12.27 | 53.44 | - | 65.71 | 69.21 |

Source: Summit County, Ohio; Fiscal Officer

CITY OF BARBERTON, OHIO

*PRINCIPAL TAXPAYERS
REAL PROPERTY TAX
CURRENT YEAR AND NINE YEARS AGO*

| December 31, 2009 | | | |
|---|-------------------------------|-------------|-------------------------------------|
| Taxpayer | Taxable Assessed Value | Rank | Percentage of Assessed Value |
| Barberton Health System LLC | \$ 9,072,840 | 1 | 2.32% |
| LRC Magic Investors LTD | 2,276,370 | 2 | 0.58% |
| Kimco of Ohio, Inc. | 2,116,930 | 3 | 0.54% |
| BWX Technologies, Inc. | 1,693,350 | 4 | 0.43% |
| Babcock & Wilcox Power Generation Group | 1,679,570 | 5 | 0.43% |
| B & C Diversified Products Inc. | 1,420,310 | 6 | 0.36% |
| B & C Research Inc. | 1,265,250 | 7 | 0.32% |
| KL Morris Family Limited Liability | 1,120,700 | 8 | 0.29% |
| Daniel L. Pohl Family Limited Partnership | 1,002,660 | 9 | 0.26% |
| Heritage Place Limited Partnership | 989,110 | 10 | 0.25% |
| Total, Top Ten Principal Real Property Taxpayers | \$ 22,637,090 | | 5.78% |
| Total City Real Property Tax Assessed Valuation | \$ 391,015,700 | | |

| December 31, 2000 | | | |
|---|-------------------------------|-------------|-------------------------------------|
| Taxpayer | Taxable Assessed Value | Rank | Percentage of Assessed Value |
| Barberton Health System LLC | \$ 9,369,690 | 1 | 3.42% |
| B & C Industries | 3,587,700 | 2 | 1.31% |
| Pendleton Magic LLC | 1,973,990 | 3 | 0.72% |
| Babcock & Wilcox Company | 1,718,200 | 4 | 0.63% |
| BWX Technologies, Inc. | 1,688,480 | 5 | 0.62% |
| PPG Industries | 1,110,410 | 6 | 0.41% |
| Heritage Place LP | 886,320 | 7 | 0.32% |
| Littman, et al | 830,790 | 8 | 0.30% |
| Bergit Realty Co. | 809,160 | 9 | 0.30% |
| Kimco of Ohio | 384,080 | 10 | 0.14% |
| Total, Top Ten Principal Real Property Taxpayers | \$ 22,358,820 | | 8.17% |
| Total City Real Property Tax Assessed Valuation | \$ 273,990,060 | | |

Source: Summit County, Ohio; Fiscal Officer

CITY OF BARBERTON, OHIO

*PRINCIPAL TAXPAYERS
PUBLIC UTILITY PROPERTY TAX
CURRENT YEAR AND SIX YEARS AGO*

| December 31, 2009 | | | |
|--|-------------------------------|-------------|-------------------------------------|
| Taxpayer | Taxable Assessed Value | Rank | Percentage of Assessed Value |
| Ohio Edison Co. | \$ 5,423,890 | 1 | 63.7% |
| American Transmission | 1,711,860 | 2 | 20.1% |
| East Ohio Gas Co. | 1,232,070 | 3 | 14.5% |
| CSX | 97,570 | 4 | 1.2% |
| Akron & Barberton RR | 51,060 | 5 | 0.6% |
| Total, Top Five Principal Public Utility Property Taxpayers | \$ 8,516,450 | | 100.0% |
| Total City Public Utility Property Tax Assessed Valuation | \$ 8,516,450 | | |

| December 31, 2003 | | | |
|--|-------------------------------|-------------|-------------------------------------|
| Taxpayer | Taxable Assessed Value | Rank | Percentage of Assessed Value |
| Ohio Edison Co. | \$ 4,461,890 | 1 | 33.0% |
| Ohio Bell Telephone | 4,407,350 | 2 | 32.6% |
| American Transmission | 2,097,790 | 3 | 15.5% |
| East Ohio Gas Co. | 1,117,600 | 4 | 8.3% |
| Sprint | 392,470 | 5 | 2.9% |
| Total, Top Five Principal Public Utility Property Taxpayers | \$ 12,477,100 | | 92.4% |
| Total City Public Utility Property Tax Assessed Valuation | \$ 13,506,780 | | |

Source: Summit County, Ohio; Fiscal Officer

Note: Information prior to 2003 was not available.

CITY OF BARBERTON, OHIO

*REAL AND PUBLIC UTILITY PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN YEARS*

| Year | Total Levy | Current Collection (1) | Percent of Current Collections to Tax Levy | Delinquent Collections | Total Collections | Percent of Total Collections to Tax Levy | Outstanding Delinquent Taxes (2) | Percentage of Delinquent Taxes to Tax Levy |
|-------------|-------------------|-------------------------------|---|-------------------------------|--------------------------|---|---|---|
| 2009 | \$ 1,697,939 | \$ 1,553,653 | 91.50% | \$ 144,365 | \$ 1,698,018 | 100.00% | \$ 199,692 | 11.76% |
| 2008 | 1,721,174 | 1,649,458 | 95.83% | 73,075 | 1,722,533 | 100.08% | 161,862 | 9.40% |
| 2007 | 1,535,079 | 1,451,556 | 94.56% | 83,524 | 1,535,080 | 100.00% | 176,270 | 11.48% |
| 2006 | 1,570,201 | 1,491,083 | 94.96% | 79,117 | 1,570,200 | 100.00% | 188,607 | 12.01% |
| 2005 | 1,481,442 | 1,409,638 | 95.15% | 75,669 | 1,485,307 | 100.26% | 178,381 | 12.04% |
| 2004 | 1,459,213 | 1,393,023 | 95.46% | 78,290 | 1,471,313 | 100.83% | 146,910 | 10.07% |
| 2003 | 1,592,430 | 1,371,921 | 86.15% | 58,841 | 1,430,762 | 89.85% | 161,668 | 10.15% |
| 2002 | 1,404,845 | 1,199,874 | 85.41% | 67,973 | 1,267,847 | 90.25% | 136,998 | 9.75% |
| 2001 | 1,374,570 | 1,200,777 | 87.36% | 47,880 | 1,248,657 | 90.84% | 125,913 | 9.16% |
| 2000 | 1,330,983 | 1,179,483 | 88.62% | 42,650 | 1,222,133 | 91.82% | 117,983 | 8.86% |

Source: Summit County, Ohio; Fiscal Officer

(1) Includes homestead/rollback taxes assessed locally but distributed through the State and reported as intergovernmental revenue.

(2) Includes penalties and interest, since by Ohio Law, they become part of tax obligation as assessment occurs.

Note: Summit County does not identify delinquent tax collections by tax year.

CITY OF BARBERTON, OHIO

*INCOME TAX REVENUE BASE AND COLLECTIONS
LAST TEN YEARS*

| Year | Tax Rate | Total Tax Collected | Taxes from Withholding | Percentage of Taxes from Withholding | Taxes From Net Profits | Percentage of Taxes from Net Profits |
|-------------|-----------------|----------------------------|-------------------------------|---|-------------------------------|---|
| 2009 | 2.00% | \$ 10,732,163 | \$ 8,907,876 | 83.00% | \$ 887,140 | 8.27% |
| 2008 | 2.00% | 11,146,258 | 9,343,780 | 83.83% | 737,551 | 6.62% |
| 2007 | 2.00% | 11,379,007 | 9,545,043 | 83.88% | 813,468 | 7.15% |
| 2006 | 2.00% | 11,300,258 | 9,431,669 | 83.46% | 997,931 | 8.83% |
| 2005 | 2.00% | 10,092,095 | 8,364,178 | 82.88% | 897,569 | 8.89% |
| 2004 | 2.00% | 10,592,294 | 8,611,884 | 81.30% | 904,487 | 8.54% |
| 2003 | 2.00% | 9,981,113 | 8,159,958 | 81.75% | 752,417 | 7.54% |
| 2002 | 2.00% | 10,253,956 | 8,336,516 | 81.30% | 729,306 | 7.11% |
| 2001 | 2.00% | 10,097,927 | 8,183,203 | 81.04% | 755,743 | 7.48% |
| 2000 | 2.00% | 10,577,875 | 8,271,812 | 78.20% | 1,182,115 | 11.18% |

Source: The City of Barberton Income Tax Department and the City of Cleveland Central Collection Agency.

| | Taxes from Individuals | Percentage of Taxes from Individuals |
|----|---------------------------------------|---|
| \$ | 823,855 | 7.68% |
| | 983,226 | 8.82% |
| | 944,752 | 8.30% |
| | 870,658 | 7.70% |
| | 830,348 | 8.23% |
| | 1,075,923 | 10.16% |
| | 1,068,738 | 10.71% |
| | 1,188,134 | 11.59% |
| | 1,158,981 | 11.48% |
| | 1,123,948 | 10.63% |

CITY OF BARBERTON, OHIO

*RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN YEARS*

| Year | Governmental Activities | | | | | Business-Type Activities | | |
|------|--------------------------------|--------------------------------|-------------------------|--------------------------------------|------------|--------------------------|--------------------------------|------------------|
| | General Obligation Bonds | Special Assessment Bonds | HUD Section 108 Loan | State Infrastructure Bank Loan | Notes | Capital Leases | General Obligation Bonds | Revenue Bonds |
| 2009 | \$5,157,712 | \$ 129,522 | \$ 865,000 | \$ 182,560 | \$ 436,000 | \$ 397,510 | \$ 3,282,305 | \$ 8,170,000 |
| 2008 | 3,369,659 | 166,466 | 980,000 | - | 2,770,000 | 544,771 | 3,010,358 | 8,495,000 |
| 2007 | 4,034,195 | 201,800 | 1,095,000 | - | 699,000 | 342,481 | 3,695,812 | 8,805,000 |
| 2006 | 4,672,529 | 235,641 | 1,210,000 | - | 838,000 | 160,621 | 4,367,472 | 9,105,000 |
| 2005 | 5,313,823 | 266,950 | 1,325,000 | - | 1,013,000 | - | 5,024,996 | 630,000 |
| 2004 | 5,944,904 | 176,500 | 1,440,000 | - | 1,216,000 | - | 5,666,896 | 1,235,000 |
| 2003 | 5,006,603 | 197,600 | 1,555,000 | - | 2,715,000 | - | 3,602,390 | 1,815,000 |
| 2002 | 190,437 | 217,700 | 1,665,000 | - | 7,355,000 | - | 2,800,000 | 2,370,000 |
| 2001 | 311,183 | 237,000 | 1,740,000 | - | 2,095,000 | 180,693 | 3,010,000 | 2,900,000 |
| 2000 | 426,273 | - | 1,815,000 | - | 315,000 | 386,330 | 3,210,000 | 3,410,000 |

Sources:

(a) See notes to the financial statements regarding the City's outstanding debt information.

(b) See Schedule " Demographic and Economic Statistics - Last Ten Years" for personal income and population.

Business-Type Activities, continued

| <u>Notes</u> | <u>Capital Leases</u> | <u>(a) Total Primary Government</u> | <u>(b) Total Personal Income</u> | <u>Percentage of Personal Income</u> | <u>(b) Population</u> | <u>Per Capita</u> |
|--------------|---------------------------|---|--|--|---------------------------|-----------------------|
| \$ 114,000 | \$ 125,591 | \$ 18,860,200 | \$ 495,597,836 | 3.81% | 27,899 | \$ 676 |
| 1,590,000 | 185,617 | 21,111,871 | 495,597,836 | 4.26% | 27,899 | \$ 757 |
| 2,066,000 | 125,839 | 21,065,127 | 495,597,836 | 4.25% | 27,899 | \$ 755 |
| 2,697,000 | 154,054 | 23,440,317 | 495,597,836 | 4.73% | 27,899 | \$ 840 |
| 4,652,000 | 11,187 | 18,236,956 | 495,597,836 | 3.68% | 27,899 | \$ 654 |
| 2,459,000 | 24,077 | 18,162,377 | 495,597,836 | 3.66% | 27,899 | \$ 651 |
| 4,700,000 | 50,029 | 19,641,622 | 495,597,836 | 3.96% | 27,899 | \$ 704 |
| 6,190,000 | 74,668 | 20,862,805 | 495,597,836 | 4.21% | 27,899 | \$ 748 |
| 4,625,000 | 43,346 | 15,142,222 | 495,597,836 | 3.06% | 27,899 | \$ 543 |
| 3,445,000 | 59,312 | 13,066,915 | 495,597,836 | 2.64% | 27,899 | \$ 468 |

CITY OF BARBERTON, OHIO

*RATIO OF GENERAL BONDED DEBT TO ASSESSED
VALUE AND BONDED DEBT PER CAPITA
LAST TEN YEARS*

| Year | Population (1) | Estimated Actual Value of Taxable Property (2) | Bonded Debt (3) | Ratio of Bonded Debt to Estimated Actual Value of Property | Bonded Debt Per Capita |
|-------------|-----------------------|---|----------------------------|---|---------------------------------------|
| 2009 | 27,899 | \$ 1,144,301,945 | \$ 8,440,017 | 0.74% | \$ 303 |
| 2008 | 27,899 | 1,393,232,990 | 6,380,017 | 0.46% | 229 |
| 2007 | 27,899 | 1,363,878,103 | 7,730,007 | 0.57% | 277 |
| 2006 | 27,899 | 1,351,507,410 | 9,040,001 | 0.67% | 324 |
| 2005 | 27,899 | 1,239,646,576 | 10,338,819 | 0.83% | 371 |
| 2004 | 27,899 | 1,222,395,092 | 11,611,800 | 0.95% | 416 |
| 2003 | 27,899 | 1,226,076,160 | 8,608,993 | 0.70% | 309 |
| 2002 | 27,899 | 1,103,007,141 | 2,990,437 | 0.27% | 107 |
| 2001 | 27,899 | 1,059,813,736 | 3,321,183 | 0.31% | 119 |
| 2000 | 27,899 | 1,044,150,407 | 3,636,273 | 0.35% | 130 |

Sources:

- (1) See Schedule " Demographic and Economic Statistics - Last Ten Years" for population.
- (2) Summit County, Ohio; Fiscal Officer.
- (3) Includes all general obligation bonded debt with the exception of special assessment debt.

CITY OF BARBERTON, OHIO

*DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2009*

| <u>Governmental Unit</u> | <u>Debt Outstanding</u> | <u>Estimated Percentage Applicable</u> | <u>Estimated Share of Overlapping Debt</u> |
|--|-----------------------------|--|--|
| Direct: | | | |
| City of Barberton | \$ 5,157,712 | 100.00% | \$ 5,157,712 |
| Overlapping debt: | | | |
| Barberton City School District | 54,734,983 | 97.91% | 53,591,022 |
| Summit County | 34,090,000 | 3.23% | 1,101,107 |
| Akron-Summit County Library District | 47,440,000 | 7.00% | 3,320,800 |
| Akron Metro Regional Transit Authority | 485,000 | 3.23% | 15,666 |
| Total direct and overlapping debt | <u>\$ 141,907,695</u> | | <u>\$ 63,186,306</u> |

Source: Ohio Municipal Advisory Council

CITY OF BARBERTON, OHIO

*COMPUTATION OF LEGAL DEBT MARGIN
LAST TEN YEARS*

| | <u>2009</u> | <u>2008</u> | <u>2007</u> | <u>2006</u> |
|---|----------------------|----------------------|----------------------|----------------------|
| Assesed Value (a) | \$ 399,532,150 | \$ 405,001,640 | \$ 403,765,630 | \$ 445,921,963 |
| Legal debt margin: | | | | |
| Debt limitation - 10.5% of Assesed Value | 41,950,876 | 42,525,172 | 42,395,391 | 46,821,806 |
| Debt Applicable to Limitation: | | | | |
| General Obligation Bonds | 8,440,017 | 6,380,017 | 7,730,007 | 9,040,001 |
| Special Assessment Bond | 129,522 | 166,466 | 201,800 | 235,641 |
| Notes | 550,000 | 4,360,000 | 2,765,000 | 3,535,000 |
| Revenue Bonds | 8,170,000 | 8,495,000 | 8,805,000 | 9,105,000 |
| Gross Indebtedness | | | | |
| (Total Voted and Unvoted Debt) | <u>17,289,539</u> | <u>19,401,483</u> | <u>19,501,807</u> | <u>21,915,642</u> |
| Less: Debt Outside Limitations | | | | |
| Special Assessment Bond | (129,522) | (166,466) | (201,800) | (235,641) |
| Notes | (550,000) | (4,360,000) | (2,765,000) | (3,535,000) |
| Revenue Bonds | (8,170,000) | (8,495,000) | (8,805,000) | (9,105,000) |
| Total Debt Outside Limitations | <u>(8,849,522)</u> | <u>(13,021,466)</u> | <u>(11,771,800)</u> | <u>(12,875,641)</u> |
| Total Debt Applicable to Limitation - Within 10.5% Limitations | 8,440,017 | 6,380,017 | 7,730,007 | 9,040,001 |
| Less: Amount Available in Debt Service Fund to pay debt applicable to limitation | <u>(428)</u> | <u>(23,302)</u> | <u>(18,797)</u> | <u>(3,189)</u> |
| Net Debt Within 10.5% Limitation | <u>8,439,589</u> | <u>6,356,715</u> | <u>7,711,210</u> | <u>9,036,812</u> |
| Overall Debt Margin Within 10.5% Limitation | <u>\$ 33,511,287</u> | <u>\$ 36,168,457</u> | <u>\$ 34,684,181</u> | <u>\$ 37,784,994</u> |
| Unvoted Debt Limitation - 5.5% of Assesed Valuation | \$ 21,974,268 | \$ 22,275,090 | \$ 22,207,110 | \$ 24,525,708 |
| Gross Indebtedness Authorized by Council | 17,289,539 | 19,401,483 | 19,501,807 | 21,915,642 |
| Less: Debt Outside Limitations: | | | | |
| Total Debt Outside Limitations | <u>(8,849,522)</u> | <u>(13,021,466)</u> | <u>(11,771,800)</u> | <u>(12,875,641)</u> |
| Debt Within 5.5% Limitations | 8,440,017 | 6,380,017 | 7,730,007 | 9,040,001 |
| Less Amount Available in Debt Service Fund | (428) | (23,302) | (18,797) | (3,189) |
| Net Debt Within 5.5% Limitation | <u>8,439,589</u> | <u>6,356,715</u> | <u>7,711,210</u> | <u>9,036,812</u> |
| Unvoted Debt Margin Within 5.5% Limitation | <u>\$ 13,534,679</u> | <u>\$ 15,918,375</u> | <u>\$ 14,495,900</u> | <u>\$ 15,488,896</u> |

Source: City of Barberton financial records

(a) Beginning in 2007, the debt limit excludes the assessed valuations of tangible personal property and railroad and telephone public utility personal property as required by Ohio House Bill 530.

| <u>2005</u> | <u>2004</u> | <u>2003</u> | <u>2002</u> | <u>2001</u> | <u>2000</u> |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| \$ 420,900,043 | \$ 414,923,323 | \$ 415,088,815 | \$ 369,420,185 | \$ 357,002,567 | \$ 353,444,088 |
| 44,194,505 | 43,566,949 | 43,584,326 | 38,789,119 | 37,485,270 | 37,111,629 |
| 10,338,819 | 11,611,800 | 8,608,993 | 2,990,437 | 3,321,183 | 3,636,273 |
| 266,950 | 176,500 | 197,600 | 217,700 | 237,000 | - |
| 5,665,000 | 3,675,000 | 7,415,000 | 13,545,000 | 6,720,000 | 3,760,000 |
| 630,000 | 1,235,000 | 1,815,000 | 2,370,000 | 2,900,000 | 3,410,000 |
| <u>16,900,769</u> | <u>16,698,300</u> | <u>18,036,593</u> | <u>19,123,137</u> | <u>13,178,183</u> | <u>10,806,273</u> |
| (266,950) | (176,500) | (197,600) | (217,700) | (237,000) | - |
| (4,652,000) | (2,459,000) | (4,700,000) | (6,190,000) | (4,625,000) | (3,445,000) |
| (630,000) | (1,235,000) | (1,815,000) | (2,370,000) | (2,900,000) | (3,410,000) |
| <u>(5,548,950)</u> | <u>(3,870,500)</u> | <u>(6,712,600)</u> | <u>(8,777,700)</u> | <u>(7,762,000)</u> | <u>(6,855,000)</u> |
| 11,351,819 | 12,827,800 | 11,323,993 | 10,345,437 | 5,416,183 | 3,951,273 |
| <u>(503)</u> | <u>(21,518)</u> | <u>(181,829)</u> | <u>(40,329)</u> | <u>(2,984)</u> | <u>(6,212)</u> |
| <u>11,351,316</u> | <u>12,806,282</u> | <u>11,142,164</u> | <u>10,305,108</u> | <u>5,413,199</u> | <u>3,945,061</u> |
| <u>\$ 32,843,189</u> | <u>\$ 30,760,667</u> | <u>\$ 32,442,162</u> | <u>\$ 28,484,011</u> | <u>\$ 32,072,071</u> | <u>\$ 33,166,568</u> |
| \$ 23,149,502 | \$ 22,820,783 | \$ 22,829,885 | \$ 20,318,110 | \$ 19,635,141 | \$ 19,439,425 |
| 16,900,769 | 16,698,300 | 18,036,593 | 19,123,137 | 13,178,183 | 10,806,273 |
| <u>(5,548,950)</u> | <u>(3,870,500)</u> | <u>(6,712,600)</u> | <u>(8,777,700)</u> | <u>(7,762,000)</u> | <u>(6,855,000)</u> |
| 11,351,819 | 12,827,800 | 11,323,993 | 10,345,437 | 5,416,183 | 3,951,273 |
| (503) | (21,518) | (181,829) | (40,329) | (2,984) | (6,212) |
| <u>11,351,316</u> | <u>12,806,282</u> | <u>11,142,164</u> | <u>10,305,108</u> | <u>5,413,199</u> | <u>3,945,061</u> |
| <u>\$ 11,798,186</u> | <u>\$ 10,014,501</u> | <u>\$ 11,687,721</u> | <u>\$ 10,013,002</u> | <u>\$ 14,221,942</u> | <u>\$ 15,494,364</u> |

CITY OF BARBERTON, OHIO

*PLEDGED REVENUE BOND COVERAGE - SEWER AND WATER
LAST TEN YEARS*

SEWER REVENUE BONDS:

| <u>Year</u> | <u>Operating Revenue</u> | <u>Operating Expenses (1)</u> | <u>Net Revenue Available for Debt Service</u> | <u>Debt Service Requirements (2)</u> | | | <u>Coverage</u> |
|-------------|--------------------------|-------------------------------|---|--------------------------------------|-----------------|--------------|-----------------|
| | | | | <u>Principal</u> | <u>Interest</u> | <u>Total</u> | |
| 2006 (4) | \$ 4,096,943 | \$ 2,857,302 | \$ 1,239,641 | \$ 630,000 | \$ 28,350 | \$ 658,350 | 1.88 |
| 2005 | 4,087,566 | 2,798,713 | 1,288,853 | 605,000 | 55,273 | 660,273 | 1.95 |
| 2004 | 3,786,929 | 2,185,013 | 1,601,916 | 580,000 | 80,792 | 660,792 | 2.42 |
| 2003 | 3,585,759 | 3,231,175 | 354,584 | 555,000 | 104,380 | 659,380 | 0.54 |
| 2002 | 3,581,281 | 2,509,043 | 1,072,238 | 530,000 | 126,243 | 656,243 | 1.63 |
| 2001 | 3,428,571 | 2,315,968 | 1,112,603 | 510,000 | 146,643 | 656,643 | 1.69 |
| 2000 | 3,207,835 | 2,428,458 | 779,377 | 490,000 | 166,243 | 656,243 | 1.19 |

WATER REVENUE BONDS:

| <u>Year</u> | <u>Operating Revenue</u> | <u>Operating Expenses (1)</u> | <u>Net Revenue Available for Debt Service</u> | <u>Debt Service Requirements (2)</u> | | | <u>Coverage</u> |
|-------------|--------------------------|-------------------------------|---|--------------------------------------|-----------------|--------------|-----------------|
| | | | | <u>Principal</u> | <u>Interest</u> | <u>Total</u> | |
| 2009 | \$ 4,595,933 | \$ 3,212,261 | \$ 1,383,672 | \$ 325,000 | \$ 366,066 | \$ 691,066 | 2.00 |
| 2008 | 4,582,696 | 2,631,713 | 1,950,983 | 310,000 | 377,691 | 687,691 | 2.84 |
| 2007 | 4,246,190 | 3,087,191 | 1,158,999 | 300,000 | 388,941 | 688,941 | 1.68 |
| 2006 (3) | 4,220,667 | 3,295,618 | 925,049 | 200,000 | 260,990 | 460,990 | 2.01 |

(1) Total operating expenses are exclusive of depreciation.

(2) Includes principal and interest of bonds only.

(3) The Water Revenue bonds were issued during 2006; therefore information prior to 2006 is not presented.

(4) The Sewer Revenue bonds matured during 2006; therefore information after 2006 is not presented.

CITY OF BARBERTON, OHIO

*DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN YEARS*

| Year | Population (1) | Personal Income | Per Capita Personal Income (1) | Annual Average Unemployment Rates (2) | | | |
|-------------|-----------------------|----------------------------|---|--|--------------------------|-------------|--------------------------|
| | | | | City of Barberton | Summit County | Ohio | United States |
| 2009 | 27,899 | \$ 495,597,836 | \$ 17,764 | 12.3% | 9.8% | 10.2% | 9.3% |
| 2008 | 27,899 | 495,597,836 | 17,764 | 7.4% | 6.1% | 6.5% | 5.8% |
| 2007 | 27,899 | 495,597,836 | 17,764 | 6.7% | 5.4% | 5.6% | 4.6% |
| 2006 | 27,899 | 495,597,836 | 17,764 | 6.2% | 5.3% | 5.5% | 4.6% |
| 2005 | 27,899 | 495,597,836 | 17,764 | 6.7% | 5.7% | 5.9% | 5.1% |
| 2004 | 27,899 | 495,597,836 | 17,764 | 7.0% | 6.1% | 6.2% | 5.5% |
| 2003 | 27,899 | 495,597,836 | 17,764 | 7.1% | 6.2% | 6.2% | 6.0% |
| 2002 | 27,899 | 495,597,836 | 17,764 | 8.0% | 6.0% | 5.7% | 5.8% |
| 2001 | 27,899 | 495,597,836 | 17,764 | 6.2% | 4.6% | 4.4% | 4.7% |
| 2000 | 27,899 | 495,597,836 | 17,764 | 5.6% | 4.1% | 4.0% | 4.0% |

Sources:

(1) U.S. Census Bureau 2000

(2) Ohio Job & Family Services, Ohio Labor Market Information.

CITY OF BARBERTON, OHIO
PRINCIPAL EMPLOYERS
CURRENT YEAR AND FIVE YEARS AGO

| Employer | 2008 (1) | | | 2004 | | |
|------------------------------|----------------------|-------------|--|------------------|-------------|--|
| | Employees (2) | Rank | Percentage of Total City Employment | Employees | Rank | Percentage of Total City Employment |
| Babcock and Wilcox Co. | 1,314 | 1 | 7.65% | 1,098 | 2 | 7.04% |
| Summa Health Systems | 1,296 | 2 | 7.55% | (a) | (a) | 0.00% |
| QHG of Barberton | 1,128 | 3 | 6.57% | 1,361 | 1 | 8.72% |
| Barberton Board of Education | 828 | 4 | 4.82% | 899 | 3 | 5.76% |
| B&C Corporation | 709 | 5 | 4.13% | (a) | (a) | 0.00% |
| BWX Technologies | 541 | 6 | 3.15% | 695 | 4 | 4.46% |
| Kellou LLC | 274 | 7 | 1.60% | 383 | 8 | 2.46% |
| B&C Research Inc. | 273 | 8 | 1.59% | 410 | 6 | 2.63% |
| City of Barberton | 258 | 9 | 1.50% | 408 | 7 | 2.62% |
| Tamarkin Company | 257 | 10 | 1.50% | 211 | 10 | 1.35% |
| Total | 6,878 | | 40.05% | 5,465 | | 35.04% |
| Total City Employment | 17,169 | | | 15,600 | | |

Source: CCA Division of Taxation.

- (1) The most recent tax year information available at publication.
(2) Based on W-2's reported.

Note: Information on principal employers prior to 2004 was not available.

(a) Number of employees was not reported in 2004.

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CITY OF BARBERTON, OHIO

*FULL-TIME-EQUIVALENT CITY EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN YEARS*

| Function/Program | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 |
|------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| General Government | | | | | | | | |
| Clerk of Council | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Municipal Court - Judges | 7.00 | 6.00 | 6.00 | 8.00 | 8.00 | 8.00 | 8.00 | 8.00 |
| Municipal Clerk of Courts | 14.31 | 11.28 | 11.28 | 12.30 | 13.30 | 12.30 | 12.30 | 12.30 |
| Mayor | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 |
| Service Director | 0.84 | 0.84 | 0.84 | 1.30 | 1.30 | 1.30 | 1.30 | 1.30 |
| Finance | 5.00 | 5.20 | 5.20 | 5.20 | 5.20 | 4.60 | 5.60 | 5.60 |
| Law | 4.00 | 4.00 | 4.00 | 4.00 | 3.00 | 3.00 | 3.00 | 3.00 |
| Safety Director | 1.00 | 0.50 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Human Resources | 1.00 | 1.50 | - | - | 1.00 | 1.00 | 1.00 | 2.00 |
| Information Systems | 0.91 | 0.93 | 0.93 | 0.90 | 1.70 | 1.70 | 1.70 | 1.70 |
| Income Tax | 1.00 | 1.00 | 1.00 | 1.00 | 2.60 | 4.60 | 4.60 | 4.60 |
| Other | 4.00 | 3.00 | 3.00 | 2.00 | 2.00 | 2.00 | 2.00 | 1.00 |
| Public Safety | | | | | | | | |
| Police/Dispatch | 55.00 | 51.00 | 54.00 | 51.00 | 53.00 | 55.00 | 56.00 | 56.00 |
| Fire | 46.00 | 43.00 | 46.00 | 44.00 | 46.00 | 46.00 | 44.00 | 45.00 |
| Health and Welfare | | | | | | | | |
| Health | 18.00 | 20.00 | 23.00 | 24.00 | 24.00 | 24.00 | 25.00 | 23.00 |
| Transportation | | | | | | | | |
| Signal | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 4.00 | 4.00 | 4.00 |
| Streets | 13.00 | 19.00 | 16.00 | 13.00 | 15.00 | 22.00 | 23.00 | 23.00 |
| Community Environment | | | | | | | | |
| Engineering/Building | 7.34 | 6.83 | 6.59 | 5.60 | 5.60 | 6.60 | 8.30 | 9.30 |
| Planning | 3.00 | 3.00 | 3.50 | 2.00 | 3.00 | 3.00 | 3.00 | 3.00 |
| Leisure Time Activity | | | | | | | | |
| Parks Administration | 5.00 | 5.35 | 4.00 | 2.00 | 2.00 | 3.00 | 3.00 | 3.00 |
| Parks Maintenance | 6.00 | 5.00 | 4.00 | 5.00 | 6.00 | 7.00 | 7.00 | 7.00 |
| Beautification | 1.00 | 1.00 | 1.00 | - | - | 2.00 | 2.00 | 2.00 |
| Utility Services | | | | | | | | |
| Water | 30.50 | 28.65 | 28.53 | 29.50 | 30.00 | 27.40 | 30.00 | 28.60 |
| Sewer | 25.30 | 30.12 | 21.33 | 26.40 | 26.00 | 25.20 | 28.00 | 26.40 |
| Storm Water | 3.00 | 3.00 | 3.00 | - | - | - | - | - |
| Solid Waste | 0.80 | 0.80 | 0.80 | 0.80 | 0.30 | 0.30 | 0.20 | 0.20 |
| Community Center | - | - | - | 2.00 | 2.00 | 2.00 | 3.00 | 3.00 |
| Total | 258.00 | 256.00 | 250.00 | 246.00 | 257.00 | 270.00 | 280.00 | 277.00 |

Source: City of Barberton records

| <u>2001</u> | <u>2000</u> |
|---------------|---------------|
| 1.00 | 1.00 |
| 8.00 | 8.00 |
| 12.50 | 11.50 |
| 2.00 | 2.00 |
| 1.30 | 1.30 |
| 5.60 | 5.60 |
| 3.00 | 3.00 |
| 1.00 | 1.00 |
| 2.00 | 2.00 |
| 1.50 | 1.00 |
| 4.60 | 4.60 |
| 1.00 | 1.00 |
| 56.00 | 60.00 |
| 46.00 | 46.00 |
| 22.00 | 25.00 |
| 4.00 | 4.00 |
| 25.00 | 25.00 |
| 10.30 | 7.30 |
| 5.00 | 4.00 |
| 3.00 | 4.00 |
| 7.00 | 6.00 |
| 2.00 | 2.00 |
| 30.60 | 29.80 |
| 26.40 | 25.90 |
| - | - |
| 0.20 | 1.00 |
| 2.00 | 2.00 |
| <u>283.00</u> | <u>284.00</u> |

CITY OF BARBERTON, OHIO

*OPERATING INDICATORS BY FUNCTION
LAST TEN YEARS*

| Function | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 |
|--------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| General Government | | | | | | | |
| Positions Filled | 27 | 19 | 7 | 7 | 13 | 2 | 21 |
| Building Permits Issued | 665 | 816 | 772 | 695 | 629 | 550 | 504 |
| Building Inspections Performed | 1,662 | 3,264 | 3,072 | 2,780 | 2,516 | 2,200 | 2,016 |
| Ordinances & Resolutions | 227 | 272 | 214 | 175 | 202 | 214 | 250 |
| Public Safety | | | | | | | |
| Police: | | | | | | | |
| Physical Arrests | 1,866 | 2,018 | 1,972 | 2,073 | 2,040 | 2,170 | 2,381 |
| Parking Violations | 942 | 2,073 | 677 | 1,638 | 1,697 | 890 | 273 |
| Traffic Violations | 2,247 | 1,996 | 2,310 | 2,902 | 2,950 | 2,324 | 2,110 |
| Fire: | | | | | | | |
| Emergency Responses | 3,387 | 3,422 | 3,442 | 3,370 | 3,558 | 3,571 | 3,754 |
| Fire Responses | 630 | 663 | 590 | 576 | 692 | 599 | 583 |
| Inspections conducted | 900 | 1,063 | 859 | 828 | 700 | 685 | 729 |
| Leisure Time Activities | | | | | | | |
| Recreation Center Attendance | N/A |
| Recreation Center Memberships | N/A | N/A | N/A | 2,909 | 1,883 | 1,459 | 998 |
| Transportation | | | | | | | |
| Street Resurfacing (miles) | 0.76 | 0.22 | 1.67 | 0 | 0 | 1.8 | 2.64 |
| Tons of salt used | 4,513 | 4,538 | 3,544 | 6,594 | 3,837 | 4,433 | 2,366 |
| Water | | | | | | | |
| New Connections | 164 | 123 | 152 | 116 | 90 | 110 | 81 |
| Water Main Breaks | 74 | 112 | 91 | 107 | 93 | 84 | 124 |

Source: City of Barberton Departments.

Note: Information for 10 years prior was not available for all functions.

| <u>2007</u> | <u>2008</u> | <u>2009</u> |
|-------------|-------------|-------------|
| 22 | 9 | 10 |
| 293 | 1,008 | 843 |
| 1,593 | 2,762 | 6,924 |
| 213 | 231 | 248 |
| 2,062 | 2,149 | 2,154 |
| 1,560 | 1,476 | 1,414 |
| 1,724 | 2,579 | 1,972 |
| 4,022 | 3,479 | 3,909 |
| 749 | 611 | 505 |
| 124 | 819 | 930 |
| N/A | 5,735 | 6,333 |
| 701 | 999 | 1,288 |
| 1.42 | 1.66 | 1.13 |
| 2,750 | 4,049 | 3,100 |
| 60 | 32 | 57.67 |
| 131 | 128 | 125 |

CITY OF BARBERTON, OHIO

*CAPITAL ASSETS STATISTICS BY FUNCTION
LAST TEN YEARS*

| Function | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 |
|--------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Public Safety | | | | | | |
| Police: | | | | | | |
| Stations | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Fire: | | | | | | |
| Stations | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 |
| Leisure Time Activities | | | | | | |
| Parks | 15.00 | 15.00 | 15.00 | 15.00 | 15.00 | 15.00 |
| Park Acreage | 140.00 | 140.00 | 140.00 | 140.00 | 140.00 | 140.00 |
| Tennis Courts | 8.00 | 8.00 | 8.00 | 8.00 | 8.00 | 8.00 |
| Baseball Diamonds | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 |
| Softball Fields | 12.00 | 12.00 | 12.00 | 12.00 | 12.00 | 12.00 |
| Transportation | | | | | | |
| Streets (Paved Miles) | 124.66 | 124.88 | 126.55 | 126.55 | 126.55 | 128.35 |
| Water | | | | | | |
| Water Mains (miles) | 133.03 | 133.28 | 135.97 | 135.97 | 135.97 | 135.97 |
| Sewer | | | | | | |
| Sanitary Sewers (miles) | 87.43 | 87.68 | 91.25 | 91.25 | 91.25 | 91.25 |

Source: City of Barberton Departments.

| <u>2006</u> | <u>2007</u> | <u>2008</u> | <u>2009</u> |
|-------------|-------------|-------------|-------------|
| 1.00 | 1.00 | 1.00 | 1.00 |
| 2.00 | 2.00 | 2.00 | 2.00 |
| 15.00 | 16.00 | 16.00 | 16.00 |
| 140.00 | 161.10 | 161.00 | 161.00 |
| 8.00 | 8.00 | 8.00 | 6.00 |
| 3.00 | 11.00 | 11.00 | 11.00 |
| 12.00 | 7.00 | 7.00 | 7.00 |
| 130.99 | 130.99 | 130.99 | 130.99 |
| 136.37 | 136.70 | 137.50 | 137.50 |
| 91.25 | 91.25 | 92.50 | 92.50 |

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Mary Taylor, CPA
Auditor of State

CITY OF BARBERTON

SUMMIT COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

CERTIFIED
JULY 13, 2010