



Dave Yost • Auditor of State

CITY OF AKRON
SUMMIT COUNTY

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Dave Yost • 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 Akron
Summit County
166 South High Street
Akron, Ohio 44308

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 Akron, Summit County, Ohio, (the City) as of and for the year ended December 31, 2010, which collectively comprise the City's basic financial statements and have issued our report thereon dated August 15, 2011, wherein we noted the City restated certain beginning fund balances. We also noted our opinion on footnote 28 is dated September 30, 2011. 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.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. Therefore, we cannot assure that we have identified all deficiencies, significant deficiencies or material weaknesses. However, as described in the accompanying schedule of findings and questioned costs we identified certain deficiencies in internal control over financial reporting, that we consider material weaknesses.

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 a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and timely corrected. We consider findings 2010-04 and 2010-05 described in the accompanying schedule of findings and questioned costs to be material weaknesses.

Compliance and Other Matters

As part of reasonably assuring whether the City's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed instances of noncompliance or other matters we must report under *Government Auditing Standards* which are described in the accompanying schedule of findings and questioned costs as items 2010-01 through 2010-03.

We also noted certain matters not requiring inclusion in this report that we reported to the City's management in a separate letter dated August 15, 2011.

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

We intend this report solely for the information and use of 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.



Dave Yost
Auditor of State

August 15, 2011



Dave Yost • Auditor of State

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

City of Akron
Summit County
166 South High Street
Akron, Ohio 44308

To the City Council:

Compliance

We have audited the compliance of the City of Akron, 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 could directly and materially affect each of the City's major federal programs for the year ended December 31, 2010. The summary of auditor's results section of the accompanying schedule of findings and questioned costs identifies the City's major federal programs. 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 Akron complied, in all material respects, with the requirements referred to above that could directly and materially affect each of its major federal programs for the year ended December 31, 2010. However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements that, while not affecting our opinion on compliance, OMB Circular A-133 requires us to report. The accompanying schedule of findings and questioned costs lists this instance as Finding 2010-06.

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 the requirements that could directly and materially affect a major federal program, to determine our auditing procedures for the purpose of expressing our opinion on compliance, and to test and report on internal control over compliance in accordance with OMB Circular A-133, 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 was not designed to 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. However, we identified a certain deficiency in internal control over compliance that we consider to be a significant deficiency, described in the accompanying schedule of findings and questioned costs as item 2010-06. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a federal program compliance requirement that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

The City's response to the finding we identified is described in the accompanying schedule of findings and questioned costs. We did not audit the City's response and, accordingly, we express no opinion on it.

We also noted matters 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 August 15, 2011.

Supplemental Schedule of Expenditures of Federal Awards

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 the City of Akron, Summit County, Ohio, (the City) as of and for the year ended December 31, 2010, and have issued our report thereon dated August 15, 2011, wherein we noted the City restated certain beginning fund balances. We also noted footnote 28 is dated September 30, 2011. Our audit was performed to form opinions on the financial statements that collectively comprise the City's basic financial statements taken as a whole. The accompanying Supplemental Schedule of Expenditures of Federal Awards provides additional information required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and is not a required part of the basic financial statements. The schedule is management's responsibility, and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. This schedule was subject to the auditing procedures we applied to the basic financial statements. We also applied certain

additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. 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, and others within the City. It is not intended for anyone other than these specified parties.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive, flowing style.

Dave Yost
Auditor of State

August 15, 2011

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CITY OF AKRON, OHIO

**SUPPLEMENTAL SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2010**

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA No.	Federal Expenditures
DEPARTMENT OF AGRICULTURE		
From the Ohio Department of Health:		
Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)		
Child Nutrition Cluster:	10.557	\$1,958,235
Summer Food Service Program for Children	10.559	278,997
Total Department of Agriculture		<u>2,237,232</u>
DEPARTMENT OF ENERGY		
Direct Programs:		
ARRA - Energy Efficiency and Conservation Block Grant Program	81.128	130,290
Total Department of Energy		<u>130,290</u>
DEPARTMENT OF EDUCATION		
Direct Programs:		
Rehabilitation Services-Vocational Rehabilitation Grants to States	84.126	188,320
Twenty-First Century Community Learning Centers	84.287	1,004,441
Total Department of Education		<u>1,192,761</u>
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT		
Direct Programs:		
CDBG - Entitlement and (HUD-Administered) Small Cities Cluster:		
ARRA - Community Development Block Grant Entitlement Grants (CDBG-R)	14.253	840,632
Community Development Block Grants/Entitlement Grants	14.218	5,487,658
Neighborhood Stabilization Program	14.218	5,599,747
Total Community Development Block Grants Cluster		<u>11,928,037</u>
Emergency Shelter Grants Program	14.231	306,807
HOME Investment Partnership Program	14.239	2,000,624
ARRA - Homelessness Prevention and Rapid Re-Housing Program	14.257	1,326,046
Lead-Based Paint:		
Lead-Based Paint Hazard Control in Privately-Owned Housing	14.900	1,062,193
Lead Hazard Reduction Demonstration Grant Program	14.905	576,950
Passed Through from the Ohio Department of Development:		
Community Development Block Grants/State's program and Non-Entitlement Grants		
ARRA - Homelessness Prevention and Rapid Re-Housing Program	14.257	144,638
Neighborhood Stabilization Program	14.228	2,083,993
Total Department of Housing and Urban Development		<u>19,429,288</u>
DEPARTMENT OF JUSTICE		
Direct Programs:		
Juvenile Accountability Incentive Block Grants	16.523	22,265
Byrne Formula Grant Program	16.579	1,389
Byrne Memorial Juvenile Accountability Grant	16.580	11,419
Bulletproof Vest Partnership Program	16.607	34,888
Northern Ohio Violent Fugitive Task Force	16.609	1,558
ARRA - Public Safety Partnership and Community Policing Grants	16.710	1,846,578
Public Safety Partnership and Community Policing Grants	16.710	89,917
Total CFDA No. 16.710		<u>1,936,495</u>
Formula Grants	16.738	314,586
ARRA - Grants to Units of Local Government	16.804	159,362
Passed through Ohio Office of Justice Programs:		
ARRA - Edward Byrne Memorial Justice Assistance Program	16.803	47,189

CITY OF AKRON, OHIO

**SUPPLEMENTAL SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2010**

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA No.	Federal Expenditures
Edward Byrne Memorial Justice Assistance - Formula Grants	16.738	18,280
Total Edward Byrne Memorial Justice Assistance Grants Cluster		<u>539,417</u>
Passed through from National Institute of Justice:		
Cold Case Task Force	16.741	18,699
Anti-Gang Initiative	16.744	253
Total Department of Justice		<u>2,566,383</u>
 ENVIRONMENTAL PROTECTION AGENCY		
From the Ohio E.P.A.:		
Air Pollution Control Program Support	66.001	260,362
Brownfields Assessment and Cleanup	66.818	38,653
Total Environmental Protection Agency		<u>299,015</u>
 DEPARTMENT OF TRANSPORTATION		
From the Federal Aviation Administration:		
Airport Improvement Program	20.106	730,909
From the Ohio Department of Highway Safety:		
Alcohol Traffic Safety and Drunk Driving Prevention Program	20.601	71,869
Safety Incentives to Prevent Operation of Motor Vehicles by Intoxicated Persons	20.605	142,921
Total Highway Safety:		<u>214,790</u>
Highway Planning and Construction:		
Akron Metropolitan Area Transportation Study	20.205	1,261,482
ODOT - Evans Avenue	20.205	85,287
ODOT - Manchester Road, Phase II	20.205	716,987
ODOT - Martha Avenue Reconstruction	20.205	431,385
ODOT - Mill Street Bridge	20.205	2,482,687
ODOT - Waterloo Road Towpath Trail-572040	20.205	47,819
ODOT - Seiberling Way, Phase II	20.205	170,588
ARRA - ODOT - AES Trail and Barges Bridge	20.205	342,833
ODOT - AES Trail and Barges Bridge	20.205	708,586
ARRA - ODOT - Frank Boulevard	20.205	1,208,887
ARRA - ODOT - Hilbish Avenue	20.205	2,224,000
ODOT - Hilbish Avenue	20.205	20,378
ODOT - Hilbish Pavement	20.205	156,131
ARRA - ODOT - State Street	20.205	312,943
ARRA - ODOT - South Main Street	20.205	2,425,861
ODOT - South Main Street	20.205	42,069
ARRA - ODOT - All American Bridge	20.205	4,382,977
Total CFDA No. 20.205		<u>17,020,900</u>
Total Department of Transportation		<u>17,966,599</u>
 DEPARTMENT OF HEALTH AND HUMAN SERVICES		
From the Ohio Department of Health:		
Public Health Emergency Preparedness	93.069	1,133,592
Acquired Immunodeficiency Syndrome (AIDS) Activity	93.118	42,260
Immunization Grants	93.268	47,001
Centers for Disease Control and Prevention Investigations and Technical Assistance	93.283	301,354
Refugee and Entrant Assistance Discretionary Grants	93.576	162,784
Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease	93.918	143,473

CITY OF AKRON, OHIO

**SUPPLEMENTAL SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2010**

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA No.	Federal Expenditures
HIV Prevention Activities - Health Department Based:		
Federal Aids Education	93.940	376,514
Block Grants for Prevention and Treatment of Substance Abuse	93.959	331,138
Preventive Health Services - Sexually Transmitted Disease Control Grants	93.977	118,172
Preventive Health and Health Services Block Grant	93.991	3,950
Maternal and Child Health Services Block Grant to the States		
Child and Family Health Services	93.994	160,111
Total Department of Health and Human Services		<u>2,820,349</u>
DEPARTMENT OF HOMELAND SECURITY		
Direct Programs:		
Staffing for Adequate Fire and Emergency Response (SAFER) From the U. S. Department of Health and Human Services	97.083	1,082,899
Metropolitan Medical Response System	97.071	125,000
Total Department of Homeland Security		<u>1,207,899</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS		<u><u>\$47,849,816</u></u>

See notes to supplemental schedule of expenditures of federal awards.

CITY OF AKRON, OHIO

NOTES TO SUPPLEMENTAL SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED DECEMBER 31, 2010

1. BASIS OF PRESENTATION

The accompanying supplemental schedule of expenditures of federal awards includes the federal grant activity of the City of Akron, Ohio, and is presented on the cash basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

2. SUBRECIPIENTS

Of the federal expenditures presented in this schedule, the City of Akron, Ohio, provided federal awards to subrecipients as follows:

Program Title	Federal CFDA No.	Amount Provided to Subrecipients
Special Supplemental Food Program for Women, Infants and Children CDBG- Entitlement and (HUD-Administered) Small Cities Cluster - Community Development Block Grant/Entitlement Grants	10.557	\$817,464
Neighborhood Stabilization Program - Federal Direct	14.218	838,697
Neighborhood Stabilization Program - Pass thru	14.228	883,465
Emergency Shelter Grants Program	14.231	141,888
HOME Investment Partnership Program	14.239	306,807
ARRA - Community Development Block Grant Entitlement Grants (CDBG-R)	14.253	1,650,000
ARRA - Homelessness Prevention and Rapid Re-Housing Program	14.257	132,500
Lead-Based Paint Hazard Control in Privately Owned Housing	14.900	1,469,443
Lead Hazard Reduction Demonstration Grant Program	14.905	621,936
Public Safety Partnership and Community Policing Grants	16.710	339,782
Edward Byrne Memorial Formula Grant Program	16.738	12,552
Cold Case Task Force	16.741	71,922
ARRA - Grants to Units of Local Government	16.804	9,277
ARRA - Energy Efficiency and Conservation Block Grant Program	81.128	119,914
Public Health Emergency Preparedness	93.069	44,944
Centers for Disease Control and Prevention Investigations and Technical Assistance	93.283	768,819
Outpatient Early Intervention Services - HIV Disease	93.918	174,121
HIV Prevention Activities	93.940	108,581
		<u>205,775</u>
Total		<u><u>\$8,717,887</u></u>

CITY OF AKRON, OHIO

NOTES TO SUPPLEMENTAL SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED DECEMBER 31, 2010

3. LOANS OUTSTANDING

The City of Akron, Ohio, had the following loan balances outstanding at December 31, 2010, which had continuing compliance requirements.

Program Title	Federal CFDA No.	Balance Outstanding
Community Development Block Grants/Entitlement Grants	14.218	\$ 66,898
Empowerment Zone Program	14.244	943,485
HOME Investment Partnership Program	14.239	3,502,877

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**CITY OF AKRON
SUMMIT COUNTY**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
OMB CIRCULAR A -133 § .505
DECEMBER 31, 2010**

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	Type of Financial Statement Opinion	Unqualified
(d)(1)(ii)	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	Yes
(d)(1)(ii)	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	Yes
(d)(1)(iv)	Were there any material internal control weaknesses reported for major federal programs?	No
(d)(1)(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	Yes
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unqualified
(d)(1)(vi)	Are there any reportable findings under § .510(a)?	Yes
(d)(1)(vii)	Major Programs (list):	CFDA # 14.228 - Neighborhood Stabilization Program; CFDA # 14.257 - ARRA - Homelessness Prevention and Rapid Re-Housing Program; CFDA # 14.900 - Lead-Based Paint Hazard Control in Privately-Owned Housing; CFDA #16.710 - ARRA - Public Safety Partnership and Community Policing Grants; CFDA # 20.205 - Highway Planning and Construction
(d)(1)(viii)	Dollar Threshold: Type A/B Programs	Type A: > \$ 1,435,494 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**

1. Appropriations Exceeding Available Resources

<i>Finding Number</i>	2010-01
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NONCOMPLIANCE

Ohio Rev. Code Section 5705.36(A)(4) provides that upon a determination by the fiscal officer of a subdivision that the revenue to be collected by the subdivision will be less than the amount included in an official certificate and that the amount of the deficiency will reduce available resources below the level of current appropriations, the fiscal officer shall certify the amount of the deficiency to the county budget commission, and the commission shall certify an amended certificate reflecting the deficiency.

At December 31, 2010, the amount of fund level revenue deficiencies would reduce available resources below the current level of appropriations as follows:

Fund #	Fund Name	Available Resources	Appropriations	Deficiency
1000	General	\$141,586,870	\$142,223,919	\$(637,049)
2080	Community Development	8,661,236	27,941,614	(19,280,378)
4050	Road & Bridge	8,815,224	10,785,372	(1,970,148)
4060	Streets	(8,688,310)	12,366,316	(21,054,626)
4175	Economic Development	10,653,151	20,572,679	(9,919,528)
5000	Water	40,273,021	45,167,273	(4,894,252)
5005	Sewer	35,183,683	45,311,274	(10,127,591)
5030	Off-Street Parking	5,358,829	5,595,851	(237,022)

The City should record the estimated revenue available for expenditure from each fund, as certified by the county budget commission, in the City's Banner accounting system. The City also should frequently compare actual revenues to estimated revenues and obtain a reduced amended certificate, if necessary. Finally, the current level of appropriations should be reduced accordingly to prevent an over-appropriation of funds.

Official's Response: The City is comparing the estimated revenue available for each fund as certified by the county budget commission with the appropriation ordinance. Historically, the City has not submitted an amended official estimate of resources to the county budget commission. The City will implement a procedure to align its appropriations with its official estimate of resources.

2. **Appropriations Exceeding Estimated Resources**

<i>Finding Number</i>	2010-02
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NONCOMPLIANCE

Ohio Rev. Code Section 5705.39 requires that total appropriations from each fund shall not exceed the total of the estimated revenue available for expenditure from each fund, as certified by the budget commission.

Total original appropriations exceeded total original estimated resources in the following funds:

<u>Fund Name</u>	<u>Original Estimated Resources</u>	<u>Original Appropriations</u>	<u>Deficiency</u>
Income Tax Collection	\$4,567,316	\$ 6,650,683	\$(2,083,367)
Emergency Medical Services	8,852,702	12,069,977	(3,217,275)
Community Development	12,347,630	22,966,615	(10,618,985)
Akron Metro Area Transportation Study	1,420,962	1,708,641	(287,679)
E.D.A. Revolving Loans	40,628	50,000	(9,372)
Police Grants	1,532,097	3,691,175	(2,159,078)
Various Domestic Violence	100,148	126,582	(26,434)
Health Grants	7,980,056	8,586,422	(606,366)
City Facilities Operating	2,223,759	12,573,002	(10,349,243)
Non-appropriated Capital Projects	36,464	2,130,382	(2,093,918)
Streets	11,346,344	19,166,317	(7,819,973)
Information Technology and Improvements	213,446	231,903	(18,457)

Total final appropriations exceeded total final estimated resources in the following funds:

<u>Fund Name</u>	<u>Final Estimated Resources</u>	<u>Final Appropriations</u>	<u>Deficiency</u>
Income Tax Collection	\$4,567,316	\$ 5,749,683	\$(1,182,367)
Emergency Medical Services	8,852,702	12,819,977	(3,967,275)
Special Assessment	1,490,736	1,508,061	(17,325)
Community Development	12,347,630	27,941,615	(15,593,985)
Akron Metro Area Transportation Study	1,420,962	1,708,641	(287,679)
E.D.A. Revolving Loans	40,628	50,000	(9,372)
Police Grants	1,532,097	3,911,175	(2,379,078)
Various Domestic Violence	100,148	126,582	(26,434)
Health Grants	7,980,056	8,586,442	(606,386)
City Facilities Operating	2,223,759	20,473,002	(18,249,243)
Non-appropriated Capital Projects	36,464	4,580,382	(4,543,918)
Road and Bridge Improvement	10,626,211	10,785,371	(159,160)
Streets	11,346,344	12,366,317	(1,019,973)
Information Technology and Improvements	213,446	231,903	(18,457)

2. Appropriations Exceeding Estimated Resources (continued)

Ensuring total appropriations from each fund do not exceed the total official estimate or amended official estimate is not only required by statute, but is a key control in the budgetary process to assure funds are not appropriated to be spent when there are not adequate resources available. To improve control over the budgetary process and to help avoid overspending, we recommend the Director of Finance compare estimated resources to appropriations each time an amendment is made to these amounts. This comparison should be documented to ensure appropriations do not exceed estimated resources.

Official's Response: The City is comparing the estimated revenue available for each fund as certified by the county budget commission with the appropriation ordinance. Historically, the City has not submitted an amended official estimate of resources to the county budget commission. The City will implement a procedure to align its appropriations with its official estimate of resources.

3. Negative Cash Fund Balances

<i>Finding Number</i>	2010-03
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NONCOMPLIANCE

Ohio Rev. Code Section 5705.10(H) requires that monies paid into any fund be used only for the purposes for which such fund is established. As a result, a negative fund balance indicates that money from one fund was used to cover the expenses of another fund.

At December 31, 2010, the following funds (aggregated at the level used for preparing the financial statements) had negative cash fund balances:

Fund Number	Fund Name	Cash Balance
2005	Emergency Medical Service	\$ (3,590,206)
2030	Street & Highway Maintenance	(1,306,868)
2080	Community Development	(4,240,685)
2085	Air Pollution Control	(235,462)
2127	A.M.A.T.S.	(412,364)
2200	Special Revenue Loans	(34,371)
2295	Police Grants	(443,430)
2300	Various Domestic Violence	(274,155)
2320	Equipment & Facilities Operating	(19,342,296)
4048	Non-appropriated Capital Projects	(3,377,852)
4060	Streets	(13,026,202)
4150	Information Technology and Improvements	(370,338)
4175	Economic Development	(1,475,315)
5005	Sewer	(1,892,290)
5015	Golf Course	(739,822)
6000	Motor Equipment	(1,042,157)
6010	Storeroom	(908,396)
6025	Engineering	(580,466)
6030	Data Processing	(2,349,925)

3. Negative Cash Fund Balances (continued)

Negative cash fund balances are an indication that revenues from other sources were used to pay obligations of these funds. Additionally, money spent for purposes other than specified in grant agreements could result in the loss of future grant awards.

For reporting purposes, the deficit cash balances were reported as part of the "Due to Other Funds" liability, and funds with positive cash balances offsetting these deficits reported a "Due from Other Funds" asset. Since the City's cash is pooled, there was no method to determine which funds' cash was used to offset the deficit balances and consequently the "Due from Other Funds" amounts related to the deficit cash balances were assigned by the City using certain assumptions.

Maintaining positive cash fund balances is not only required by statute, but is a key control in the cash management process to assure funds are available to pay obligations. To improve controls over cash management and disbursements and to help reduce the possibility of the City's funds not having adequate balances to pay incurred obligations, we recommend the City monitor fund activity to prevent future expenditures in excess of available resources. In those cases where additional funds are required, the resources should either be transferred or advanced to the fund in accordance with the Ohio Rev. Code. Use of formal advances, approved by the City Council, will allow management to determine exactly which fund's cash is being used to offset deficit cash balances. This should help ensure compliance with grant and other funding restrictions as well as provide a reasonable basis for assigning "Due from Other Funds" receivables.

Official's Response: The City has been implementing changes in its accounting procedures to minimize the number of funds with negative cash balances. Much of this information has already been shared with the Auditor of State's staff. Significant progress towards resolving the current negative cash balances has occurred, the City will diligently continue to attempt to resolve existing negative cash balances, and the City will attempt to prevent future negative cash balances.

4. Restatement of Beginning Balances

<i>Finding Number</i>	2010-04
-----------------------	---------

MATERIAL WEAKNESS

Various capital project costs incurred prior to 2010 were reimbursed during 2010 with revenue from funds other than the funds incurring the original cost. This resulted in restating fund balances as of January 1, 2010 by a total of \$9,202,513 in ten different funds to properly reflect the reimbursement with the project costs in the same year. This includes a material restatement of \$3,433,220 in the Income Tax Capital Improvement major fund.

We recommend capital project costs be charged, as they are incurred, to the funds intended to pay for the projects; thereby, eliminating the need for reimbursements or possible illegal transfers at a later date. If projects are intended to be charged to various funds, the projects should be budgeted in advance to determine how much should be charged to each fund as invoices are paid.

Official's Response: The City has experienced significant reduction in staffing causing the delay in reimbursing capital project funds. In addition, capital projects typically have multiple revenue sources which, historically, the City reimbursed after the payment of invoices. The City is working on internal procedures to either eliminate the need for such reimbursements in the future or to cause the reimbursements to occur in a more timely manner.

5. **Financial Statement Adjustments**

<i>Finding Number</i>	2010-05
-----------------------	---------

MATERIAL WEAKNESS

The financial statements were adjusted to correct the following issues, identified during our testing:

- The activity for the 2010 CLC Income Tax Revenue Bonds was incorrectly accounted for in the CLC Bond Payment Fund then transferred to the CLC Fund, instead of accounting for the activity directly in the CLC Fund.
- The City accounted for numerous receipts in improper revenue accounts.
- The City accounted for various current year, interfund expenditure reimbursements by correctly debiting an expenditure account in the fund making the reimbursement, but incorrectly crediting a revenue account for the fund receiving the reimbursement.
- The City's bond payment fund trials incorrectly included unsupported Interest Revenue and Interest Expense balances.
- The City incorrectly reversed a prior year audit adjustment to properly recognize as deferred revenue certain grant receipts received outside the available period on the modified accrual statements.
- The City did not eliminate certain intrafund activity.
- The City incorrectly capitalized the assets associated with a 2009 capital lease twice.
- The City incorrectly capitalized, as an Intangible Asset, a telecommunications company expenses for moving cables located on an easement.
- The City incorrectly included homestead and rollback revenue in the calculation of Property Taxes Receivable.
- The City's Income Taxes Receivable calculation for the General Fund and Income Tax Capital Improvement Fund incorrectly included the amount collected for the CLC levy.
- The City incorrectly excluded Shared Revenues received in the subsequent year from its Shared Revenue Receivable estimate calculation.
- The City incorrectly excluded payments received during the current year for prior year services from its master meter Utilities Receivable calculation.
- The City incorrectly did not recognize the "bump" portion of its Accounts Payable accruals (an estimate of the remaining payables that will be paid from March through December of the subsequent year) on the modified accrual statements.
- The City incorrectly used the 2009 debt service fund balances to calculate the 2010 Net Assets, Restricted for Debt Service balance.
- The City incorrectly allocated certain Shared Revenue Receivables between Shared Revenue and Deferred Revenue

5. Financial Statement Adjustments (continued)

- The City incorrectly accounted for the net proceeds from the issuance of the 2010 CLC Income Tax Revenue Bonds as Shared Revenue in the CLC Bond Payment Fund, despite the proceeds already being accounted for as Proceeds from the Issuance of Bonds.
- The City incorrectly reported OPWC on-behalf revenues as receivable at fiscal year end, even though the on-behalf benefits were actually received in prior fiscal years.
- The City’s Banner System receivables/payables do not represent actual transactions, they are used only for informational purposes, so they must be eliminated for financial reporting purposes. The City incorrectly eliminated a receivables balance.

The issues noted above resulted in the following gross adjustments to the financial statements:

Opinion Unit	No. of Adj. Made	Amount of Adj. Made
Governmental Activities	8	\$ 61,320,002
General Fund	6	3,717,991
CLC Fund	2	45,100,024
Income Tax Capital Improvement Fund	4	11,188,697
Water Fund	2	1,287,377
Sewer Fund	1	866,227
Off-Street Parking Fund	1	53,449
Remaining Fund Info.	26	119,220,022
Total Adjustments Made	50	\$ 242,753,789

Furthermore, our financial statement testing resulted in the following gross adjustments reported to management as unadjusted items:

Opinion Unit	Proposed Adjustments	Amount Proposed
Governmental Activities	2	\$ 5,530,284
General Fund	1	94,455
CLC Fund	1	208,320
Income Tax Capital Improvement Fund	2	465,131
Water Fund	4	1,993,146
Sewer Fund	3	2,647,037
Off-Street Parking Fund	1	505,630
Remaining Fund Info.	9	21,409,882
Total Unadjusted Items	23	\$ 32,853,885

The City should exercise due care when compiling and posting its financial activity to help ensure the financial statements are accurate. Management should review the GAAP and cash-basis journal entries and draft financial statements to help ensure they are supported by sufficient documentation, reconciled to the trial balances, free of obvious errors and omissions, and consistent with their financial expectations. In addition, the City should consider contracting with an independent consultant to perform a technical review of the draft financial statements and supporting work papers. These procedures should help avoid financial statement errors and help ensure more accurate financial reporting.

5. Financial Statement Adjustments (continued)

Official's Response: The City's Audit and Budget Division experienced a significant reduction in staffing over the last few years, and has also recently experienced several unexpected extended medical leaves. The City is in the process of increasing the Audit and Budget Division staff which should alleviate these issues.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS
--

1. Allowable Costs/Cost Principles - COPS Grant

Finding Number	2010-06
CFDA Title and Number	ARRA - Public Safety Partnership and Community Policing Grants – CFDA # 16.710
Federal Award Number / Year	2010
Federal Agency	U.S. Department of Justice
Pass-Through Agency	N/A

QUESTIONED COST, NONCOMPLIANCE AND SIGNIFICANT DEFICIENCY

42 U.S.C. 3796dd(b) authorized U.S. Department of Justice, Public Safety Partnership and Community Policing Grants (COPS) funding for approved entry-level salaries and fringe benefits of newly hired or rehired full-time officers for 36 months of grant funding. The approved entry-level salaries and fringe benefits are based on a grantee agency's actual entry-level sworn officer salary and fringe benefit costs and are identified on the Final Financial Clearance Memorandum (FCM) that is sent to the grantee agency. Any additional costs for higher than entry-level salaries and fringe benefits will be the responsibility of the grantee agency. The City's Police Department was awarded a Community Oriented Policing Services Hiring Recovery Program (CHRP), a subgrant of the ARRA - COPS grant awarded authorized by 42 U.S.C. 3796dd(b). The CHRP's FCM included a Final Funding Memorandum (FFM) outlined the final approved officer salary and fringe benefits categories and amounts.

During 2010, the City was reimbursed for the maximum FFM approved salaries amount for 17 officers; however, the actual salaries paid for those officers were a combined \$47,101 less than the FFM approved salaries amount. In addition, the City was reimbursed for the maximum FFM approved benefits amount for 21 officers; however, the actual benefits paid for those officers were a combined \$45,007 less than the FFM approved benefits amount.

In total, we noted the City was reimbursed for a combined \$92,108 in excess salaries and benefits, which is in excess of \$10,000 and therefore considered questioned costs under OMB Circular A133§.510(a)(3).

The City's Police Department should review all reimbursement requests to help ensure they are based on actual costs and the actual costs are within the cost categories and financial limitations outlined by the grant.

1. Allowable Costs/Cost Principles - COPS Grant (continued)

Official's Response/Corrective Action Plan:

- A. Name of Contact Person: Diane L. Miller-Dawson, Director of Finance
- B. Corrective Action Plan: The City will review salary and benefit amounts, per person, before each quarterly report is submitted to assure this does not occur.
- C. Proposed Completion Date: The issue will be resolved during the 2011 reporting period.

**CITY OF AKRON
SUMMIT COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2010**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain</i>
2009-001	Ohio Rev. Code Section 5705.10 (H) – Certain funds had negative cash fund balances which indicates that money from one fund was used to cover the expenditures of another fund.	No	Not Corrected, reissued as Finding 2010-03
2009-002	Ohio Rev. Code Section 5705.39 – Certain funds had total appropriations that exceeded total estimated resources.	No	Not Corrected, reissued as Finding 2010-02
2009-003	Ohio Rev. Code Section 5705.36(A)(4) Certain funds had total appropriations that exceeded available resources.	No	Not Corrected, reissued as Finding 2010-01

City of Akron, Ohio
**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**



For the Fiscal Year Ended December 31, 2010
Donald L. Plusquellic, Mayor

Issued by The Department of Finance
Diane L. Miller-Dawson, Director



ELECTED AND APPOINTED OFFICIALS

MAYOR

Donald L. Plusquellic

COUNCIL MEMBERS

James P. Hurley III	1st Ward
Bruce D. Kilby	2nd Ward
Marco S. Sommerville, Council President	3rd Ward
Russel C. Neal	4th Ward
Kenneth L. Jones	5th Ward
Robert J. Otterman	6th Ward
Tina L. Merlitti	7th Ward
Phillip J. Montgomery	8th Ward
Michael N. Freeman	9th Ward
Kelli R. Crawford	10th Ward
Jeff C. Fusco	Councilman-at-Large
Linda F.R.Omobien	Councilman-at-Large
Michael D. Williams	Councilman-at-Large

CABINET OF THE MAYOR

Diane L. Miller-Dawson	Director of Finance
Cheri B.Cunningham	Director Of Law
Richard A. Merolla	Director of Public Service
John W. Valle	Deputy Director of Public Service
Ronald L. Williamson	Deputy Director of Public Service
John O. Moore	Director of Planning and Urban Development
Samuel D. DeShazor	Deputy Director of Planning and Urban Development
David A. Lieberth	Deputy Mayor of Administration
Laraine A. Duncan	Deputy Mayor of Intergovernmental Relations
Robert Y. Bowman	Deputy Mayor of Economic Development
Billy Soule	Assistant to the Mayor for Community Relations

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Donald L. Plusquellic
Mayor

DEPARTMENT OF FINANCE

205 Municipal Building / 166 South High Street / Akron, Ohio 44308
(330) 375-2316 FAX: (330) 375-2291

August 15, 2011

The Honorable Donald L. Plusquellic
and Members of City Council
The City of Akron, Ohio

Dear Mayor Plusquellic and Council Members:

I am pleased to submit the Comprehensive Annual Financial Report (CAFR) of the City of Akron for the year ended December 31, 2010. This report presents financial and operating information about the City's activities during 2010 that should be useful to citizens and taxpayers. The report, prepared by the Department of Finance, contains a comprehensive analysis of the City's financial position and activities for the year.

Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City of Akron. To the best of our knowledge and belief, the enclosed data is accurate in all material respects; it is presented in a manner designed to fairly set forth the financial position and results of operations of the City as measured by the financial activity of our various funds; and all disclosures necessary to enable the reader to gain the maximum understanding of the City's financial activities have been included.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that has been established for this purpose. The cost of internal control should not exceed anticipated benefits; therefore, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. The Audit and Budget Division prepared all of the financial statements and assisted the external independent accountants in their performance of the annual audit. The Treasurer's Office assisted in drafting the statistical section.

Generally accepted accounting principles (GAAP) require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to

complement the MD&A and should be read in conjunction with it. The City of Akron's MD&A can be found immediately following the Independent Accountants' Report.

As background for the reader of this report, the City of Akron is a charter city. The City is the fifth largest Ohio municipality in terms of population based on the 2010 Census population of 199,110. The City's land area is approximately 62 square miles and is located in the northeastern region of the state in the County of Summit.

The City is directed by a mayor and council form of government. Legislative authority is vested in a 13-member Council, three members of which are elected at-large and ten by wards. The Council determines the compensation of City officials and employees and enacts ordinances and resolutions relating to City services, tax levies, appropriation and borrowing of money, licensing and regulating businesses and trades, and other municipal purposes.

The Mayor is elected for a four-year term and has the responsibility as the City's chief executive and administrative officer. The Mayor may veto any legislation passed by Council. A veto may be overridden by a two-thirds vote of all members of Council. The Director of Finance is appointed by the Mayor and serves as the City's chief financial officer and chief accounting officer. The Director of Finance has comprehensive responsibility for the City's fiscal activities, including budget preparation and control, employee benefits, payroll and general accounting, investment and debt management, purchasing, local income tax administration, information processing, and financial reporting.

The City provides the full range of municipal services mandated by statute or charter, including police and fire protection, health, parks, recreation, street maintenance, planning, zoning, and other general government services. The City has management control of the following enterprise activities: water, sewer, oil and gas development, golf course, airport, and off-street parking.

Economic Conditions and Outlook

Major revenue sources for the City continue to be the City's income tax, property taxes, local fees, charges for services, and state-shared local government revenue. The City's cash income tax collections decreased by approximately .7% in 2010. On a cash basis for 2010, property taxes in the general fund decreased by 3.2% and the state's local government revenue to the City increased by approximately 1.3%. Income tax receipts from the 12 largest economic sectors in the City have increased by 4.78% since 2006 and, combined, account for nearly 85% of total tax collections. Receipts from the 12 fastest growing economic sectors have increased by 10.27%. No one sector makes up more than 20.85% of the total collected.

Despite the economy in 2010, the City of Akron remains in a stable financial state. Efforts to reduce expenses and operate more efficiently have allowed the City to function at a continuously high service level at lower costs. These efforts ensure the City will be in strong position for growth as the economy rebounds. The revenue collected from the four Joint Economic Development Districts (JEDDs) is an additional funding source to encourage and promote economic development and to secure a solid tax base.

Long-term Financial Policies

Unreserved, undesignated fund balance in the general fund (3.46% of the general fund revenues) is under the City's 5% threshold policy guidelines set by the Administration for budgetary and planning purposes. The Administration intends to review this policy in the near future to determine if this policy meets the City's current needs.

The City completes a five-year capital budget that is updated annually. In this document, the City attempts to forecast its capital requirements for the next five years.

Relevant Financial Policies

The City has a charter requirement that the 2% income tax (the City's largest revenue source) used specifically for City services, be allocated so that 73% of net revenue is used for operations and the balance is used for capital needs.

Major Initiatives

Defining the major initiatives for the City of Akron can be summed up into three parts: creating and retaining jobs, neighborhood growth and security, and alliance with other governments.

In 2010, Akron's Biomedical Corridor was designated as a "Biomaterials Commercialization Hub" by the State of Ohio and recognized by Governor Ted Strickland as an Ohio Innovation Hub for Biomaterial commercialization focusing on orthopedics and wound healing. Created in 2006, the Biomedical Corridor aims to grow early-stage companies into nationally known brands while providing jobs locally. This past year, the City hosted a delegation from the Finland Funding Agency for Technology and Innovation, known as TEKES, in an effort to draw several companies to the Corridor. TEKES is now promoting Akron as a principal biomedical center. The Austen BioInnovation Institute is in the process of transforming the Summit County Jobs & Family Services Building on North Main Street in the Corridor into its new headquarters with laboratories and classrooms for use by researchers and students from NEOUCOM.

The City continues to aggressively market itself through trade shows and partnerships with the Greater Akron Chamber, NEOTEC, TeamNEO and Team Ohio. Its international marketing strategy continues to evolve with technology incubators in Israel, Germany, India, Finland and China. These marketing efforts help Akron to have a presence on the global stage to attract its share of investment money and jobs. In 2010, FMI Technologies, a medical imaging start-up company in Akron's Global Business Accelerator, received a foreign direct investment of \$18 million from an investor group in Shanghai, China. The City also attracted the German-based company Roechling Automotive USA to the Massillon Road Industrial Park creating more than 100 new jobs. In total, the City of Akron has attracted thirty companies from Europe, Asia and Israel bringing in over 2,000 jobs.

The construction of the Bridgestone Technical Center is well under way, and the facility will open in 2012. Bridgestone is constructing a 240,000 square foot, \$100 million state-of-the-art

technical center on South Main Street across from Firestone Stadium. The project ensures the retention of 1,000 jobs in the City and has created 150 daily construction jobs. Also, financing has been secured to continue the Goodyear World Headquarters project on “Innovation Way” in East Akron. Ground breaking took place in early 2011 on the \$110 million campus. With the new headquarters, the City will retain 3,000 jobs and create 300 daily construction jobs. Keeping these two iconic companies provides a bridge between Akron’s past and future.

The City of Akron committed more than \$11 million in the Neighborhood Stabilization Program in 2010, which allowed the City to perform hundreds of inspections and blight evaluations for housing. The City also rehabilitated 25 homes, built 13 new, energy-efficient homes and marketed 38 homes for sale through the program. The City funded \$500,000 for Washington Homes, the East Akron Neighborhood Development Corporation’s new 34 unit rental housing complex , using federal HOME funds. Also, the City improved neighborhoods with the demolition of 390 structures and the sale of 15 lots to private developers and non-profit agencies for new housing.

The City continues to strive to make its existing communities stronger. Construction of the 21st new Community Learning Center was completed in 2010. The City’s PeaceMaker’s group, which consists of youths in grades 9 through 12 in the Akron area, was involved in more than 25 volunteer and service projects working with the Akron Police Department, Juvenile Court, Akron Bar Association, United Way and InfoLine. The City hosted its first All-American Baseball and Softball parade, combining several neighborhood parades into one downtown event. The City observed its fourth annual Neighbor’s Day Akron in May to bring communities closer together.

The City continues to work to protect and secure its citizens. The City upgraded the Police Department’s Computer Forensics Unit with state-of-the-art computer processing and analyzing equipment. On its website, the City created a link that allows mug shots and other critical photos such as composite sketches, bank robbery photos and missing person photos to be entered online. Working with other area agencies, the City broke up a countywide serial burglary operation in 2010. The City continued work on crime reduction in the Summit Lake area where overall crime rates have dropped 12%.

Effective January 1, 2011, the City combined health services with Summit County in the Summit County Health District. The city of Barberton joined in 2010 as well. The City has ongoing police collaborations with the County and continues to discuss ways to leverage Akron’s investment in its 9-1-1 dispatch center to provide services to the County and other safety services in the area. The City expanded the vehicle maintenance, fuel and truck washing services of the Motor Equipment Division to help other jurisdictions including the University of Akron, Summit County, Summit County Engineer, AMHA and ODOT. Internally, the City merged the Housing and Customer Service Divisions to enhance nuisance control services. Further consolidation of duties are occurring for engineering services, snow plowing and vehicle maintenance.

These are just a few of the initiatives that, when taken together, contribute to the strength and diversity of the City’s economy.

Reporting Standards

The City's accounts are organized as funds. Each fund is a separate accounting entity with its own self-balancing set of accounts, assets, liabilities, and fund balance/equity. Following are the titles of these fund types with a brief description.

Governmental funds:

General Fund – The General Fund is the general operating fund of the City and is appropriated. It is used to account for all financial resources traditionally associated with government that are not required to be accounted for in another fund.

Special Revenue Funds – The Special Revenue Funds are used to account for revenues derived from specific taxes, grants, or other restricted revenue sources. City ordinances or federal or state statutes specify the uses and limitations of each Special Revenue Fund. During 2010, the City had 27 Special Revenue Funds.

Debt Service Funds – The Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs. During 2010, the City had 11 Debt Service Funds.

Capital Projects Funds – The Capital Projects Funds are used to account for financial resources used for the acquisition or construction of major capital facilities other than those financed by proprietary funds. During 2010, the City had 9 Capital Projects Funds.

Permanent Funds – The Permanent Funds are used for the purpose of accounting for resources that are legally restricted to the extent that earnings, and not principal, may be used for purposes that support the reporting governments. The City does not have any Permanent Funds.

Proprietary funds:

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

Internal Service Funds – The Internal Service Funds are used to account for the financing of goods or services provided by one division or agency to other divisions or agencies of the government, generally on a cost-reimbursement basis. The City has eight Internal Service Funds.

Fiduciary funds:

Private Purpose Trust Funds – The Private Purpose Trust Funds are used to account for other trust arrangements which benefit individuals, private organizations, or other governments. During 2010, the City had three Private Purpose Trust Funds.

Agency Funds – The Agency Funds are used to account for assets held by the City as an agent for individuals, private organizations, and other governments. During 2010, the City had two Agency Funds.

Other Fiduciary Funds – The Other Fiduciary Funds include pension trust funds and investment trust funds. The City does not utilize any such Other Fiduciary Funds.

Basis of Accounting:

Except for budgetary purposes, the basis of accounting used by the City conforms to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units and is consistent with Governmental Accounting Standards Board (GASB) Cod. Sec. 1600, “Basis of Accounting.” All governmental funds are accounted for using a current financial resources-current assets and current liabilities measurement focus. The modified accrual basis of accounting is utilized for governmental funds. Revenues are recognized when they are susceptible to accrual (both measurable and available). Expenditures are recognized when the related liability is incurred, except for interest on long-term debt which is recorded when due.

The measurement focus on the City’s proprietary and fiduciary funds is on the flow of total economic resources (all assets and liabilities). The accrual basis of accounting (revenues are recognized when earned and expenses when incurred) is utilized by the City in its proprietary funds.

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

Accounting policies are further explained in Note 1 to the basic financial statements.

Cash Management

Effective cash management is recognized as essential to good fiscal management. The primary objectives of the City’s investment activities are the preservation of capital and the protection of investment principal. The Treasurer’s Office within the Department of Finance invests all cash, following the City’s own investment ordinance, in various securities which consist of fixed-rate City bonds and notes, certificates of deposit, fully collateralized repurchase agreements, and U.S. government obligations. The City’s investment ordinance was modified in late 1986 to take

advantage of State of Ohio investment opportunities. However, the local investment policy continues to be conservative with the highest priority given to safeguarding assets. For 2010, investment interest income averaged a yield of 1.53% compared to a yield of 1.44% in 2009. The interest earnings are maximized by investing to projected payment dates on a competitive bid basis and by investing bank balances daily.

Risk Management

The City has been self-insured for liability coverage for non-auto-related incidents since 1985. This program was established in response to the dramatic rise in premiums in the mid-1980's and the increases in exclusions written into standard insurance policies. Additionally, the City is primarily self-insured for employee medical benefits, including major medical, dental, and vision care. This has proven to be the most cost-effective program for this type of coverage. The City also has in place reserve funds for workers' compensation and medical benefits. For other types of coverage, such as property insurance, airport liability, employee life, auto liability, and boiler and machinery coverage, the City has secured traditional insurance. The City is assisted in its insurance program by an independent consulting firm that writes no insurance but has expertise in the insurance industry. The City relies on the advice offered by the consultant in securing any insurance.

Pension

The City contributes to two state-administered retirement plans covering various groups of City employees. Police and firefighters participate in the statewide Ohio Police and Fire Pension Fund. Substantially, all other City employees participate in the statewide Ohio Public Employees Retirement System (OPERS). The City's total contributions to these plans were equal to 100% of the required employer contributions for the year. The financial statements of these state-mandated plans are not included in the City's financial reports as the plans are outside of our control and are independent of our financial resources or influence.

Independent Annual Audit

We appreciate the cooperation of State Auditor Dave Yost and his staff in completing the City's audit in a timely and highly professional manner.

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 Akron, Ohio, for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2009. 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 Akron, Ohio, has received Certificates of Achievement for the last 26 consecutive years (1984 through 2009). We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

Acknowledgments

The 2010 Comprehensive Annual Financial Report could not have been accomplished without the dedication of the professionals in the Audit and Budget Division of the Department of Finance. Special acknowledgment must go to the Audit and Budget staff for the many hours of quality service they have provided to the City in the formulation of this report. I further wish to thank you, Mayor, for continuing to provide to the department the necessary support and leadership required to enhance the City's overall fiscal position and its financial reporting practices. We trust that this timely, complete, and fully readable Comprehensive Annual Financial Report satisfies your needs and those of City Council for responsible financial planning and reporting.

Respectfully,



Diane L. Miller-Dawson
Director of Finance

DLMD/dmu

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Akron
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2009

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

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Dave Yost • Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

City of Akron
Summit County
166 South High Street
Akron, Ohio 44308

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 Akron, Summit County, Ohio (the City), as of and for the year ended December 31, 2010, 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 Akron, Summit County, Ohio, as of December 31, 2010, and the respective changes in financial position and where applicable, cash flows, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 26 to the financial statements, the City adjusted various beginning fund balances at January 1, 2010 for capital projects reimbursements.

In accordance with *Government Auditing Standards*, we have also issued our report dated August 15, 2011, 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.

101 Central Plaza South, 700 Chase Tower, Canton, Ohio 44702-1509
Phone: 330-438-0617 or 800-443-9272 Fax: 330-471-0001
www.auditor.state.oh.us

Accounting principles generally accepted in the United States of America require this presentation to include *Management's discussion and analysis and required budgetary comparison schedules* as listed in the table of contents, to supplement the basic financial statements. Although this information is not part of the basic financial statements, the Governmental Accounting Standards Board considers it essential for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any other assurance.

We conducted our audit to opine on the financial statements that collectively comprise the City's basic financial statements taken as a whole. The introductory section, the financial section's combining statements, individual fund statements and schedules, and the statistical section information provide additional analysis and are not a required part of the basic financial statements. The financial section's combining statements, individual fund statements and schedules are management's responsibility, and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. These statements and schedules were subject to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. 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 section information to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion or any other assurance on them.



Dave Yost
Auditor of State

August 15, 2011 except for footnote 28 for which the date is September 30, 2011

CITY OF AKRON, OHIO MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's discussion and analysis of the City of Akron, Ohio financial performance provides an overview of Akron's financial activities for the fiscal year ended December 31, 2010. Please read it in conjunction with the transmittal letter on page 7 and the City's financial statements, which begin on page 34.

FINANCIAL OVERVIEW

- The assets of the City of Akron, Ohio exceeded its liabilities at December 31, 2010 by \$719,107,534 (net assets). Of this amount \$100,666,098 is restricted for debt service.
- The City's total net assets increased by \$4,984,806 during the current year. Governmental activities' total net assets decreased by \$6,100,006 and the business-type activities' total net assets increased by \$11,084,812.
- As of the close of the current fiscal year, the City of Akron's governmental funds reported combined ending fund balances of \$140,708,186, an increase from the prior year which is attributed to the reimbursement for federally funded stimulus programs along with the issuance of bonds.
- At the end of the current fiscal year, unreserved fund balance for the general fund was \$4,967,367, or 3.69% of total general fund expenditures.
- The City of Akron's total long-term debt increased by \$49,767,399 (7.0%) during the current year. During 2010, the City of Akron issued \$80,090,000 in General Obligation Bonds and \$45,000,000 in Income Tax Revenue Bonds. Also during the year, the City retired \$34,309,527 of General Obligation Bonds.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the City of Akron's finances in a manner similar to a private sector business.

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

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

Both of the government-wide financial statements distinguish functions of the City of Akron that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business type activities). The governmental activities of the City of Akron include general government, public service, public safety, community environment, public health and recreation and parks. The business-type activities of the City of Akron include water, sewer, oil and gas, golf, airport and off-street parking operations.

The government-wide financial statements can be found on pages 34 – 35 of this report.

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

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

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

The City of Akron maintains 48 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the Community Learning Centers (CLC) Fund and the Income Tax Capital Improvement Fund, which are considered to be major funds. Data from the other governmental funds

are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The City of Akron adopts an annual appropriated budget for its General Fund, and for special revenue, some debt service, enterprise and internal service funds. The General Fund, Community Learning Centers Fund, and Income Tax Capital Improvement Fund budgetary schedules (non-GAAP budgetary basis) have been provided as Required Supplementary Information (RSI) to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 36-39 of this report.

Proprietary funds. The City of Akron maintains two different types of proprietary funds, enterprise and internal service funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City of Akron uses enterprise funds to account for its water, sewer, oil and gas, golf, airport, and off-street parking operations. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City of Akron's various functions. The City of Akron uses internal service funds to account for its vehicle maintenance, medical self-insurance, workers' compensation self-insurance, other self-insurance costs, storeroom (providing City-wide copy center, mailing operation and central storeroom), management information systems (responsible for all data processing and computer operations of the City), telephone system (with outside cable plant consisting of underground and aerial wires and telephone cables), and engineering bureau (responsible for design and construction for City streets, sidewalks, sewer and water utilities, bridges, and City facilities). Because most of the internal services predominantly benefit governmental rather than business-type functions, they have been included within the governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water, Sewer, and Off-Street Parking operations, which are considered to be major funds of the City of Akron. Conversely, the internal service funds are combined into a single aggregated presentation in the proprietary fund financial statements. Individual fund data for the nonmajor enterprise and the internal service funds is provided in the form of combining statements elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 40 – 42 of this report.

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

The basic fiduciary fund financial statements can be found on pages 43 – 44 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 45-101 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain Required Supplementary Information (RSI) concerning the City of Akron's General Fund, Community Learning Centers Fund, and Income Tax Capital Improvement Fund budgetary comparison. Required Supplementary Information (RSI) can be found on pages 103-107 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds, enterprise funds and internal service funds are presented immediately following the Required Supplementary Information (RSI) and can be found on pages 110-177 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the City of Akron, assets exceeded liabilities by \$719,107,534 at the close of the most recent fiscal year.

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

An additional portion of the City of Akron's net assets (12%) is restricted for the payment of debt service.

The City's net assets increased by \$4,984,806 during the current year. The net assets of the governmental activities decreased by \$6,100,006 and business-type activities increased by \$11,084,812.

Summary Statement of Net Assets
as of December 31, 2009 and 2010
(in thousands)

	Governmental Activities		Business-type Activities		Total	
	2009	2010	2009	2010	2009	2010
Assets:						
Current and other assets	\$ 341,610	\$ 380,693	\$ 28,293	\$ 35,345	\$ 369,903	\$ 416,038
Capital assets	910,373	953,795	480,094	476,516	1,390,467	1,430,311
Total assets	\$ 1,251,983	\$ 1,334,488	\$ 508,387	\$ 511,861	\$ 1,760,370	\$ 1,846,349
Liabilities:						
Long-term liabilities	653,330	762,126	112,463	104,825	765,793	866,951
Other liabilities	259,650	239,459	20,805	20,832	280,455	260,291
Total liabilities	\$ 912,980	\$ 1,001,585	\$ 133,268	\$ 125,657	\$ 1,046,248	\$ 1,127,242
Net assets:						
Invested in capital assets net of related debt	325,086	320,611	364,052	368,334	689,138	688,945
Restricted	46,034	76,133	11,601	11,956	57,635	88,089
Unrestricted	(32,117)	(63,841)	(534)	5,914	(32,651)	(57,927)
Total net assets	\$ 339,003	\$ 332,903	\$ 375,119	\$ 386,204	\$ 714,122	\$ 719,107

Governmental activities. Changes in net assets before transfers was a decrease in the amount of \$5,707,000.

For the governmental activities, the unrestricted deficit results from having insufficient assets set side for long-term obligations such as compensated absences. The City finances such obligations on a year-to-year basis as they come due and also has ongoing capital projects that are debt-financed.

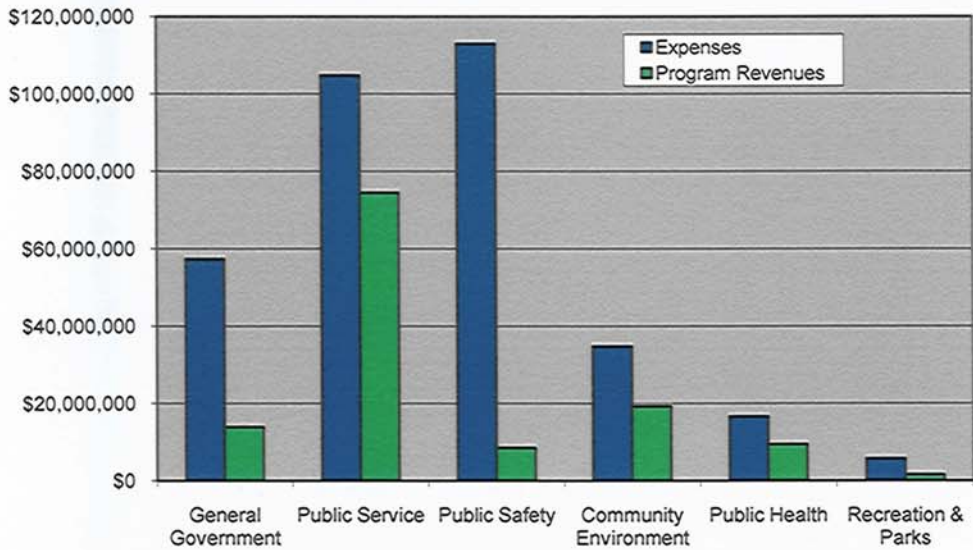
The following table shows total revenues for 2010 were \$368,225,000 which reflects an increase from the prior year. Significant sources of revenue include Charges for services and Operating grants and contributions, increasing by \$15,050,000 and \$16,918,000, respectively. Expenses for 2010 were higher from 2009 by approximately \$28.9 million. Even as the City monitored spending, the expenditures for public service and general government show an increase relating to existing commitments, grant related expenditures, and federally funded projects. Key events contributing to the changes are as follows:

- The changes in revenue are attributed to the change in the state of the economy. Unemployment shows a slight decrease to just below 10% which is a result of staffing needs for federally funded projects.
- A significant portion of the increase in Public service relates to the federal Neighborhood Stabilization Program (NSP) program and American Recovery and Reinvestment Act (ARRA) funded projects.

Changes in Net Assets
For Fiscal Year Ended December 31, 2009 and 2010
(in thousands)

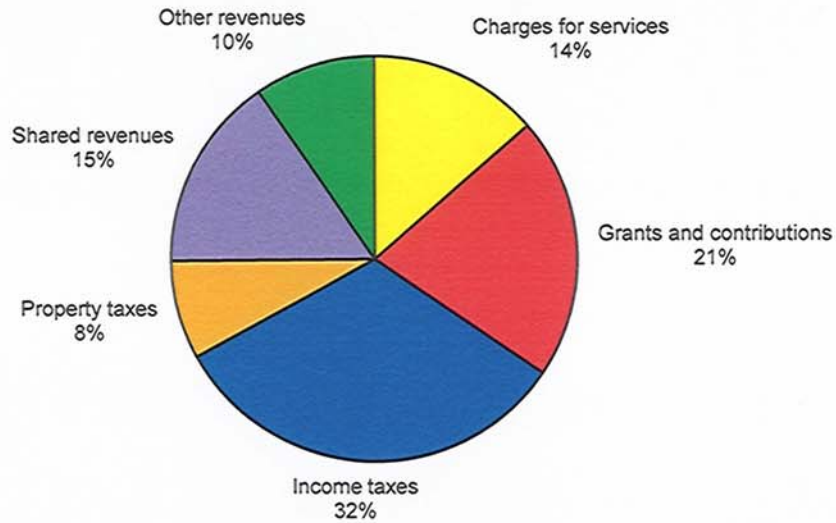
	Governmental Activities		Business-type Activities		Total	
	2009	2010	2009	2010	2009	2010
Revenues:						
Program revenues:						
Charges for services	\$ 35,024	\$ 50,074	\$ 74,509	\$ 85,406	\$ 109,533	\$ 135,480
Operating grants and contributions	21,601	38,519	-	-	21,601	38,519
Capital grants and contributions	26,257	38,468	6,601	5,838	32,858	44,306
General revenues:						
Income taxes	120,914	119,258	-	-	120,914	119,258
Property taxes	28,160	29,014	-	-	28,160	29,014
JEDD revenues	15,603	15,191	-	-	15,603	15,191
Investment earnings	2,411	534	11	7	2,422	541
Unrestricted shared revenues	60,374	57,043	-	-	60,374	57,043
Miscellaneous	13,833	20,122	1,558	2,824	15,391	22,946
Gain on sale of capital assets	-	2	-	-	-	2
Total revenues	\$ 324,177	\$ 368,225	\$ 82,679	\$ 94,075	\$ 406,856	\$ 462,300
Expenses:						
General government	\$ 43,879	\$ 57,325	\$ -	\$ -	\$ 43,879	\$ 57,325
Public service	80,173	104,776	-	-	80,173	104,776
Public safety	123,812	112,984	-	-	123,812	112,984
Community environment	35,724	34,804	-	-	35,724	34,804
Public health	16,833	16,585	-	-	16,833	16,585
Recreation and parks	6,271	5,705	-	-	6,271	5,705
Interest on debt	24,195	27,012	-	-	24,195	27,012
Unallocated depreciation	14,158	14,741	-	-	14,158	14,741
Water	-	-	33,622	34,400	33,622	34,400
Sewer	-	-	34,847	39,299	34,847	39,299
Oil & gas	-	-	123	479	123	479
Golf course	-	-	1,327	1,270	1,327	1,270
Airport	-	-	696	686	696	686
Off-street parking	-	-	6,797	7,249	6,797	7,249
Total expenses	345,045	373,932	77,412	83,383	422,457	457,315
Changes in net assets before transfers	(20,868)	(5,707)	5,267	10,692	(15,601)	4,985
Transfers	(890)	(393)	890	393	-	-
Changes in net assets	\$ (21,758)	\$ (6,100)	\$ 6,157	\$ 11,085	\$ (15,601)	\$ 4,985
Net assets - beginning	360,761	339,003	368,962	375,119	729,723	714,122
Net assets - ending	\$ 339,003	\$ 332,903	\$ 375,119	\$ 386,204	\$ 714,122	\$ 719,107

Expenses and Program Revenues - Governmental Activities



The above chart shows the revenue generated by the various programs of the City of Akron and the expenses relating to each program. As shown below, the primary source of revenue that funds these programs is reported in the financial statements as income taxes.

Revenues By Sources Governmental Activities



FINANCIAL ANALYSIS OF THE GOVERNMENTAL FUNDS

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

Governmental funds. The focus of the City of Akron's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City of Akron's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City of Akron's governmental funds reported a combined ending fund balance of \$140,708,186, an increase in comparison to the prior year. The unreserved fund balance at the end of the current year is \$96,896,204. The remainder of fund balance is reserved to indicate that it is not available for new spending because it has already been committed (1) to liquidate contracts and purchase orders of the prior period (\$24,010,904), (2) to reserve for loans receivable (\$16,715,433) and (3) to reserve for assets held for resale (\$3,085,645). The City's major governmental funds are the General Fund, the Community Learning Centers (CLC) Fund and the Income Tax Capital Improvement Fund.

The General Fund is the chief operating fund of the City of Akron. At the end of the current fiscal year, unreserved fund balance of the General Fund was \$4,967,367, while the total fund balance is \$6,089,582. As a measure of the General Fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 3.69% of total General Fund expenditures, while total fund balance represents 4.52% of that same amount.

The fund balance of the City of Akron's General Fund increased by \$2,144,034 during the current fiscal year. Key factors in this change are as follows:

- Revenues as a whole decreased by \$4,552,625 from the prior year. The decrease is mainly due to the decrease in Shared revenues and Charges for services.
- Expenditures decreased by 9.35% during the current year due primarily to the cost containment efforts regarding payments to employees which also impact associated benefits.
- General Fund revenues exceeded expenditures before transfers for 2010 by \$7,549,594 primarily due to the reduction in expenditures.
- The practice of transferring monies from the General Fund, \$5,405,560 in 2010, to subsidize various operations and provide the local match for grants is a method used annually by the City to provide resources to these funds.

The Community Learning Centers Fund has a total fund balance of \$95,667,171. The net increase in the Community Learning Centers Fund from the prior year was \$6,008,972 which is attributed to the issuance of income tax revenue bonds of \$45,000,000.

The Income Tax Capital Improvement Fund has a total fund balance of \$12,045,876. Expenditures exceeded revenue by \$3,437,562 in 2010 attributing to the decrease in the fund balance. The Fund is responsible for debt service payments and relies heavily on the collection of Income taxes.

Other Governmental Funds have a combined fund balance of \$26,905,557. The increase in the combined fund balance was \$45,055,986. This majority of the change is attributed to capital project funds. The City has been diligent in addressing the capital project funds as reflected in the Net change in fund balance in the following: Streets Fund accounts for over \$6.5 million, Public Facilities and Improvements Fund accounts for approximately \$10 million, and the Economic Development Fund over \$4.6 million.

GENERAL FUND BUDGETARY OVERVIEW

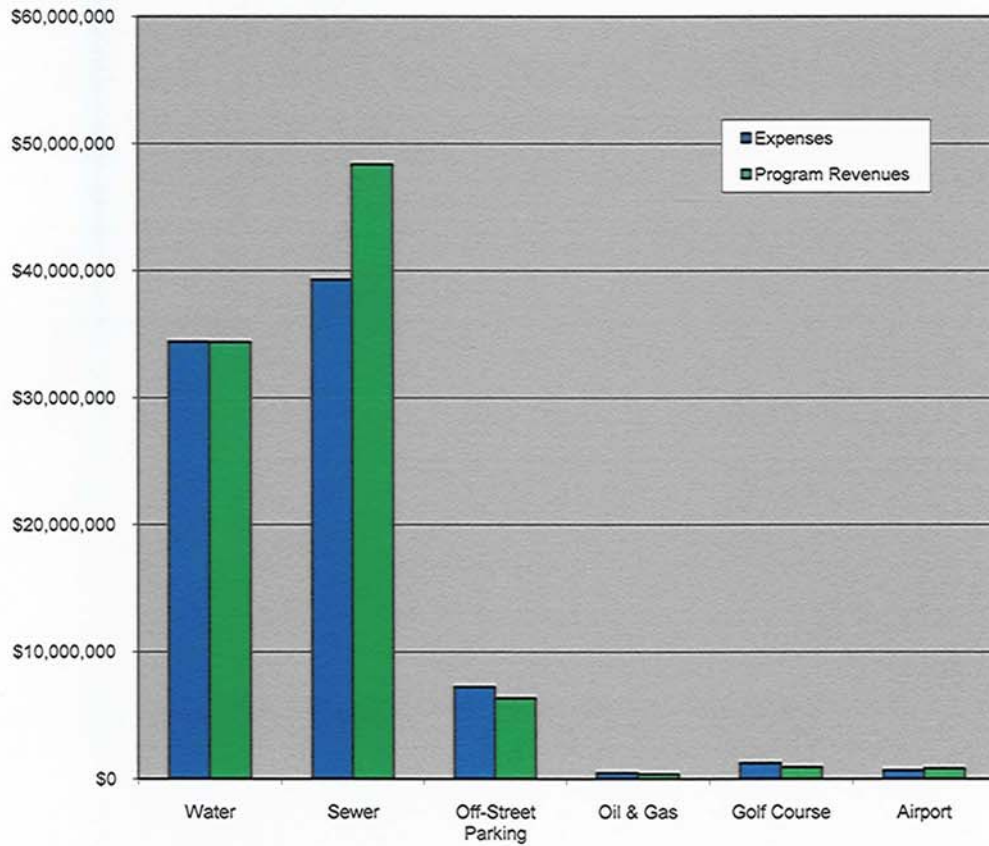
During the year, actual revenues and other sources were under budgetary estimates by \$6,818,876 (4.55%). Income tax revenue, the major revenue source, was significantly lower than the budgeted amount by \$3,663,646. Inheritance tax and Service revenues during 2010 were also lower than budgeted by \$1,991,653 and \$1,470,966, respectively.

Through restraint on spending, the revised final budget for expenditures remained the same as the original budget amount within the fund as a whole. The actual expenditures were slightly under the actual revenues by \$1,551,009.

Key events contributing to the changes in the General Fund budget amounts are as follows:

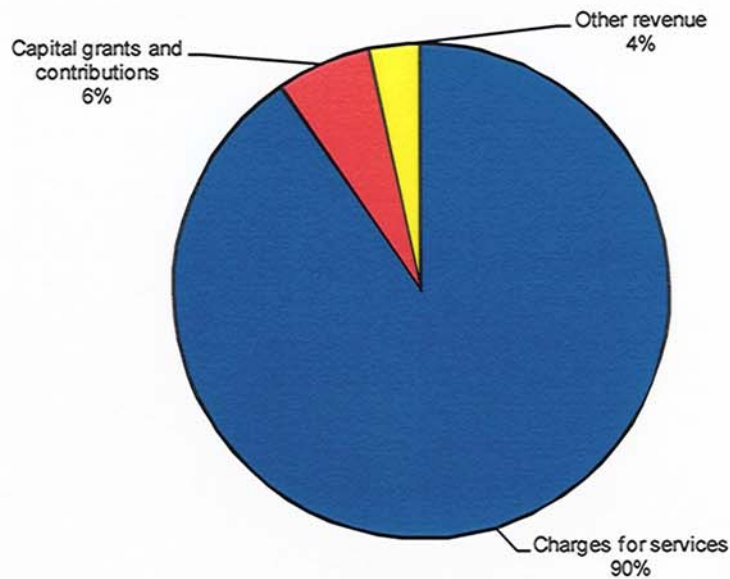
- The shortfall of total revenues compared to budgeted amounts is a result of the global economic conditions. In response, the City implemented restraint on spending.
- All of the increases to the budget were initiated with corresponding decreases keeping the total General Fund budget at the original budgeted level.
- Costs were controlled during the year through bargaining union concessions, elimination of vacation sell and longevity program for non-bargaining, and mandatory furlough.

Expenses and Program Revenues - Business-type Activities



The above chart shows the revenue generated by the various business-type activities of the City of Akron and the expenses relating to each activity. As shown below, the majority of the revenue that funds these activities is reported in the financial statements as charges for services.

Revenues by Sources - Business-type Activities



FINANCIAL ANALYSIS OF THE PROPRIETARY FUNDS

Business-type activities. Business-type activities increased the City of Akron's net assets by \$11,084,812 compared to an increase of \$6,157,046 in the prior year. Total program revenues increased by \$10,133,980 coupled with an increase in expenses of \$5,970,838 account for the change in net assets.

Proprietary funds. The City of Akron's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. The City's major enterprise funds are the Water, Sewer, and Off-Street Parking.

Unrestricted net assets of the Water fund at the end of the year was \$6,048,206; for the Sewer fund was \$3,189,845, and for the Off-Street Parking fund was \$139,858. The increase reported in net assets for the Water and Sewer Funds were \$1,089,652 and \$10,046,676, respectively. The decrease reported in net assets for Off-Street Parking was \$427,787.

The Water Department services the City and 11 surrounding communities which account for 84,348 customer accounts and 1,223 miles of water mains. All bonds of the Water fund are paid from water enterprise revenues. A ten-year comparison of certain water enterprise data is shown in Schedule 15 of the Statistical Section. Water rates remained stable and results of operations yielded an increase in net assets due to cost containment.

The Sewer Department services the City and 12 surrounding communities which account for 78,985 customer accounts and 1,340 miles of sewer lines. All bonds of the Sewer fund are paid from sewer enterprise revenues. A ten-year comparison of certain sewer enterprise data is shown in Schedule 15 of the Statistical Section. Sewer rates remained virtually unchanged with only slight increases to a small population of non-resident customers and results of operations yielded an increase in net assets due again to cost containment.

The Off-Street Parking fund experienced a slight increase in charges for services revenue and operating expenses. The decrease in net assets directly relates to a lower amount of capital contributions compared to prior year.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital assets. The City of Akron's investment in capital assets for its government and business-type activities as of December 31, 2010, amounts to \$1,430,310,919 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings, improvements other than buildings, equipment, and infrastructure. The total increase in the City of Akron's investment in capital assets for the current fiscal year was \$39,843,801 (a 4.77% increase for governmental activities and a 0.75% decrease for business-type activities).

	Capital Assets (net of accumulated depreciation) (in thousands)					
	Governmental Activities		Business-type Activities		Total	
	2009	2010	2009	2010	2009	2010
Land	\$156,062	\$156,634	\$26,607	\$26,607	\$182,669	\$183,241
Construction in progress	97,240	96,083	27,674	17,109	124,914	113,192
Buildings	216,976	251,339	100,127	110,635	317,103	361,974
Improvements	94,106	95,319	199,971	193,078	294,077	288,397
Equipment	23,041	21,341	7,052	7,200	30,093	28,541
Infrastructure	322,948	333,079	118,663	121,887	441,611	454,966
	<u>\$910,373</u>	<u>\$953,795</u>	<u>\$480,094</u>	<u>\$476,516</u>	<u>\$1,390,467</u>	<u>\$1,430,311</u>

Additional information on the City of Akron's capital assets can be found in Note 1. G. and Note 7.

Major capital assets added during the current fiscal year included the following:

- Community Learning Centers Building Equity Interest - \$35,916,474
- All-American Bridge Rehabilitation - \$3,590,228
- Hilbish Avenue Pavement - \$2,459,956
- Martha Avenue Reconstruction - \$3,178,429
- Lock 3 North Public Improvements Phase II - \$774,793
- Sand Run Parkway Sewer Lining - \$1,468,701

Long-term debt. At the end of the current fiscal year, the City of Akron had total debt outstanding of \$761,000,000. All general obligation bonds are backed by the full faith and credit of the City. Special assessment bonds and notes are covered by special assessment collections and are backed by the full faith and credit of the City. The remainder of the City of Akron's debt represents bonds secured solely by specified revenue sources.

City of Akron
Outstanding Debt
(in thousands)

	Governmental Activities		Business-type Activities		Total	
	2009	2010	2009	2010	2009	2010
General Obligation Bonds	\$ 202,773	\$ 248,559	\$ 639	\$ 633	\$ 203,412	\$ 249,192
General Obligation Notes	54,665	33,865	-	-	54,665	33,865
OPWC Loan	11,654	10,751	2,349	2,147	14,003	12,898
Ohio Department of Development Loan	995	845	-	-	995	845
Non-Tax Revenue Bonds	58,145	55,795	-	-	58,145	55,795
Income Tax Revenue Bonds	200,655	240,105	-	-	200,655	240,105
Special Revenue Bonds	37,535	35,115	-	-	37,535	35,115
Special Assessment Bonds and Notes	22,012	22,000	-	-	22,012	22,000
SIB Loan	6,756	5,783	-	-	6,756	5,783
Mortgage Revenue Bonds	-	-	47,375	43,925	47,375	43,925
Revenue Bonds	-	-	30,910	27,260	30,910	27,260
OWDA Loan	-	-	34,769	34,217	34,769	34,217
	<u>\$ 595,190</u>	<u>\$ 652,818</u>	<u>\$ 116,042</u>	<u>\$ 108,182</u>	<u>\$ 711,232</u>	<u>\$ 761,000</u>

The City of Akron's total debt outstanding increased by \$49,768,000 (7.0%) during the current fiscal year.

During the current fiscal year the City issued \$80,090,000 in General Obligation Bonds for various purpose improvements and \$45,000,000 in Income Tax Revenue Bonds to pay for the cost of improving the community learning centers.

The Ohio Revised Code provides that the outstanding general obligation bonds less self-supporting debt (e.g., income tax-backed projects) of the municipal corporation, whether or not approved by the electors, shall not exceed 10.5% of the assessed 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 total assessed value of property. The City of Akron's total debt limit (10.5%) is \$316,716,912 and the total unvoted net debt limit (5.5%) is \$165,899,335.

The City's general obligation bonds are rated "AA-" by Standard & Poor's Ratings Services, "AA-" by Fitch Ratings and "Aa3" by Moody's Investors Service, Inc. The insured Water and Sewer Revenue bonds were originally rated AAA from Fitch, Aaa from Moody's, and AAA from Standard & Poor's.

Additional information on the City of Akron's long-term debt can be found in Notes 10-12.

Economic Factors and Next Year's Budgets and Rates

- Akron's average annual unemployment rate at year-end was 9.5%, which is the second highest in the past 10 years.
- The City of Akron budgeted income tax collections to increase by 1.5%, Local Government and Property Tax revenue to remain flat.

In the 2011 budget, the General Fund unencumbered fund balance is projecting a \$1,505,399 increase.

Request for Information

This financial report is designed to provide a general overview of the City of Akron's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or request for additional information should be addressed to the Director of Finance, Municipal Building, 166 South High Street, Room 502, Akron, Ohio 44308.

BASIC FINANCIAL STATEMENTS

City of Akron, Ohio
Statement of Net Assets
December 31, 2010

	Governmental Activities	Business-type Activities	Total
Assets			
Current assets			
Pooled cash and investments	\$ 12,898,645	\$ 5,257,282	\$ 18,155,927
Restricted cash and investments	107,211,714	9,970,784	117,182,498
Receivables, net	88,731,358	12,606,731	101,338,089
Loans receivable	711,130	-	711,130
Due from other governments	8,635,859	4,000,939	12,636,798
Internal balances	1,228,548	(1,228,548)	-
Inventories, at cost	784,669	2,624,942	3,409,611
Total current assets	<u>220,201,923</u>	<u>33,232,130</u>	<u>253,434,053</u>
Noncurrent assets:			
Receivables, net	101,931,011	-	101,931,011
Loans receivable	16,004,303	-	16,004,303
Unamortized bond costs and deferred loss	6,892,637	2,112,765	9,005,402
Deposits	32,577,807	-	32,577,807
Assets held for resale	3,085,645	-	3,085,645
Capital assets:			
Land and construction in progress	252,717,145	43,715,733	296,432,878
Other capital assets, net	701,077,691	432,800,350	1,133,878,041
Total noncurrent assets	<u>1,114,286,239</u>	<u>478,628,848</u>	<u>1,592,915,087</u>
Total assets	<u>1,334,488,162</u>	<u>511,860,978</u>	<u>1,846,349,140</u>
Liabilities			
Current liabilities:			
Accounts payable and other accrued liabilities	19,796,875	3,308,129	23,105,004
Customer deposits	663,968	672,435	1,336,403
Due to other governments	4,928,598	302,150	5,230,748
Unearned revenue	129,625,506	-	129,625,506
Matured bonds and interest payable	1	-	1
Accrued interest payable	3,035,642	1,467,099	4,502,741
Accrued wages	4,832,838	522,731	5,355,569
Accrued vacation and leave	10,291,678	1,144,249	11,435,927
COPs and obligations under capital lease	6,429,818	62,090	6,491,908
Liability for unpaid claims	4,095,740	-	4,095,740
Bonds, notes and loans payable	55,757,187	13,353,875	69,111,062
Total current liabilities	<u>239,457,851</u>	<u>20,832,758</u>	<u>260,290,609</u>
Noncurrent liabilities:			
COPs and obligations under capital lease	75,789,717	453,909	76,243,626
Liabilities due in more than one year	72,392,029	7,083,441	79,475,470
Deferred charges and other liabilities	16,884,314	2,459,001	19,343,315
Bonds, notes and loans payable due in more than one year	597,060,417	94,828,169	691,888,586
Total noncurrent liabilities	<u>762,126,477</u>	<u>104,824,520</u>	<u>866,950,997</u>
Total liabilities	<u>1,001,584,328</u>	<u>125,657,278</u>	<u>1,127,241,606</u>
Net Assets			
Invested in capital assets, net of related debt	320,611,400	368,334,039	688,945,439
Restricted for debt service	76,133,681	11,955,748	88,089,429
Unrestricted (deficit)	(63,841,247)	5,913,913	(57,927,334)
Total net assets	<u>\$ 332,903,834</u>	<u>\$ 386,203,700</u>	<u>\$ 719,107,534</u>

The notes to the financial statements are an integral part of this statement.

City of Akron, Ohio
Statement of Activities
For the Year Ended December 31, 2010

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Assets		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities:							
General government	\$ 57,324,570	\$ 13,878,801	\$ -	\$ -	\$ (43,445,769)	\$ -	\$ (43,445,769)
Public service	104,776,341	33,856,324	2,139,933	38,467,858	(30,312,226)	-	(30,312,226)
Public safety	112,983,694	1,286,320	7,203,131	-	(104,494,243)	-	(104,494,243)
Community environment	34,804,208	13,934	19,225,289	-	(15,564,985)	-	(15,564,985)
Public health	16,584,773	623,919	8,813,885	-	(7,146,969)	-	(7,146,969)
Recreation and parks	5,704,548	414,527	1,136,430	-	(4,153,591)	-	(4,153,591)
Interest	27,012,002	-	-	-	(27,012,002)	-	(27,012,002)
Unallocated depreciation*	14,740,666	-	-	-	(14,740,666)	-	(14,740,666)
Total governmental activities	373,930,802	50,073,825	38,518,668	38,467,858	(246,870,451)	-	(246,870,451)
Business-type activities:							
Water	34,399,758	34,365,128	-	11,235	-	(23,395)	(23,395)
Sewer	39,299,082	44,879,526	-	3,492,883	-	9,073,327	9,073,327
Oil & gas	479,640	371,137	-	-	-	(108,503)	(108,503)
Golf course	1,270,474	926,633	-	4,039	-	(339,802)	(339,802)
Airport	686,012	65,186	-	772,991	-	152,165	152,165
Parking facilities	7,248,743	4,798,580	-	1,557,065	-	(893,098)	(893,098)
Total business-type activities	83,383,709	85,406,190	-	5,838,213	-	7,860,694	7,860,694
Total Government	\$ 457,314,511	\$ 135,480,015	\$ 38,518,668	\$ 44,306,071	\$ (246,870,451)	\$ 7,860,694	\$ (239,009,757)
General Revenues:							
Taxes:							
Income taxes					\$ 119,257,796	\$ -	\$ 119,257,796
Property taxes					29,013,731	-	29,013,731
JEDD revenues					15,190,788	-	15,190,788
Investment earnings					534,263	6,945	541,208
Unrestricted shared revenues					57,043,369	-	57,043,369
Miscellaneous					20,122,026	2,824,106	22,946,132
Gain on sale of capital assets					1,539	-	1,539
Transfers					(393,067)	393,067	-
Total general revenues and transfers					240,770,445	3,224,118	243,994,563
Change in net assets					(6,100,006)	11,084,812	4,984,806
Net assets - beginning					339,003,840	375,118,888	714,122,728
Net assets - ending					\$ 332,903,834	\$ 386,203,700	\$ 719,107,534

* Excludes depreciation included in program expenses.

The notes to the financial statements are an integral part of this statement.

City of Akron, Ohio

Balance Sheet - Governmental Funds

December 31, 2010

	General	Community Learning Centers	Income Tax Capital Improvement	Other Governmental Funds	Total Governmental Funds
Assets					
Pooled cash and investments	\$ 45,857	\$ 14,353,223	\$ 52,339	\$ 5,167,297	\$ 19,618,716
Restricted cash and investments	-	78,320,444	-	28,891,270	107,211,714
Receivables, net of allowances for uncollectibles	49,120,673	71,329,242	5,033,498	38,597,095	164,080,508
Loans receivable	406,459	-	-	16,308,974	16,715,433
Due from other governments	-	-	-	8,635,859	8,635,859
Due from other funds	6,257,114	1,561,154	9,100,000	28,652,099	45,570,367
Deposits	-	-	-	32,577,807	32,577,807
Assets held for resale	-	-	-	3,085,645	3,085,645
Total assets	<u>\$ 55,830,103</u>	<u>\$ 165,564,063</u>	<u>\$ 14,185,837</u>	<u>\$ 161,916,046</u>	<u>\$ 397,496,049</u>
Liabilities					
Accounts payable	\$ 1,572,970	\$ 6,655	\$ 14,478	\$ 5,043,301	\$ 6,637,404
Customer deposits	-	-	-	663,968	663,968
Due to other governments	3,135,002	132,051	3,833	3,141,334	6,412,220
Due to other funds	1,605,566	-	24,633	49,707,561	51,337,760
Due to others	-	-	-	1,475,789	1,475,789
Deferred grant revenue	-	-	-	8,173,474	8,173,474
Deferred revenue	35,546,021	69,757,741	2,034,176	32,765,826	140,103,764
Matured interest payable	-	-	-	1	1
Accrued liabilities	2,900,337	445	35,731	2,550,533	5,487,046
Accrued wages	3,211,596	-	16,110	1,395,346	4,623,052
Accrued vacation and leave	1,769,029	-	-	654,356	2,423,385
G.O. Notes	-	-	11,000	29,439,000	29,450,000
Total liabilities	<u>49,740,521</u>	<u>69,896,892</u>	<u>2,139,961</u>	<u>135,010,489</u>	<u>256,787,863</u>
Fund balances					
Reserved for encumbrances	715,756	450,958	179,061	22,665,129	24,010,904
Reserved for loans receivable	406,459	-	-	16,308,974	16,715,433
Reserved for assets held for resale	-	-	-	3,085,645	3,085,645
Unreserved designated for pre-encumbrances reported in general fund	54,121	-	-	-	54,121
Unreserved designated for pre-encumbrances reported in special revenue funds	-	-	55,434	167,034	222,468
Unreserved reported in general fund	4,913,246	-	-	-	4,913,246
Unreserved reported in special revenue funds	-	95,216,213	11,811,381	(27,810,247)	79,217,347
Unreserved reported in debt service funds	-	-	-	42,601,924	42,601,924
Deficit reported in capital project funds	-	-	-	(30,112,902)	(30,112,902)
Total fund balances (deficits)	<u>6,089,582</u>	<u>95,667,171</u>	<u>12,045,876</u>	<u>26,905,557</u>	<u>140,708,186</u>
Total liabilities and fund balances	<u>\$ 55,830,103</u>	<u>\$ 165,564,063</u>	<u>\$ 14,185,837</u>	<u>\$ 161,916,046</u>	<u>\$ 397,496,049</u>

The notes to the financial statements are an integral part of this statement.

City of Akron, Ohio
Reconciliation of the Balance Sheet to the Statement of Net Assets - Governmental Funds

December 31, 2010

Total fund balances for governmental funds (Exhibit 3)		\$ 140,708,186
Total net assets reported for governmental activities in the statement of net assets is different because:		
Investments in City of Akron issued bonds and notes are eliminated in the government-wide statement of net assets.		(7,987,974)
Capital assets used in governmental activities (excluding internal service fund capital assets) are not financial resources and therefore are not reported in the funds.		950,854,108
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.		
Grant revenues	8,173,065	
Income taxes	8,291,727	
JEDD revenues	598,326	
Property taxes	5,639,493	
Special assessments	11,825,000	
Shared revenues	8,801,324	
		43,328,935
Long-term accounts receivables are not available to pay for current period expenditures.		1,771,044
The assets and liabilities of the internal service funds are included in the governmental activities in the statement of net assets.		(17,027,715)
Long-term liabilities including bonds payable and accrued interest payable are not due and payable in the current period and therefore are not reported in the funds.		
Accounts payable and other accrued liabilities	(23,601,728)	
Due to other governments	(2,491,116)	
Accrued interest payable	(3,035,642)	
Accrued vacation and leave	(48,037,198)	
Bonds, notes and loans payable	(609,367,604)	
Obligations under capital lease	(82,217,785)	
Unamortized bond premium	(16,884,314)	
Unamortized bond issue cost	6,892,637	
		(778,742,750)
Total net assets of governmental activities (Exhibit 1)		\$ 332,903,834

The notes to the financial statements are an integral part of this statement.

City of Akron, Ohio

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds

For the Year Ended December 31, 2010

	General	Community Learning Centers	Income Tax Capital Improvement	Other Governmental Funds	Total Governmental Funds
Revenues					
Income taxes	\$ 73,980,574	\$ 12,806,832	\$ 26,825,402	\$ 5,825,274	\$ 119,438,082
Property taxes	17,977,303	-	-	10,092,859	28,070,162
JEDD revenues	2,256,000	-	1,410,000	11,796,316	15,462,316
Special assessments	70,985	-	-	14,604,437	14,675,422
Grants and subsidies:					
Community development	-	-	-	11,853,749	11,853,749
Other	5,004	368,889	-	44,867,111	45,241,004
Investment earnings	34,730	334,589	-	451,894	821,213
Shared revenues	22,048,772	-	-	34,083,439	56,132,211
Licenses, fees and fines	7,058,930	-	-	1,363,432	8,422,362
Charges for services	17,427,996	29,756	-	7,221,024	24,678,776
Miscellaneous	1,298,666	978	297,038	18,476,900	20,073,582
	<u>142,158,960</u>	<u>13,541,044</u>	<u>28,532,440</u>	<u>160,636,435</u>	<u>344,868,879</u>
Expenditures					
Current:					
General government	17,673,775	181,000	11,543	21,562,333	39,428,651
Public service	19,373,335	8,961	885,314	92,266,516	112,534,126
Public safety	87,132,133	-	33,474	22,915,015	110,080,622
Community environment	928,967	39,225,068	(951,806)	28,562,103	67,764,332
Public health	6,659,609	-	-	10,149,245	16,808,854
Recreation and parks	2,753,283	-	-	2,695,432	5,448,715
Capital outlay	-	-	-	34,536	34,536
Debt service:					
Principal retirement	62,306	5,190,000	17,779,643	32,262,227	55,294,176
Interest	25,958	7,401,248	14,211,834	6,185,634	27,824,674
Bond issuance expenditures	-	624,343	-	1,707,278	2,331,621
	<u>134,609,366</u>	<u>52,630,620</u>	<u>31,970,002</u>	<u>218,340,319</u>	<u>437,550,307</u>
Excess (deficiency) of revenues over (under) expenditures	7,549,594	(39,089,576)	(3,437,562)	(57,703,884)	(92,681,428)
Other financing sources (uses)					
Issuance of bonds	-	45,000,000	-	82,285,840	127,285,840
Issuance of loans	-	-	-	239,569	239,569
Issuance of COPs	-	-	-	13,200,000	13,200,000
Premium on G.O. Debt	-	98,548	-	2,502,904	2,601,452
Transfers-in	-	-	561,132	42,611,155	43,172,287
Transfers-out	(5,405,560)	-	(430,196)	(38,079,598)	(43,915,354)
	<u>(5,405,560)</u>	<u>45,098,548</u>	<u>130,936</u>	<u>102,759,870</u>	<u>142,583,794</u>
Net change in fund balance	2,144,034	6,008,972	(3,306,626)	45,055,986	49,902,366
Fund balances (deficit), January 1, 2010, as restated	3,945,548	89,658,199	15,352,502	(18,150,429)	90,805,820
Fund balances (deficit), December 31, 2010	<u>\$ 6,089,582</u>	<u>\$ 95,667,171</u>	<u>\$ 12,045,876</u>	<u>\$ 26,905,557</u>	<u>\$ 140,708,186</u>

The notes to the financial statements are an integral part of this statement.

City of Akron, Ohio
 Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances
 to the Statement of Activities - Governmental Funds

For the Year Ended December 31, 2010

Net changes in fund balances - total governmental funds (Exhibit 4)		\$ 49,902,366
<p>Amounts reported for governmental activities in the statement of activities are different because:</p>		
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets, which meet capitalization requirements, is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays (\$74,536,000) exceeded depreciation (\$30,490,792) in the current period.</p>		44,045,208
The net effect of selling capital assets increased net assets.		1,539
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		(48,959,382)
<p>The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of premiums and deferred amount on refundings when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The amount is the net effect of these differences in the treatment of long-term debt and related items.</p>		
Issuance of debt	(140,725,409)	
Payment of debt	55,294,176	
Premium on debt	(2,601,452)	
Bond issuance expenditures	2,331,621	
		(85,701,064)
Some of the expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		33,987,856
The revenues and expenses of the internal service funds are included in the governmental activities in the statement of activities.		623,471
		\$ (6,100,006)
Change in net assets of governmental activities (Exhibit 2)		\$ (6,100,006)

The notes to the financial statements are an integral part of this statement.

City of Akron, Ohio
Statement of Net Assets - Proprietary Funds
December 31, 2010

Exhibit 5

	Water	Sewer	Off-Street Parking	Other Enterprise Funds	Total	Governmental Activities- Internal Service Funds
Assets						
Current assets						
Pooled cash and investments	\$ 4,071,670	\$ 92,187	\$ 856,550	\$ 236,875	\$ 5,257,282	\$ 1,267,903
Restricted cash and investments	3,308,451	6,662,333	-	-	9,970,784	-
Receivables, net of allowances for uncollectibles	4,253,280	8,327,671	25,780	-	12,606,731	133,614
Due from other governments	1,376,251	2,588,165	-	36,523	4,000,939	-
Due from other funds	6,601,957	-	-	-	6,601,957	9,467,314
Inventories, at cost	1,557,682	1,005,470	-	61,790	2,624,942	784,669
Total current assets	<u>21,169,291</u>	<u>18,675,826</u>	<u>882,330</u>	<u>335,188</u>	<u>41,062,635</u>	<u>11,653,500</u>
Noncurrent assets						
Deferred loss on early retirement	615,062	608,863	-	-	1,223,925	-
Unamortized bond discount	83,900	-	-	-	83,900	-
Unamortized bond issue costs	472,341	332,599	-	-	804,940	-
Property, plant and equipment, net of accumulated depreciation	140,394,862	239,318,656	85,982,598	10,819,967	476,516,083	2,940,728
Total noncurrent assets	<u>141,566,165</u>	<u>240,260,118</u>	<u>85,982,598</u>	<u>10,819,967</u>	<u>478,628,848</u>	<u>2,940,728</u>
Total assets	<u>162,735,456</u>	<u>258,935,944</u>	<u>86,864,928</u>	<u>11,155,155</u>	<u>519,691,483</u>	<u>14,594,228</u>
Liabilities						
Current liabilities						
Accounts payable	783,035	1,557,677	380,446	16,327	2,737,485	565,123
Customer deposits	672,435	-	-	-	672,435	-
Due to other governments	40,191	24,545	237,414	-	302,150	116
Due to other funds	950,557	3,478,945	56,724	761,629	5,247,855	5,054,023
Accrued interest payable	830,045	635,067	1,987	-	1,467,099	-
Accrued liabilities	376,629	117,038	658	76,319	570,644	1,659,230
Accrued wages	322,551	181,774	2,350	16,056	522,731	209,786
Accrued vacation and leave	711,031	403,210	3,747	26,261	1,144,249	494,443
Obligations under capital lease	49,269	-	-	12,821	62,090	-
Liability for unpaid claims	-	-	-	-	-	4,095,740
Debt:						
Mortgage revenue bonds	3,560,000	-	-	-	3,560,000	-
Revenue bonds	-	3,790,000	-	-	3,790,000	-
OWDA loans	1,274,784	4,527,577	-	-	5,802,361	-
OPWC loans	95,958	105,556	-	-	201,514	-
Total current liabilities	<u>9,666,485</u>	<u>14,821,389</u>	<u>683,326</u>	<u>909,413</u>	<u>26,080,613</u>	<u>12,078,461</u>
Noncurrent liabilities						
Obligations under capital lease	360,183	-	-	93,726	453,909	-
Due in more than one year	3,965,938	2,827,451	59,146	230,906	7,083,441	8,126,131
Deferred charges and other liabilities	1,686,393	772,608	-	-	2,459,001	-
Bonds, notes, and loans	49,073,479	45,121,765	632,925	-	94,828,169	14,000,000
Total noncurrent liabilities	<u>55,085,993</u>	<u>48,721,824</u>	<u>692,071</u>	<u>324,632</u>	<u>104,824,520</u>	<u>22,126,131</u>
Total liabilities	<u>64,752,478</u>	<u>63,543,213</u>	<u>1,375,397</u>	<u>1,234,045</u>	<u>130,905,133</u>	<u>34,204,592</u>
Net assets						
Invested in capital assets net of related debt	86,390,641	185,773,758	85,349,673	10,819,967	368,334,039	2,940,728
Restricted for debt service	5,544,131	6,429,128	-	-	11,973,259	-
Unrestricted (deficit)	6,048,206	3,189,845	139,858	(898,857)	8,479,052	(22,551,092)
Total net assets	<u>\$ 97,982,978</u>	<u>\$ 195,392,731</u>	<u>\$ 85,489,531</u>	<u>\$ 9,921,110</u>	<u>\$ 386,203,700</u>	<u>\$ (19,610,364)</u>

Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds:
Net assets of business-type activities

(2,582,650)
\$ 386,203,700

The notes to the financial statements are an integral part of this statement.

City of Akron, Ohio
Statement of Revenues, Expenses and Changes in Net Assets - Proprietary Funds
For the Year Ended December 31, 2010

	Water	Sewer	Off-Street Parking	Other Enterprise Funds	Total	Governmental Activities- Internal Service Funds
Operating revenues						
Charges for services	\$ 34,365,128	\$ 44,879,526	\$ 4,798,580	\$ 1,362,956	\$ 85,406,190	\$ 48,455,217
Other	1,131,324	1,068,357	468,600	155,825	2,824,106	526,903
	<u>35,496,452</u>	<u>45,947,883</u>	<u>5,267,180</u>	<u>1,518,781</u>	<u>88,230,296</u>	<u>48,982,120</u>
Operating expenses						
Personal services	12,140,108	7,174,312	84,304	1,083,471	20,482,195	8,556,905
Direct expenses	12,116,446	18,713,934	2,683,488	830,841	34,344,709	11,590,391
Claims	-	-	-	-	-	27,473,937
Rentals and lease	344,513	71,279	939,116	94,799	1,449,707	126,405
Utilities	1,957,038	2,721,673	826,510	127,889	5,633,110	286,363
Insurance	140,215	152,429	40,790	29,293	362,727	22,541
Depreciation, depletion and amortization	5,138,447	8,104,447	2,166,504	274,930	15,684,328	643,563
Other	46,196	121,905	476,534	3,417	648,052	6,900
	<u>31,882,963</u>	<u>37,059,979</u>	<u>7,217,246</u>	<u>2,444,640</u>	<u>78,604,828</u>	<u>48,707,005</u>
Operating income (loss)	<u>3,613,489</u>	<u>8,887,904</u>	<u>(1,950,066)</u>	<u>(925,859)</u>	<u>9,625,468</u>	<u>275,115</u>
Non-operating revenues (expenses)						
Interest income	431	6,514	-	-	6,945	112
Interest expense	(2,527,971)	(2,203,532)	(34,786)	-	(4,766,289)	(6,050)
Loss on disposal of capital assets	(7,532)	-	-	-	(7,532)	(22,234)
	<u>(2,535,072)</u>	<u>(2,197,018)</u>	<u>(34,786)</u>	<u>-</u>	<u>(4,766,876)</u>	<u>(28,172)</u>
Gain (loss) before transfers and contributions	1,078,417	6,690,886	(1,984,852)	(925,859)	4,858,592	246,943
Transfers-in	-	-	-	530,160	530,160	350,000
Transfers-out	-	(137,093)	-	-	(137,093)	-
Capital contributions	11,235	3,492,883	1,557,065	777,030	5,838,213	26,528
	<u>11,235</u>	<u>3,355,790</u>	<u>1,557,065</u>	<u>1,307,190</u>	<u>6,231,280</u>	<u>376,528</u>
Net change in net assets	1,089,652	10,046,676	(427,787)	381,331	11,089,872	623,471
Net assets, January 1, 2010	<u>96,893,326</u>	<u>185,346,055</u>	<u>85,917,318</u>	<u>9,539,779</u>		<u>(20,233,835)</u>
Net assets, December 31, 2010	<u>\$ 97,982,978</u>	<u>\$ 195,392,731</u>	<u>\$ 85,489,531</u>	<u>\$ 9,921,110</u>		<u>\$ (19,610,364)</u>

Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds. (5,060)
Change in net assets of business-type activities \$ 11,084,812

The notes to the financial statements are an integral part of this statement.

City of Akron, Ohio
Statement of Cash Flows - Proprietary Funds
For the Year Ended December 31, 2010

	Water	Sewer	Off-Street Parking	Other Enterprise Funds	Total	Governmental Activities Internal Service Funds
Operating activities						
Cash received from customers	\$ 26,955,422	\$ 41,354,895	\$ 4,788,425	\$ 1,461,060	\$ 74,559,802	\$ 40,915,817
Cash payments to suppliers for goods and services	(13,806,091)	(19,703,216)	(4,275,273)	(1,074,777)	(38,859,357)	(11,974,327)
Cash paid for salaries and employee benefits	(12,393,436)	(7,029,290)	(75,299)	(1,294,731)	(20,792,756)	(37,710,502)
Other revenues	1,131,324	1,068,357	468,600	155,825	2,824,106	526,903
Other expenses	(46,196)	(121,905)	(476,534)	(3,417)	(648,052)	(6,900)
Net cash provided by (used for) operating activities	<u>1,841,023</u>	<u>15,568,841</u>	<u>429,919</u>	<u>(756,040)</u>	<u>17,083,743</u>	<u>(8,249,009)</u>
Non-capital financing activities						
Transfers from other funds	-	-	-	530,160	530,160	350,000
Transfers in for negative cash balances	-	1,838,283	-	735,227	2,573,510	4,880,950
Transfers out for negative cash balances	-	(4,105,901)	-	(691,129)	(4,797,030)	(13,726,495)
Transfers to other funds	-	(137,093)	-	-	(137,093)	-
Proceeds from notes	-	-	-	-	-	14,000,000
Net cash provided by (used for) non-capital financing activities	<u>-</u>	<u>(2,404,711)</u>	<u>-</u>	<u>574,258</u>	<u>(1,830,453)</u>	<u>5,504,455</u>
Capital and related financing activities						
Proceeds from bonds and loans	1,547,061	-	-	-	1,547,061	-
Principal paid on bonds and loans	(4,707,200)	(5,253,695)	(5,755)	-	(9,966,650)	(123,488)
Interest paid on bonds and loans	(3,373,091)	(2,235,621)	(35,477)	-	(5,644,189)	(6,528)
Acquisition and construction of capital assets	(3,508,922)	(9,076,241)	(1,603,251)	(604,918)	(14,793,332)	(261,839)
Capital contributions	11,235	3,492,883	1,557,065	777,030	5,838,213	26,528
Net cash provided by (used for) capital and related financing activities	<u>(10,030,917)</u>	<u>(13,072,674)</u>	<u>(87,418)</u>	<u>172,112</u>	<u>(23,018,897)</u>	<u>(365,327)</u>
Investing activities						
Purchase of investment securities	(5,687,017)	(15,449,908)	-	-	(21,136,925)	-
Proceeds from sales and maturities of investment securities	5,687,017	15,449,908	-	-	21,136,925	-
Interest on investments	878,356	6,514	-	-	884,870	112
Net cash provided by investing activities	<u>878,356</u>	<u>6,514</u>	<u>-</u>	<u>-</u>	<u>884,870</u>	<u>112</u>
Net increase (decrease) in cash and cash equivalents	(7,311,538)	97,970	342,501	(9,670)	(6,880,737)	(3,109,769)
Cash and cash equivalents, January 1, 2010	<u>14,691,659</u>	<u>6,656,550</u>	<u>514,049</u>	<u>246,545</u>	<u>22,108,803</u>	<u>4,377,672</u>
Cash and cash equivalents, December 31, 2010	<u>\$ 7,380,121</u>	<u>\$ 6,754,520</u>	<u>\$ 856,550</u>	<u>\$ 236,875</u>	<u>\$ 15,228,066</u>	<u>\$ 1,267,903</u>
Operating income (loss)	\$ 3,613,489	\$ 8,887,904	\$ (1,950,066)	\$ (925,859)	\$ 9,625,468	\$ 275,115
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:						
Depreciation, depletion and amortization	5,138,447	8,104,447	2,166,504	274,930	15,684,328	643,563
(Increase) decrease in operating assets:						
Receivables	(937,572)	(3,524,626)	(10,155)	-	(4,472,353)	(118,015)
Due from other funds	(6,472,134)	-	-	-	(6,472,134)	(7,421,385)
Due from other governments	-	-	-	98,104	98,104	-
Inventories	166,248	129,471	-	(12,653)	283,066	88,492
Increase (decrease) in operating liabilities:						
Accounts payable	137,136	811,910	200,180	6,819	1,156,045	(78,400)
Due to other funds	395,737	1,045,519	9,020	13,879	1,464,155	41,165
Due to other governments	40,191	(30,806)	5,431	-	14,816	116
Accrued liabilities	(574,504)	(38,320)	658	(161,781)	(773,947)	(400,823)
Accrued wages	26,709	12,411	2,350	(1,666)	39,804	(21,152)
Accrued vacation and leave	307,276	170,931	5,997	(47,813)	436,391	233,144
Estimated liability for unpaid claims	-	-	-	-	-	(1,490,829)
Net cash provided by (used for) operating activities	<u>\$ 1,841,023</u>	<u>\$ 15,568,841</u>	<u>\$ 429,919</u>	<u>\$ (756,040)</u>	<u>\$ 17,083,743</u>	<u>\$ (8,249,009)</u>

The notes to the financial statements are an integral part of this statement.

City of Akron, Ohio

Statement of Net Assets
Fiduciary Funds

December 31, 2010

	Private Purpose Trust Funds	Agency Funds
	<u> </u>	<u> </u>
Assets		
Cash and investments	\$ 6,169	\$ 801,954
Total assets	<u>6,169</u>	<u>801,954</u>
Liabilities		
Due to other governments	-	786,954
Due to others	-	15,000
Total liabilities	<u>-</u>	<u>801,954</u>
Net assets	<u>\$ 6,169</u>	<u>\$ -</u>

The notes to the financial statements are an integral part of this statement.

City of Akron, Ohio

Statement of Changes in Fiduciary Net Assets
Private Purpose Trust Funds

For the Year Ended December 31, 2010

	Private Purpose Trust Funds
Additions	
Contributions	\$ 10,873
	<u>10,873</u>
Deductions	
Education and awareness	13,275
	<u>13,275</u>
Change in net assets	<u>(2,402)</u>
Net assets, January 1, 2010	<u>8,571</u>
Net assets, December 31, 2010	<u>\$ 6,169</u>

The notes to the financial statements are an integral part of this statement.

City of Akron, Ohio

Notes to the Financial Statements

Year Ended December 31, 2010

1. Summary of Significant Accounting Policies

The City of Akron (the City) was incorporated in 1836 and is a home rule municipal corporation under the laws of the State of Ohio. The City operates under a Council-Mayor form of government and provides the following services as authorized by its Charter: public safety, public service, public health, recreation and development. The accompanying financial statements comply with the provisions of the Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, and Statement No. 39, *Determining Whether Certain Organizations Are Component Units*, in that the financial statements include those activities and functions for which the City is accountable. The City has no component units as defined by GASB 14 and 39. The City is associated with certain organizations which are defined as jointly governed organizations and related organizations. These organizations are presented in Notes 24 and 25 to the basic financial statements. These organizations are the Akron Metropolitan Area Transportation Study (AMATS), the Akron/Summit Convention and Visitors' Bureau and the Summit Medina Business Alliance (SMBA). The accounting policies and financial reporting practices of the City conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units.

The following is a summary of the more significant policies followed during the preparation of the accompanying financial statements.

A. Government-wide and fund financial statements

GASB Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments* establishes requirements and a reporting model for the annual financial reports of state and local governments. The Statement was developed to make annual reports easier to understand and more useful to the people who use governmental financial information to make decisions. Financial information of the City is presented in the following format:

Basic Financial Statements:

1. *Government-wide financial statements* consist of a statement of net assets and a statement of activities.

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

Interfund receivables and payables, and bonds and notes issued by the City and held by the City as investments, within governmental and business-type activities have been eliminated in the government-wide statement of net assets. Related interest amounts are eliminated in the government-wide statement of activities.

1. Summary of Significant Accounting Policies (Continued)

These eliminations minimize the duplicating effect on assets and liabilities within the governmental and business-type activities total column.

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

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

Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenue includes (a) charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

2. *Fund financial statements* consist of a series of statements focusing on information about the City's major governmental and enterprise funds. Separate statements are presented for the governmental, proprietary, and fiduciary funds.

The City's major governmental funds are the General Fund, the Community Learning Centers (CLC) Fund, and the Income Tax Capital Improvement Fund. Of the City's business-type activities, the Water, Sewer, and Off-Street Parking Funds are considered major funds.

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

General Fund expenditures represent costs of general government, public service (including sanitation and recycling collection), public safety (including police and fire), community environment, public health, and recreation and parks. General Fund resources are also transferred annually to support other services which are accounted for in other separate funds.

The Community Learning Centers (CLC) Fund is used to account for the daily activity relating to the CLC project. The primary sources of revenue are City income tax and bond proceeds.

The Income Tax Capital Improvement Fund is used to account for the accumulation of income tax revenue and the payments of costs for items specifically designated as project costs and payment of debt service. The primary revenue source is income tax revenue and some debt proceeds.

1. Summary of Significant Accounting Policies (Continued)

The Water Enterprise Fund accounts for financial activity related to operating the City's water supply, treatment and distribution system. In addition to over 84,000 customers in the City, the Water Enterprise Fund also serves five other municipalities and parts of six adjacent townships. Revenues consist primarily of charges for services.

The Sewer Enterprise Fund accounts for the financial activity related to operating the City's wastewater collection and treatment system that serves the City and twelve other subdivisions. Revenues consist primarily of charges for services.

The Off-Street Parking Fund accounts for the financial activity related to operating the City's parking facilities located throughout the downtown area. Revenues consist almost exclusively of charges for services.

While not considered major funds, the City maintains Internal Service Funds used to account for the financing of goods or services provided by one department or division to another department or division of the City, generally on a cost-reimbursement basis. The three largest of these funds account for the motor equipment, engineering, and management information systems services. In addition, the City also maintains Internal Service Funds to account for the financial activity relating to self-insurance. The three largest of these funds account for workers' compensation, medical, and judgment and claims self-insurance activity.

3. Notes to the financial statements provide information that is essential to a user's understanding of the basic financial statements.

Required Supplementary Information:

Required supplementary information such as Management's Discussion and Analysis and budgetary comparison schedules are also required by GASB Statement No. 34.

B. *Financial reporting presentation*

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance (equity), revenues, and expenditures (expenses). The fund types and classifications that the City reports are as follows:

GOVERNMENTAL FUNDS

1. **General Fund** – The General Fund is the general operating fund of the City and is appropriated. It is used to account for all financial resources except those required to be accounted for in another fund.
2. **Special Revenue Funds** – Special Revenue Funds are used to account for revenues derived from specific taxes, grants, or other restricted revenue sources. The uses and limitations of each Special Revenue Fund are specified by City ordinances or federal or state statutes.

1. Summary of Significant Accounting Policies (Continued)

3. **Debt Service Funds** – Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.
4. **Capital Projects Funds** - The Capital Projects Funds are used to account for financial resources used for the acquisition or construction of major capital projects (other than those financed by proprietary funds).
5. **Permanent Funds** – Permanent Funds are for the purpose of accounting for resources that are legally restricted to the extent that earnings, and not principal, may be used for purposes that support the reporting government’s programs. The City, however, does not utilize Permanent Funds at this time.

PROPRIETARY FUNDS

1. **Enterprise Funds** - The Enterprise Funds are used to account for the operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.
2. **Internal Service Funds** - The Internal Service Funds are used to account for the financing of goods or services provided by one department to other departments or to other governments on a cost-reimbursement basis.

FIDUCIARY FUNDS

1. **Private-Purpose Trust Funds** – Private-Purpose Trust Funds are used to account for other trust arrangements which benefit individuals, private organizations, or other governments. For accounting measurement purposes, the Private-Purpose Trust Funds are accounted for using the economic resources measurement focus (essentially the same manner as proprietary funds). The City utilizes three Private-Purpose Trust Funds. The Claire Merrix Trust was established in memory of a former City of Akron employee and is to fund tennis-related activities; the Holocaust Memorial Trust pays for annual holocaust services throughout the City; and the Police/Fire Beneficiary Trust was recently established to provide scholarships for dependents of those serving in the Police and Fire departments.
2. **Agency Funds** – Agency Funds are used to account for assets held by the City as an agent for individuals, private organizations, and other governments. For accounting measurement purposes, the Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The City has two Agency Funds, the first one is the Municipal Court Agency Fund and it is used to account for assets held by the Municipal Court Clerk for individuals, private organizations and other governments. The second one is the Police Property Monetary Evidence Fund and is used to account for funds held by the Police Department that will be returned to other agencies.
3. **Other Fiduciary Funds** – Other Fiduciary Funds include pension trust funds and investment trust funds. The City does not utilize any such trust funds.

Fiduciary Funds are not included in the government-wide statements.

1. Summary of Significant Accounting Policies (Continued)

C. *Measurement focus and basis of accounting*

Except for budgetary purposes, the basis of accounting used by the City conforms to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus.

The government-wide, proprietary, and fiduciary fund financial statements are reported using the economic resources measurement focus and the full accrual basis of accounting, except Agency Funds because they are custodial in nature. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange, include income taxes, property taxes, grants, shared revenue, and donations. On a full accrual basis, revenue from income taxes is recognized in the period in which the taxpayer's liability occurs and revenue from property taxes is recognized in the fiscal year for which the taxes are levied. On a full accrual basis, revenue in the form of shared revenue is recognized when the provider government recognizes its liability to the City. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. The City generally considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Expenditures are generally recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt are reported as other financing sources.

In applying the susceptible-to-accrual concept under the modified accrual basis, the following revenue sources are deemed both measurable and available (i.e., collectible within the current year or within sixty days after year-end and available to pay obligations of the current period). These include income taxes, JEDD revenues, investment earnings, shared revenues, and a portion of special assessments. Reimbursements due for federally funded projects are accrued as revenue at the time the expenditures are made or, when received in advance, deferred until expenditures are made. Property taxes and the balance of special assessments, though measurable, are not available soon enough in the subsequent year to finance current period obligations. Therefore, property tax and the balance of special assessment receivables are recorded and deferred until they become available. Other revenues, including licenses, fees and fines, and charges for services are recorded as revenue when received in cash because they are generally not measurable until actually received. The City applies restricted resources first when an expenditure is incurred for purposes for which both restricted and unrestricted net assets are available.

Pursuant to GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that use Proprietary Fund Accounting*, the City follows GASB guidance as applicable to its governmental and business-type activities, and

1. Summary of Significant Accounting Policies (Continued)

Financial Accounting Standards Board Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins issued on or before November 30, 1989 that do not conflict with or contradict GASB Pronouncements. The City does not apply FASB Pronouncements subsequent to November 30, 1989 to its business-type activities and Enterprise Fund statements. The City applies all applicable and effective pronouncements issued by the GASB.

Proprietary Fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as rental revenue and connection fees, result from ancillary activities. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund.

D. *Budgetary Procedures*

The City Council follows these procedures in establishing the budgetary data.

- (1) The Mayor submits to the City Council a proposed operating budget for the fiscal year commencing January 1. The operating budget includes proposed expenditures and the means of financing them.
- (2) Public hearings are conducted to obtain taxpayer comments.
- (3) According to state law, the budget must be enacted through passage of an ordinance by April 1.
- (4) The City Finance Director is authorized by City Council to transfer funds already appropriated within departments within any fund or category of expenditures; however, any revisions that alter the total appropriation of said department must be individually approved by the City Council. During 2010, supplemental appropriations were passed by City Council. The effects of these supplemental appropriations were not material in relation to the original appropriations.
- (5) Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders, contracts) outstanding at year-end are recorded as the equivalent of expenditures. Unencumbered appropriations lapse at year-end.

1. Summary of Significant Accounting Policies (Continued)

(6) The majority of all funds have a legally adopted annual budget. Those funds include:

General Fund	Various Domestic Violence	Sewer
Income Tax Collection	Safety Programs	Oil and Gas
Emergency Medical Service	Health Grants	Golf Course
Special Assessment	City Facilities Operating	Airport
Income Tax Capital Improvement	Various Purpose Funding	Off-Street Parking
Street and Highway Maintenance	Deposits	Motor Equipment
Street Assessment	Community Learning Centers	Medical Self-Insurance
Community Development	General Bond Payment Fund	Workers' Compensation Reserve
Air Pollution Control	Non-appropriated Capital Projects	Self-Insurance Settlement
Community Environment Grants	Road and Bridge Improvements	Storeroom
Akron Metro. Area Transportation Study	Streets	Telephone System
H.O.M.E. Program	Information Technology and Improvements	Engineering Bureau
Tax Equivalency	Transportation	Management Information Systems
E.D.A. Revolving Loans	Parks and Recreation	Holocaust Memorial Trust
Joint Economic Development Districts	Public Facilities and Improvements	Police/Fire Beneficiary Trust
Akron Muni Court Information System	Public Parking	Police Property Monetary Evidence
Public Health	Economic Development	
Police Grants	Water	

(7) The City appropriates an annual budget for the Police Pension Employer's Liability Fund and the Fire Pension Employer's Liability Fund which are required due to their funding source. On a GAAP basis, the two funds are combined with the General Fund.

E. *Cash, Cash Equivalents, and Investments*

Cash balances of the individual funds are combined to form a pool of cash held by the City Treasurer and invested in authorized investments (see Note 2). Earnings from these investments are credited to the General Fund in accordance with the City Charter except where the terms of a grant or regulation specify otherwise. Certain cash balances are held on behalf of the City by outside agents (see Note 2). Earnings from these investments are credited to the General Fund and certain other funds pursuant to the City Charter and federal and state requirements.

Investments are stated at fair value. Changes in fair value are recorded as a component of investment earnings.

For purposes of the Statement of Cash Flows, equity in pooled cash and investments, as well as segregated investments with original maturities of three months or less at the time they are purchased by the City, are considered to be cash equivalents. Investments with maturities of more than three months are not considered to be cash equivalents.

F. *Inventories* – Inventories are valued at cost (first-in, first-out) and adjusted to annual physical counts which are then maintained on a perpetual basis until the end of the year.

G. *Capital Assets* – Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements to the extent the City's capitalization threshold is met. The City defines capital assets as assets with an estimated useful life in excess of three years and an individual cost of more than \$5,000 for land; \$10,000 for equipment and vehicles; \$25,000 for land improvements, buildings, and improvements other than buildings; and \$100,000 for infrastructure. Assets are recorded at historical cost or estimated historical cost if historical cost is not available. Contributed capital assets are recorded at their estimated fair market value at the date contributed. Infrastructure acquired prior to fiscal years ended after June 30, 1980, is also reported as a component of the above-mentioned capital assets.

1. Summary of Significant Accounting Policies (Continued)

Capital assets in the proprietary funds are capitalized in the fund in which they are utilized. The valuation bases for proprietary fund capital assets are the same as those used for the governmental capital assets. Interest accrued during the construction of capital assets utilized by the proprietary funds is also capitalized.

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

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

<u>Asset</u>	<u>Years</u>
Buildings, bridges, and storm sewers	50
Improvements, skywalks, and paving	40
Sewer and water mains	40
Sidewalks, curbs, electrical and lighting	30
Traffic control system and bridge repairs	25
Land improvements	20
Equipment	3-20
CLC Building Equity Interest	70

- H. **Compensated Absences** – Vacation, paid leave, and compensatory time benefits are accrued as liabilities as the benefits are earned if the employees’ rights to receive compensation are attributable to services already rendered and it is probable that the City will compensate the employees for the benefits through paid time off or some other means. The City records a liability for accumulated, unused vacation, paid leave, and compensatory time when earned for all employees.

Sick leave benefits are accrued as a liability using the vesting method. An accrual for sick leave is made to the extent that it is probable that benefits will result in payments. The liability is an estimate based on the City’s past experience at making payments.

- I. **Fund Balances** – In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for a specific purpose. Reservations include amounts for open encumbrances and loans receivable. Designations of fund balance represent tentative management plans that are subject to change. These designations include reservations of fund equity for pre-encumbrances (purchase requisitions that have not yet been processed into purchase orders).

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

- (1) Reciprocal interfund services provided and used – Purchases and sales of goods and services between funds for a price approximating their external exchange value.

1. Summary of Significant Accounting Policies (Continued)

- (2) Nonreciprocal interfund transfers – Flows of assets between funds without equivalent flows of assets in return and without a requirement for repayment. This includes transfers to subsidize various funds.
- (3) Nonreciprocal interfund reimbursements – Repayments from the funds responsible for particular expenditures or expenses to the funds that initially paid for them.

The City's interfund receivables and payables at December 31, 2010 are presented in Note 5. Interfund transfers are presented in Note 21.

- K. **Post-retirement Benefits** – In addition to the post-retirement benefits provided by the Ohio Police and Fire Pension Fund and the Ohio Public Employees Retirement System of Ohio, the City provides post-retirement health care and life insurance benefits, in accordance with union agreements and City Council ordinances, for retired employees (see note 9).
- L. **Debt Issuance Costs, Premiums, Discounts, and Losses on Refundings** – Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds. Losses on advance refundings are deferred and amortized over the life of the new debt, or the life of the advance refunded debt, whichever is shorter.
- M. **Employment Related Liabilities** – The City records a liability for employment related liabilities relating to deferred longevity payments and former employees of the Building Inspection Division and the Health Department (see note 14).

During 2009 and 2010, in accordance with union agreements and City Council ordinances, the City entered into agreements to defer certain longevity payments. The liability is the actual amount due to employees and the City recorded \$118,075 as a current liability for the amounts scheduled to be paid during 2011 and the balance of \$1,274,936 is recorded as a long-term liability.

To improve governmental efficiency and economy, effective February 1, 2009, the City's Building Inspection and Plans and Permits Divisions consolidated with Summit County. In the best interest of the public health, safety and welfare and to improve governmental efficiency and economy, effective January 1, 2011, the City's Health Department consolidated with the Summit County Health District.

The former Building Inspection and Plans and Permits employees while employed by Summit County must retire under Ohio Public Employees Retirement System to be entitled to receive payment of the accumulated sick leave at the hourly rate the employee was receiving at the time of resignation from the City along with the retirement differential. The City has recorded a long-term liability of \$170,948.

The former Health Department employees while employed by Summit County must retire under Ohio Public Employees Retirement System to be entitled to receive payment of the accumulated sick leave at the hourly rate the employee was receiving at the time of resignation from the City along with the retirement differential. The City has recorded a long-term liability of \$1,663,338. Additionally, the former Health Department employees are entitled to staggered payouts for their accumulated vacation, paid leave, and compensatory time at the hourly rate the employee was receiving at the time of resignation from the City. The liability is the actual amount due to employees and the City recorded \$317,150 as a current liability for the amounts scheduled to be paid during 2011 and the balance of \$391,976 is recorded as a long-term liability.

1. Summary of Significant Accounting Policies (Continued)

- N. ***New Accounting Standards*** – In June 2007, the GASB issued Statement No. 51, *Accounting and Financial Reporting for Intangible Assets*. This statement requires that all intangible assets not specifically excluded by its scope provisions be classified as capital assets. This statement also provides authoritative guidance that specifically addresses the nature of these intangible assets. For the City, this statement is effective for periods beginning after June 15, 2009. The City’s financial statements have been prepared in conformance with this Statement.

In February 2009, the GASB issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. This statement was developed to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. For the City, this statement is effective for periods beginning after June 15, 2010.

In June 2010, the GASB issued statement No. 59, *Financial Instruments Omnibus*. This Statement updates and improves existing standards regarding financial reporting and disclosure requirements of certain financial instruments and external investment pools for which significant issues have been identified in practice. For the City, this statement is effective for periods beginning after June 15, 2010.

In November 2010, the GASB issued statement No. 60, *Accounting and Financial Reporting for Service Concession Arrangements*. This Statement improves financial reporting by addressing issues related to service concession arrangements (SCAs), which are a type of public-private or public-public partnership. As used in this Statement, an SCA is an arrangement between a transferor (a government) and an operator (governmental or nongovernmental entity) in which (1) the transferor conveys to an operator the right and related obligation to provide services through the use of infrastructure or another public asset (a “facility”) in exchange for significant consideration and (2) the operator collects and is compensated by fees from third parties. For the City, this statement is effective for periods beginning after December 15, 2011.

In November 2010, the GASB issued statement No. 61, *The Financial Reporting Entity: Omnibus*. This Statement improves financial reporting for a governmental financial reporting entity. The Statement modifies certain requirements for inclusion of component units in the financial reporting entity. The Statement also amends the criteria for reporting component units as if they were part of the primary government (that is, blending) in certain circumstances. This Statement also clarifies the reporting equity interests in legally separate organizations. For the City, this statement is effective for periods beginning after June 12, 2012.

In December 2010, the GASB issued statement No. 62 *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. This Statement incorporates into the GASB’s authoritative literature certain accounting and financial reporting guidance that is included in various pronouncements issued on or before November 30, 1989, which does not conflict with or contradict GASB pronouncements. For the City, this statement is effective for periods beginning after December 15, 2011.

2. Pooled Cash and Investments

City ordinances require that all cash, with the exception of certain debt service cash and cash held by fiscal agents, be deposited with the City Treasurer. Each fund's portion of these funds is displayed on the statements of net assets or balance sheets as "pooled cash and investments." Earnings on these investments are allocated to the various funds based on City and state statutes, grant agreements and various bond agreement requirements. Investments are also held separately by the Special Revenue, Debt Service, Enterprise, and Internal Service Funds. City ordinances further authorize and direct the permitted types of deposits and investments.

Deposits:

City ordinances require that all deposits be secured by collateral securities pledged at market value in an amount equal to at least 100% of the deposit, less any amount covered by federal deposit insurance. Custodial credit risk is the risk that, in the event of a 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 have been followed, noncompliance with federal requirements could potentially subject the City to a successfully claim by the FDIC.

At December 31, 2010, the carrying amount of the City's deposits was \$15,874,483 and the bank balance was \$19,405,352. The difference in the carrying amount and bank balance was composed of outstanding checks and other normal reconciling items. Of the bank balance, \$1,193,257 was covered by federal depository insurance, and \$18,212,095 was uninsured but collateralized with unregistered securities held by the pledging financial institution's trust department in the City's name.

Total cash and investments are reported as follows:

Balance Sheet - Governmental Funds:	
Pooled cash and investments	\$ 19,618,716
Restricted cash and investments	107,211,714
Statement of Net Assets - Proprietary Funds:	
Enterprise Funds	
Pooled cash and investments	5,257,282
Restricted cash and investments	9,970,784
Internal Service Funds	
Pooled cash and investments	1,267,903
Statement of Net Assets - Fiduciary Funds:	808,123
Total	\$ 144,134,522

Investments in City of Akron bonds and notes amounting to \$7,987,974 are eliminated in the government-wide statement of net assets at December 31, 2010.

2. Pooled Cash and Investments (Continued)

Investments:

The City records all of its investments at fair value under the guidance set forth by Governmental Accounting Standards Board Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*.

Under the fair value method of recording investments, the City is required to report realized and unrealized gains and losses arising from market fluctuations as well as the sale and maturity of various investments above or below their beginning-of-the-year fair value or their purchase price, when purchased during the current fiscal year. Realized gains and losses, on investments that had been held in more than one fiscal year and sold in the current year, may have been recognized as an increase or decrease in the fair value of the investments reported in the prior year. The net effect of these realized and unrealized gains and losses (\$413,154 net unrealized loss in 2010) is reflected in the investment income on the operating statement of the appropriate fund.

The repurchase agreement investment maturity is less than one year.

Interest Rate Risk. The City does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rate risk.

Credit Risk. City ordinances authorize the treasurer to invest in obligations of the United States Treasury, agencies and instrumentalities and direct obligations of the State of Ohio, including any subdivisions of the state. As of December 31, 2010, the investments held by the bond trustees and STAROhio were rated AAAM by Standard & Poor's. All municipal bonds and notes are rated A2 or better by Moody's or A or better by Standard & Poor's.

The City invests funds in the State Treasury Asset Reserve of Ohio (STAROhio). STAROhio is an investment pool managed by the State Treasurer's office which allows governments within the state to pool their funds for investment purposes. STAROhio 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 STAROhio are valued at STAROhio's share price, which is the price the investment could be sold for on December 31, 2010.

Bond trustees holding the investments are not registered with the SEC as an investment company but do operate in a manner consistent with rule 2a7 of the Investment Company Act of 1940. Bond trustees and Community Learning Center trustees holding the investments are not registered with the SEC as an investment company but do operate in a manner consistent with rule 2a7 of the Investment Company Act of 1940.

Investments held by bond trustees, Community Learning Centers and STAROhio are not exposed to custodial credit risk because their existence is not evidenced by securities that exist in physical or book entry form.

2. Pooled Cash and Investments (Continued)

At December 31, 2010, \$117,182,498 of cash and investments was restricted for the following purposes: \$74,700 was restricted for lease costs for Canal Park Stadium; \$4,119,375 was restricted for Off-Street Parking Deck COPs; \$9,435,424 was restricted for Akron District Energy COPs; \$25,232,555 was restricted solely for retirement of City obligations; and the balance of \$78,320,444 was held by the trustee for payment of debt service on the Community Learning Centers' Income Tax Revenue Bonds.

As of December 31, 2010 the City had the following investments.

<u>Investment Types</u>	<u>Fair Value</u>	<u>Investment Maturities (In Years)</u>		
		<u>Less Then 1</u>	<u>1-5</u>	<u>6-10</u>
Repurchase agreement	\$ 10,710,000	\$ 10,710,000	\$ -	\$ -
U.S. Treasuries or Agencies	95,940	95,940	-	-
Municipal Bonds	635,000	35,000	600,000	-
City of Akron Assessment Debt	7,987,974	2,127,125	5,805,528	55,321
Investments held by bond trustees:				
U.S. Treasuries or Agencies	16,551,297	16,551,297	-	-
Municipal Bonds and Notes	74,700	74,700	-	-
Cash Reserve	13,884,683	13,884,683	-	-
Investments held by Community Learning Center trustees:				
Municipal Bonds and Notes	33,844,715	28,859,444	4,985,271	-
Money Market	44,475,730	44,475,730	-	-
Total	<u>\$ 128,260,039</u>	<u>\$ 116,813,919</u>	<u>\$ 11,390,799</u>	<u>\$ 55,321</u>

3. Receivables

Receivables, net of allowances for uncollectible reported in the Statement of Net Assets, consist of the following at December 31, 2010:

	Taxes	Customer Charges, Special Assessments, and Others	Accrued Interest	Gross Receivables	Allowance for Uncollectibles	Net
Governmental Activities						
Assets:						
Governmental Funds:						
General Fund	\$ 37,623,245	\$ 13,064,941	\$ -	\$ 50,688,186	\$ (1,567,513)	\$ 49,120,673
Community Learning Centers	1,999,939	69,000,000	329,303	71,329,242	-	71,329,242
Income Tax Capital Improvement	5,033,498	-	-	5,033,498	-	5,033,498
Other Governmental Funds	<u>10,921,693</u>	<u>58,725,921</u>	<u>-</u>	<u>69,647,614</u>	<u>(4,602,272)</u>	<u>65,045,342</u>
Total Governmental Funds	55,578,375	140,790,862	329,303	196,698,540	(6,169,785)	190,528,755
Internal Service Funds	<u>-</u>	<u>133,614</u>	<u>-</u>	<u>133,614</u>	<u>-</u>	<u>133,614</u>
Total Assets:	55,578,375	140,924,476	329,303	196,832,154	(6,169,785)	190,662,369
Business-type Activities:						
Enterprise Funds:						
Water	-	11,065,367	-	11,065,367	(6,812,087)	4,253,280
Sewer	-	16,932,337	-	16,932,337	(8,604,666)	8,327,671
Off-Street Parking	<u>-</u>	<u>25,780</u>	<u>-</u>	<u>25,780</u>	<u>-</u>	<u>25,780</u>
Total Enterprise Funds	-	28,023,484	-	28,023,484	(15,416,753)	12,606,731
Total Receivables	<u>\$ 55,578,375</u>	<u>\$ 168,947,960</u>	<u>\$ 329,303</u>	<u>\$ 224,855,638</u>	<u>\$ (21,586,538)</u>	<u>\$ 203,269,100</u>

Included in the amounts above are water and sewer unbilled charges for services of approximately \$3,557,000 and \$639,000, respectively.

3. Receivables (Continued)

Delinquent special assessment receivables amounted to \$4,602,272 at December 31, 2010 and were fully reserved for in the allowance for uncollectibles in the Special Assessment Bond Payment fund.

Deferred revenue is reported in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. At the end of the current fiscal year, the various components of deferred revenue reported in the Governmental Funds were as follows:

General Fund:	
Property Tax Receivable	\$ 24,014,158
Intergovernmental Receivable	6,032,053
Income Tax Receivable	<u>5,499,810</u>
	35,546,021
Community Learning Centers Fund:	
Income Tax Receivable	757,741
Community Learning Centers Receivable	<u>69,000,000</u>
	69,757,741
Income Tax Capital Improvement Fund:	
Income Tax Receivable	<u>2,034,176</u>
	2,034,176
Other Governmental Funds:	
Property Tax Receivable	10,921,693
Special Assessment Receivable	18,476,536
Intergovernmental Receivable	2,769,271
JEDD Receivable	<u>598,326</u>
	32,765,826
	<u><u>\$ 140,103,764</u></u>

4. Due From/To Other Governments

Amounts due from other governments at December 31, 2010 consist of the following:

	Federal	State	Total
Governmental Funds:			
Other Governmental Funds	\$ 7,382,603	\$ 1,253,256	\$ 8,635,859
Total Governmental Funds	<u>\$ 7,382,603</u>	<u>\$ 1,253,256</u>	<u>\$ 8,635,859</u>
Enterprise Funds:			
Water	\$ -	\$ 1,376,251	\$ 1,376,251
Sewer	-	2,588,165	2,588,165
Other Enterprise Funds	36,523	-	36,523
Total Enterprise Funds	<u>\$ 36,523</u>	<u>\$ 3,964,416</u>	<u>\$ 4,000,939</u>

4. Due From/To Other Governments (Continued)

Amounts due to other governments at December 31, 2010 consist of the following:

	Federal	State	County	Local	Total
Governmental Funds:					
General Fund	\$ -	\$ 74,382	\$ 3,060,620	\$ -	\$ 3,135,002
Community Learning Center	-	-	132,051	-	132,051
Income Tax Capital Improvement	-	-	3,833	-	3,833
Other Governmental Funds	1,570,594	1,074,803	479,161	16,776	3,141,334
Total Governmental Funds	1,570,594	1,149,185	3,675,665	16,776	6,412,220
Enterprise Funds:					
Water	-	-	40,191	-	40,191
Sewer	-	-	24,545	-	24,545
Off-Street Parking	-	-	237,414	-	237,414
Total Enterprise Funds	-	-	302,150	-	302,150
Internal Service Funds	-	-	116	-	116
Total Internal Service Funds	\$ -	\$ -	\$ 116	\$ -	\$ 116

The statement of fiduciary net assets also includes \$786,954 as due to other governments.

The federal amount is comprised of a section 108 loan from the U.S. Department of Housing and Urban Development (HUD).

The state amount is comprised of an Ohio Department of Development loan.

The county amount recorded in Governmental Funds relates to City reimbursements to Summit County for the debt service on debt issued by Summit County related directly to the cost of construction of additional jail space to house City inmates.

The county amount recorded in Business-type Activities relates to a master meter sewer agreement in the Mud Brook service area.

5. Due From/To Other Funds

Interfund receivable and payable balances at December 31, 2010 consist of the following individual fund receivables and payables:

	Receivable	Payable
Governmental Funds:		
General Fund	\$ 6,257,114	\$ 1,605,566
Community Learning Centers	1,561,154	-
Income Tax Capital Improvement	9,100,000	24,633
Other Governmental Funds	<u>28,652,099</u>	<u>49,707,561</u>
	<u>\$ 45,570,367</u>	<u>\$ 51,337,760</u>
Proprietary Funds:		
Enterprise Funds:		
Water	\$ 6,601,957	\$ 950,557
Sewer	-	3,478,945
Off-Street Parking	-	56,724
Other Enterprise Funds	<u>-</u>	<u>761,629</u>
	<u>\$ 6,601,957</u>	<u>\$ 5,247,855</u>
Internal Service Funds	<u>\$ 9,467,314</u>	<u>\$ 5,054,023</u>
Total	<u>\$ 61,639,638</u>	<u>\$ 61,639,638</u>

6. Deposits

On December 15, 2003, the City of Akron entered into a cooperative agreement for Community Learning Centers (CLC) with the Board of Education of the Akron City School District (District). The cooperative agreement is the foundation for all the activity associated with the City's .25% income tax and the ownership relating to the CLCs. As of December 31, 2010, the District had \$32,577,807 of unspent City funds that are recorded as Deposits on the City's Statement of Net Assets and are recorded on the District's financial statements as "due to City of Akron".

7. Capital Assets

Capital asset activity for the year ended December 31, 2010 was as follows:

	Balance January 1, 2010	Additions	Deletions	Balance December 31, 2010
Governmental Activities:				
Capital assets, not being depreciated:				
Land	\$ 155,190,780	\$ 546,853	\$ -	\$ 155,737,633
Construction in progress	62,535,442	28,688,437	30,148,485	61,075,394
CLC Land	871,420	24,939	-	896,359
CLC Construction in progress	34,704,864	36,284,649	35,981,754	35,007,759
Total capital assets, not being depreciated	253,302,506	65,544,878	66,130,239	252,717,145
Capital assets, being depreciated:				
Buildings	200,073,649	4,462,800	-	204,536,449
CLC Building Equity Interest	90,396,927	35,916,474	-	126,313,401
Improvements other than buildings	131,317,988	5,682,061	-	137,000,049
CLC Improvements other than buildings	-	53,610	-	53,610
Equipment & Intangibles	104,429,062	4,973,372	3,673,794	105,728,640
Infrastructure	572,093,223	25,007,414	-	597,100,637
Total capital assets, being depreciated	1,098,310,849	76,095,731	3,673,794	1,170,732,786
Less accumulated depreciation for:				
Buildings	70,941,719	4,173,817	-	75,115,536
CLC Building Equity Interest	2,552,674	1,842,699	-	4,395,373
Improvements other than buildings	37,212,591	4,521,262	-	41,733,853
CLC Improvements other than buildings	-	1,340	-	1,340
Equipment & Intangibles	81,388,344	5,075,066	2,076,047	84,387,363
Infrastructure	249,145,023	14,876,607	-	264,021,630
Total accumulated depreciation	441,240,351	30,490,791	2,076,047	469,655,095
Total capital assets, being depreciated, net	657,070,498	45,604,940	1,597,747	701,077,691
Governmental activities capital assets, net	\$ 910,373,004	\$ 111,149,818	\$ 67,727,986	\$ 953,794,836

7. Capital Assets (Continued)

	Balance January 1, 2010	Additions	Deletions	Balance December 31, 2010
Business-type Activities:				
Capital assets, not being depreciated:				
Land	\$ 26,607,107	\$ -	\$ -	\$ 26,607,107
Construction in progress	27,673,913	7,405,492	17,970,779	17,108,626
	<u>54,281,020</u>	<u>7,405,492</u>	<u>17,970,779</u>	<u>43,715,733</u>
Total capital assets, not being depreciated				
Capital assets, being depreciated:				
Buildings	173,468,293	13,304,734	-	186,773,027
Improvements other than buildings	447,731,567	726,866	-	448,458,433
Equipment and intangibles	36,000,103	2,320,110	1,228,493	37,091,720
Infrastructure	138,832,529	6,732,515	-	145,565,044
	<u>796,032,492</u>	<u>23,084,225</u>	<u>1,228,493</u>	<u>817,888,224</u>
Total capital assets, being depreciated				
Less accumulated depreciation for:				
Buildings	73,341,184	2,797,362	-	76,138,546
Improvements other than buildings	247,760,837	7,619,245	-	255,380,082
Equipment and intangibles	28,947,611	1,759,577	815,852	29,891,336
Infrastructure	20,169,766	3,508,144	-	23,677,910
	<u>370,219,398</u>	<u>15,684,328</u>	<u>815,852</u>	<u>385,087,874</u>
Total accumulated depreciation				
Total capital assets, being depreciated, net	<u>425,813,094</u>	<u>7,399,897</u>	<u>412,641</u>	<u>432,800,350</u>
Business-type activities capital assets, net	<u>\$ 480,094,114</u>	<u>\$14,805,389</u>	<u>\$18,383,420</u>	<u>\$ 476,516,083</u>

7. Capital Assets (Continued)

Depreciation expense was charged during 2010 to functions of the government as follows:

Governmental Activities:

General government	\$ 2,152,445
Public service	7,313,985
Public safety	1,947,741
Community environment	3,388,290
Public health	304,101
Unallocated depreciation	14,740,666
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	<u>643,563</u>
Total depreciation expense charged to governmental activities	<u>\$ 30,490,791</u>

Business-type Activities:

Water	\$ 5,138,447
Sewer	8,104,447
Off-Street Parking	2,166,504
Other Business-type activities	<u>274,930</u>
Total depreciation, depletion and amortization expense charged to business-type activities	<u>\$ 15,684,328</u>

7. Capital Assets (Continued)

Construction in progress and remaining capital commitments (including capitalized interest of \$409,926, of which \$152,256 was capitalized in 2010) are comprised of the following:

	Project Authorization	Expended to December 31, 2010	Committed
Governmental Activities:			
Governmental	\$ 66,796,192	\$ 62,200,188	\$ 4,596,004
Business-type Activities:			
Water	7,537,564	4,121,645	3,415,919
Sewer	9,512,014	9,170,887	341,127
Off-Street Parking	3,987,206	3,816,094	171,112
	<u>\$ 87,832,976</u>	<u>\$ 79,308,814</u>	<u>\$ 8,524,162</u>

8. Accrued Vacation and Leave

GASB Statement No. 16, *Accounting for Compensated Absences*, requires a liability to be established for all compensated absences as earned by the employees. At the time of the employee’s separation, such compensated absences are paid to the employee from the fund to which the employee’s payroll is charged.

Vacation, paid leave, sick leave and compensatory time accumulated by employees whose wages are charged to governmental fund types have been recorded as liabilities in the governmental funds only if they have matured. The balance has been recorded on the statement of net assets. Vacation, paid leave, sick leave and compensatory time accumulated by employees whose wages are charged to proprietary fund types are expensed when earned and recorded as liabilities in the government-wide statement of net assets and in the proprietary fund statement of net assets.

Sick leave is earned by substantially all employees. Unused sick leave is accumulated up to 960 hours per employee and vests upon reaching certain age and service requirements. The vested portion of accumulated sick leave and amounts earned through December 31, 2010 and expected to vest in the future has been accrued in the government-wide statement of net assets for all City employees. Amounts related to the City’s proprietary fund operations are also accrued for in the proprietary fund statement of net assets due to the nature of these funds.

The following governmental funds have typically been used in prior years to reduce or liquidate the liability for compensated absences:

General Fund	Akron Metro. Area Transportation Study
Income Tax Collection	Public Health
Emergency Medical Service	Safety Programs
Street and Highway Maintenance	Health Grants
Air Pollution Control	

8. Accrued Vacation and Leave (Continued)

As of December 31, 2010, the accrued vacation, paid leave, sick leave, and compensatory time is recorded as a current liability (due within one year) in the Statement of Net Assets as follows:

	Balance January 1, 2010	Additions	Deletions	Balance December 31, 2010
Governmental Activities:				
Governmental Funds:				
General Fund	\$ 7,051,205	\$ 7,206,230	\$ (7,051,205)	\$ 7,206,230
Other Governmental Activities	2,411,772	2,591,005	(2,411,772)	2,591,005
Total Governmental Funds	9,462,977	9,797,235	(9,462,977)	9,797,235
Internal Service Funds	492,629	494,443	(492,629)	494,443
Total Governmental Activities	9,955,606	10,291,678	(9,955,606)	10,291,678
Business-type Activities:				
Enterprise Funds:				
Water	677,929	711,031	(677,929)	711,031
Sewer	431,619	403,210	(431,619)	403,210
Off Street Parking	2,868	3,747	(2,868)	3,747
Other Enterprise Funds	25,928	26,261	(25,928)	26,261
Total Enterprise Funds/ Business-type Activities	1,138,344	1,144,249	(1,138,344)	1,144,249
	<u>\$ 11,093,950</u>	<u>\$ 11,435,927</u>	<u>\$ (11,093,950)</u>	<u>\$ 11,435,927</u>

The following amounts are also included as long-term obligations in the government-wide statement of net assets (Note 14):

Governmental Activities:				
Other Governmental Activities	\$ 41,289,602	\$ 14,869,855	\$ (15,497,858)	\$ 40,661,599
Internal Service Funds	2,148,422	934,805	(703,473)	2,379,754
Total Governmental Activities	43,438,024	15,804,660	(16,201,331)	43,041,353
Business-type Activities:				
Water	2,618,170	1,270,717	(996,543)	2,892,344
Sewer	1,642,186	1,134,807	(935,467)	1,841,526
Off Street Parking	54,028	8,744	(3,626)	59,146
Other Business-type Activities	206,714	70,296	(118,442)	158,568
Total Business-type Activities	4,521,098	2,484,564	(2,054,078)	4,951,584
	<u>\$ 47,959,122</u>	<u>\$ 18,289,224</u>	<u>\$ (18,255,409)</u>	<u>\$ 47,992,937</u>

9. Pension and Other Post-Retirement Benefit Plans

Police officers and firefighters participate in the statewide Ohio Police and Fire Pension Fund (Police and Fire), a cost-sharing, multi-employer defined-benefit public employee retirement system. Police and Fire offers three types of service retirement: normal, service commuted, and age/service commuted. In a normal retirement, a member is eligible at age 48 with 25 years of service with a monthly pension equal to 60% of the average of the three highest years of allowable earnings. The maximum pension of 72% of the average allowable earnings for the three highest years is paid after 33 years of service. Under the service commuted retirement, a member is eligible if they have at least 15 years of service, they have reached the age of 48 and 25 years has elapsed from the date of their full-time hire. Under the age/service commuted retirement, a member is eligible if they have 15 years of service and they have reached the age of 62. In the event of death, eligible survivors may qualify for a monthly benefit and a one-time \$1,000 lump sum benefit payment. Benefits are established by the Ohio Revised Code.

The City also participates in a cost-sharing multi-employer post-retirement health benefits plan, administered by Police and Fire, for these city employees. Substantially all other City employees participate in the statewide Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional plan is a cost-sharing, multi-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 plan benefit. Member contributions, whose investment is self-directed by the member, accumulate retirement assets in a manner similar to the member-directed plan. The City also participates in a cost-sharing multi-employer post-retirement health benefits plan, administered by OPERS, for these city employees.

In addition to participating in the plans described above, the City provides its own post-retirement health and life insurance benefits plan which is administered as a single-employer benefit plan.

OPERS

OPERS provides retirement and death benefits, disability benefits, and annual cost-of-living adjustments to plan members and beneficiaries. Authority to establish and amend benefits is provided by state statute per Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report. Interested parties may obtain a copy by making a written request to: 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 222-5601 or 1-800-222-PERS (7377).

The Ohio Revised Code provides statutory authority for employee and employer contributions. The employees of local governments are required to contribute 10.0% of their covered payroll to OPERS. The 2010 and 2009 employer contribution rate for local government employer units was 14.00%, of covered payroll including 5.5 % from January 1 through February 28, 2010 and 5.0 % from March 1 through December 31, 2010 and 7.0 % from January 1 through March 31, 2009 and 5.5 % from April 1 through December 31, 2009, which is used to fund post-retirement health care benefits. The City's total contributions to OPERS for pension benefits (excluding the amount relating to post-retirement health care benefits) for the years ended December 31, 2010, 2009, and 2008 were \$5,178,025, \$5,313,261, and \$5,130,768 respectively, which were equal to 100% of the required employer contributions for each year.

OPERS members are eligible to retire at any age with 30 years of service, at age 60 with at least 5 years of service or at age 55 with at least 25 years of service. Those retiring with less than 30 years of

9. Pension and Other Post-Retirement Benefit Plans (Continued)

service or less than age 65 receive reduced benefits. Under the Traditional Pension Plan, eligible employees are entitled to a monthly retirement benefit equal to 2.2% of the average of their three highest years of earnings multiplied by the first 30 years of service plus 2.5% of the average of their three highest years for each year in excess of 30. Under the Member-Directed Plan, eligible members are entitled to a monthly benefit dependent upon the performance of the OPERS investment options that the members selected. Under the Combined Plan, eligible members are entitled to a monthly benefit equal to 1.0% of the average of their three highest years of earnings multiplied by the number of years of service plus 1.25% of the average of their three highest years for each year in excess of 30. Additionally, under the Combined Plan, a benefit is provided based on the performance of the OPERS investment options the member selected. OEPRS also provides death and disability benefits. Benefits are established by the Ohio Revised Code.

In addition to the pension benefits, OPERS provides post-retirement health care coverage to age and service retirees with 10 or more years of qualifying Ohio service credit with either the traditional or combined plans. Health care coverage for disability recipients and primary survivor recipients is also available. Members of the member-directed plan do not qualify for postretirement health care coverage. The health care coverage provided by the retirement system is considered to be an "other post-employment benefit" (OPEB) as described in GASB Statement No. 45. A portion of each employer's contribution to the traditional or combined plans is set aside for the funding of post-retirement health care based on authority granted by state statute. As noted above, the Ohio Revised Code provides statutory authority for employer contributions. During 2010, 2009 and 2008, \$2,958,178, \$3,871,281 and \$5,130,768, respectively, of the City's total contribution to OPERS were used for post-retirement benefits which were equal to 100% of the required employer contributions for each year.

In December, 2001, the Board adopted the Health Care "Choices" Plan. The Choices Plan will be offered to all persons newly hired in an OPERS-covered position after January 1, 2003, with no prior service credit accumulated toward health care coverage. Choices will incorporate a cafeteria approach, offering a broader range of health care options. The Plan uses a graded scale from ten to thirty years to calculate a monthly health care benefit. This is in contrast to the ten-year "cliff" eligibility standard for the present Plan.

The benefit recipients will be free to select the option that best meets their needs. Recipients will fund health care costs in excess of their monthly health care benefits. The Plan will also offer a spending account feature, enabling the benefit recipients to apply their allowances towards specific medical expenses, much like a Medical Spending Account.

Ohio Police and Fire Pension Fund

The Ohio Police and Fire Pension Fund provides retirement and death benefits, disability benefits, and annual cost-of-living adjustments 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. The Police and Fire Pension Fund issues a publicly available financial report that includes financial information and required supplementary information for the plan. Interested parties may obtain a copy by making a written request to: Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

The Ohio Revised Code provides statutory authority for employee and employer contributions. Plan members are required to contribute 10% of their annual covered salary, while employers are required to contribute 19.5% and 24% respectively for police officers and firefighters. Required employer contributions to the Ohio Police and Fire Pension Fund are equal to the amounts actually paid by the City each year. The City's total contributed amounts for Police (excluding the amount relating to

9. Pension and Other Post-Retirement Benefit Plans (Continued)

post-retirement health care benefits) for the years ended December 31, 2010, 2009, and 2008 were \$3,518,258, \$3,675,298, and \$3,689,282, respectively which were equal to 100% of the required employer contributions for each year. The City's total contributed amounts for Fire (excluding the amount relating to post-retirement health care benefits) for the years ended December 31, 2010, 2009, and 2008 were \$3,707,534, \$4,247,254, and \$4,006,558, respectively, which were equal to 100% of the required employer contributions for each year.

In addition to pension benefits, the Police and Fire plan provides post-retirement health care coverage to any person who receives or is eligible to receive a monthly benefit check or is a spouse or eligible dependent child of such person. An eligible dependent child is any child under the age of 18 whether or not the child is attending school, or under the age of 22 if attending at least on a 2/3 basis. The health care coverage provided by the retirement system is considered to be an "other post-employment benefit" (OPEB) as described in GASB Statement No. 45. Police and Fire provides access to post-retirement health care coverage for any person who receives or is eligible to receive a monthly service, disability, survivor benefit check or is a spouse or eligible dependent child of such person. The health care coverage provided by OP&F meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 45. The Ohio Revised Code allows, but does not mandate OP&F to provide OPEB benefits. The 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. The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the Police and Fire (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.

Police and Fire 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 Police and Fire Board of Trustees. The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to 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, 2010, 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 pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h). The Police and Fire 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 for Police for 2010 and 2009 used to pay post-retirement health care were \$1,862,607 and \$1,945,746, respectively, which were equal to 100% of the required employer contributions for each year. The City's contributions for Fire for 2010 and 2009 used to pay post-retirement health care were \$1,450,774 and \$1,661,969, respectively, which were equal to 100% of the required employer contributions for each year.

Other Post-retirement Benefits (OPEB)

In addition to the post-retirement benefits provided by the Ohio Police and Fire Pension Fund and the Ohio Public Employees Retirement System of Ohio, the City provides post-retirement health care and life insurance benefits, in accordance with union agreements and City Council ordinances, for retired employees. The post-retirement healthcare coverage is a single self-insured plan, administered through Medical Mutual, which provides medical, prescription drugs, dental, and vision benefits. The major

9. Pension and Other Post-Retirement Benefit Plans (Continued)

medical portion of the coverage, which includes prescription drugs, ends at age 65. All other benefits continue for the lifetime of the participant. The life insurance amounts are dependent on age at retirement and the retiree's collective bargaining unit. All life insurance amounts are reduced by 50% after the first year of retirement. Dependents are not eligible for life insurance during retirement. The life insurance is fully insured. Substantially all of the City's employees may become eligible for those benefits if they reach normal retirement age while working for the City. Currently, 2,068 retirees meet those eligibility requirements. The City pays 100% of the cost of health care and life insurance benefits. These benefits are financed on a pay-as-you go basis; as such, the cost of retiree health care and life insurance benefits is recognized as expenditure/expense as claims are incurred. For the years ended 2010, 2009, and 2008 those costs were \$4,784,987, \$4,028,023, and \$4,460,330, respectively. Eligibility for OPEB benefits is receiving a pension benefit from OPERS, Police and Fire, or disability retirement. Former employees who are term-vested for pension benefits are not eligible.

The City provides lifetime supplemental health coverage to OPERS and Police and Fire retirees and their qualified dependents. The coverage is a single self-insured plan, administered through Medical Mutual, which provides medical, prescription drugs, dental, and vision benefits. The major medical portion of the coverage, which includes prescription drugs, ends at age 65. All other benefits continue for the lifetime of the participant. The health benefits are self-insured.

The City also provides life insurance for the participant during retirement. The life insurance amounts are dependent on age at retirement and the retiree's collective bargaining unit. All life insurance amounts are reduced by 50% after the first year of retirement. Dependents are not eligible for life insurance during retirement. The life insurance is fully insured.

Pursuant to GASB issued Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pension Benefits*, the City has recorded liabilities of \$16,480,916, and \$1,728,902 in the government-wide statement of net assets, as liabilities due in more than one year for Governmental Activities and Business-type Activities, respectively.

The following exhibits provide summaries of the annual required contributions, funded status, expense, and net OPEB obligation (year-end accrued liability).

Year Ended	Annual Required Contributions	Actual Contributions	Percentage Contributed
12/31/2008	\$ 7,931,000	\$ 4,010,000	50.6
12/31/2009	8,258,000	3,954,000	47.9
12/31/2010	9,679,000	3,930,000	40.6

Year Ended	Annual OPEB Cost	Percentage OPEB Cost Contributed	Net OPEB Obligation
12/31/2008	\$ 7,978,000	50.3	\$ 7,906,000
12/31/2009	8,363,000	47.3	12,315,000
12/31/2010	9,825,000	40.0	18,210,000

Year Ended	Actuarial Accrued Liability	Unfunded Actuarial Accrued Liability	Covered Payroll	Percentage of Covered Payroll
12/31/2008	\$ 122,078,000	\$ 122,078,000	\$ 107,065,000	114.0
12/31/2009	128,649,000	128,649,000	103,480,000	124.3
12/31/2010	149,961,000	149,961,000	114,340,000	131.2

9. Pension and Other Post-Retirement Benefit Plans (Continued)

OPEB are advanced-funded using the entry-age normal actuarial cost method with a level percentage of pay. The difference between assumed and actual experience (actuarial gains and losses) becomes part of unfunded actuarial accrued liability. The UAAL is then amortized as a level percentage of pay over 30 years of open group payroll. For actuarial valuation purposes, a discount rate of 5% is assumed, along with a projected payroll growth rate of 4%. Other significant actuarial assumptions include a health care cost rate for medical and prescription drugs of 9.5% in 2010, with the rate decreasing by one-half percentage per year for the following 9 years. In subsequent years (9 and beyond) health care cost rates are assumed to remain at 5%. Health care costs for dental and vision were assumed to be 6.5% in 2010, decreasing every 2 years by one-half percentage point for the next five years. In subsequent years (5 and beyond) health care cost rates for dental and vision are assumed to remain at 5%.

10. Notes Payable

The following is a summary of note transactions for the year ended December 31, 2010 reflected in governmental activities in the government-wide financial statements:

	<u>Governmental Activities</u> Special Assessment	<u>Governmental Activities</u> Capital Projects	<u>Governmental Activities</u> General Health	<u>Governmental Activities</u> Total
Notes Payable at January 1, 2010	\$ 13,232,200	\$ 54,665,000	\$ -	\$ 67,897,200
New notes issued	9,585,000	55,715,000	14,000,000	79,300,000
Notes retired	<u>(9,199,000)</u>	<u>(90,515,000)</u>	<u>-</u>	<u>(99,714,000)</u>
Notes Payable at December 31, 2010	<u>\$ 13,618,200</u>	<u>\$ 19,865,000</u>	<u>\$ 14,000,000</u>	<u>\$ 47,483,200</u>

The following is a summary of the City's future debt service requirements for notes payable as of December 31, 2010 (in thousands):

Fiscal Year Ending December 31	<u>Governmental Activities</u>				Total
	<u>Special Assessment Notes</u>		<u>General Obligation Notes</u>		
	Principal	Interest	Principal	Interest	
2011	\$ 10,584	\$ 215	\$ 33,865	\$ 468	\$ 45,132
2012	922	111	-	-	1,033
2013	<u>2,112</u>	<u>26</u>	<u>-</u>	<u>-</u>	<u>2,138</u>
	<u>\$ 13,618</u>	<u>\$ 352</u>	<u>\$ 33,865</u>	<u>\$ 468</u>	<u>\$ 48,303</u>

The following notes are backed by the full faith and credit of the City and generally mature within one to five years. The notes generally are issued in anticipation of long-term bond financing and are refinanced, if necessary, until such bonds are issued.

10. Notes Payable (Continued)

Special assessment notes are issued to finance the property owners' share of improvements. Upon completion of a project, owners may pay the assessments in full. Bonds are issued in the amount of any unpaid assessments and are repaid largely from levies on the property owners for principal and interest collected by the County Fiscal Officer on behalf of the City.

The weighted average interest rates on special assessment notes and general obligation notes at December 31, 2010 were 1.39% and 2.94% respectively.

Notes payables as of December 31, 2010, are comprised of the following individual issues:

Issued	Rate %	Issue	Final Maturity	Amount
Special Assessment Notes:				
<u>Governmental Activities:</u>				
Paving Notes:				
December 8, 2006	4.00	9-06	December 8, 2011	\$ 179,200
December 8, 2006	4.00	10-06	December 8, 2011	193,500
December 8, 2006	4.00	11-06	December 8, 2011	203,000
April 18, 2007	4.00	1-07	April 18, 2012	21,000
September 26, 2007	4.00	2-07	September 26, 2012	172,000
September 26, 2007	4.00	4-07	September 26, 2012	116,700
September 26, 2007	4.00	5-07	September 26, 2012	441,700
March 14, 2008	4.00	1-08	March 14, 2013	597,700
March 14, 2008	4.00	2-08	March 14, 2013	117,700
March 14, 2008	4.00	3-08	March 14, 2013	399,700
March 14, 2008	4.00	4-08	March 14, 2013	81,600
May 7, 2008	4.00	5-08	May 7, 2013	415,500
May 7, 2008	4.00	7-08	May 7, 2013	287,300
May 28, 2008	4.00	8-08	May 28, 2013	47,500
December 24, 2008	4.00	10-08	December 24, 2013	96,800
Resurfacing Notes:				
Sidewalk Notes:				
September 26, 2007	4.00	3-07	September 26, 2012	170,300
December 24, 2008	4.00	9-08	December 24, 2013	33,600
Resurfacing Notes:				
June 5, 2006	4.00	1-06	June 5, 2011	231,700
Street Cleaning Notes:				
October 5, 2010	2.50	10-10	September 30, 2011	9,585,000
Utilities Notes:				
December 8, 2006	4.00	7-06	December 8, 2011	160,000
December 8, 2006	4.00	8-06	December 8, 2011	31,500
May 7, 2008	4.00	6-08	May 7, 2013	35,200
Total Special Assessment Notes				\$ 13,618,200
General Obligation Notes:				
<u>Various Purpose Improvement Notes:</u>				
December 8, 2010	1.13		December 8, 2011	19,865,000
<u>Health Benefit Notes:</u>				
March 17, 2010	1.75		March 17, 2011	14,000,000
				\$ 47,483,200

11. Long-Term Debt

The following is a summary of long-term debt transactions for the year ended December 31, 2010:

	Governmental Activities					
	General Obligation	OPWC Loans	Ohio Department of Development Loans	Non-Tax Revenue	Income Tax Revenue	
Long-term debt payable at January 1, 2010	\$ 202,648,923	\$ 11,654,067	\$ 995,219	\$ 58,145,000	\$ 200,655,000	
New Issues:						
Community Learning Centers	-	-	-	-	45,000,000	
Capital Projects	-	-	-	-	-	
Off-Street Parking	-	-	-	-	-	
Sewer System	-	-	-	-	-	
Water System	-	-	-	-	-	
Various Purpose Improvements	79,584,371	-	-	-	-	
Retirements	<u>(33,674,654)</u>	<u>(903,312)</u>	<u>\$ (150,133)</u>	<u>(2,350,000)</u>	<u>(5,550,000)</u>	
Long-term debt payable at December 31, 2010	<u>\$ 248,558,640</u>	<u>\$ 10,750,755</u>	<u>\$ 845,086</u>	<u>\$ 55,795,000</u>	<u>\$ 240,105,000</u>	
	Governmental Activities					
	Special Revenue	Special Assessment	SIB Loans	Internal Service General Obligation		
Long-term debt payable at January 1, 2010	\$ 37,535,000	\$ 8,780,422	\$ 6,756,297	\$ 123,488		
New Issues:						
Community Learning Centers	-	-	-	-		
Capital Projects	-	-	239,569	-		
Off-Street Parking	-	-	-	-		
Sewer System	-	-	-	-		
Water System	-	-	-	-		
Various Purpose Improvements	-	2,195,840	-	-		
Retirements	<u>(2,420,000)</u>	<u>(2,594,165)</u>	<u>(1,213,040)</u>	<u>(123,488)</u>		
Long-term debt payable at December 31, 2010	<u>\$ 35,115,000</u>	<u>\$ 8,382,097</u>	<u>\$ 5,782,826</u>	<u>\$ -</u>		
	Business-type Activities					
	General Obligation	Mortgage Revenue	Revenue	OWDA	OPWC	Total
Long-term debt payable at January 1, 2010	\$ 638,680	\$ 47,375,000	\$ 30,910,000	\$ 34,769,136	\$ 2,348,817	\$ 643,335,049
New Issues:						
Community Learning Center	-	-	-	-	-	45,000,000
Capital Projects	-	-	-	-	-	239,569
Off-Street Parking	505,630	-	-	-	-	505,630
Sewer System	-	-	-	3,703,487	-	3,703,487
Water System	-	-	-	1,547,061	-	1,547,061
Various Purpose Improvements	-	-	-	-	-	81,780,211
Retirements	<u>(511,385)</u>	<u>(3,450,000)</u>	<u>(3,650,000)</u>	<u>(5,802,868)</u>	<u>(201,514)</u>	<u>(62,594,559)</u>
Long-term debt payable at December 31, 2010	<u>\$ 632,925</u>	<u>\$ 43,925,000</u>	<u>\$ 27,260,000</u>	<u>\$ 34,216,816</u>	<u>\$ 2,147,303</u>	<u>\$ 713,516,448</u>

Bonds and notes issued by the City of Akron and held by the City as investments at December 31, 2010 amounting to \$7,987,974 (see Note 2) are eliminated in the government-wide statement of net assets.

The Special Assessment Street Improvements series 2008 with a balance of \$283,455 along with the Special Assessment Notes issued for \$2,112,600 are combined (\$2,396,055) and reflected on the Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds.

11. Long-Term Debt (Continued)

Long-term debt at December 31, 2010 is comprised of the following individual issues:

Issued	Rate %	Issue	Final Maturity	Amount
<u>Governmental Activities:</u>				
<u>General Obligation Bonds:</u>				
Urban Renewal Public Improvement Bonds:				
February 21, 1991	8	Series 1990	December 1, 2020	\$ 791,888
December 10, 1991	8	Series 1991	December 1, 2021	1,412,000
Various Purpose Improvement Bonds:				
November 1, 2001	3.0 to 5.5	-	December 1, 2022	8,903,769
December 1, 2002	2.0 to 5.25	-	December 1, 2023	19,390,000
October 1, 2003	2.0 to 5.25	-	December 1, 2024	28,885,000
September 1, 2005	3.5 to 5.0	Series 2005	December 1, 2026	58,459,999
December 21, 2006	3.75 to 5.0	-	December 1, 2027	19,455,000
December 3, 2007	3.75 to 5.0	-	December 1, 2028	18,810,000
December 1, 2009	3.75 to 5.0	Series 2009	December 1, 2028	12,866,617
November 30, 2010	2.0 to 5.50	Series 2010	December 1, 2031	72,209,367
December 8, 2010	5.625 to 6.50	-	December 1, 2031	7,375,000
Total General Governmental Bonds:				<u>\$ 248,558,640</u>
<u>OPWC Loans:</u>				
July 1, 1997	-	Boxwood Ave.	July 1, 2018	\$ 304,000
July 1, 1998	-	Lakeshore Blvd.	January 1, 2020	507,000
July 1, 1998	-	Tallmadge Ave.	July 1, 2021	450,163
July 1, 1999	-	Lakeshore Blvd.	July 1, 2022	140,758
July 1, 1999	-	Bye Street	July 1, 2022	160,875
July 1, 1999	-	Wooster/East Ave.	July 1, 2022	344,138
July 1, 2000	-	Bishop Street	July 1, 2022	73,200
July 1, 2000	-	NW Storm Outlets	July 1, 2022	281,118
July 1, 2000	-	N. Arlington Bridge	July 1, 2022	198,906
July 1, 2001	-	Darrow Road	July 1, 2023	556,058
July 1, 2003	-	US 244 Phase II	July 1, 2025	671,693
July 1, 2005	-	Manchester Rd Ph I	July 1, 2027	49,950
July 1, 2005	-	Arlington St Signalization	July 1, 2027	660,306
July 1, 2005	-	E. Market St Widening	July 1, 2027	1,549,350
July 1, 2006	-	W. Market Street	July 1, 2028	938,600
July 1, 2006	-	Tallmadge Ave Singalization	July 1, 2027	156,740
July 1, 2006	-	Brown and Power St.	July 1, 2027	792,300
November 28, 2008	-	Barbara Ave.	January 1, 2040	225,000
November 28, 2008	-	Newton Street Bridge	January 1, 2040	861,700
July 1, 2008	-	Mill St. Bridge	July 1, 2039	1,299,000
March 13, 2009	-	Dover Ave.	January 1, 2030	529,900
Total General Governmental OPWC				<u>\$ 10,750,755</u>

11. Long-Term Debt (Continued)

Issued	Rate %	Issue	Final Maturity	Amount
Governmental Activities (Continued)				
<u>Ohio Department of Development Loans:</u>				
November 26, 1996	3	1997 Incubator	February 1, 2012	\$ 74,016
March 1, 2003	1/2 Prime	2003 Univ Tech Pk	March 1, 2018	<u>771,070</u>
Total General Governmental Ohio Department of Development Loans:				<u>\$ 845,086</u>
<u>Non-Tax Revenue Bonds:</u>				
November 1, 1997	4 to 6	1997	December 1, 2018	\$ 18,270,000
December 15, 2006	5.01 to 5.61	2006	December 1, 2026	17,375,000
September 18, 2008	7.375	2008	December 1, 2028	<u>20,150,000</u>
Total General Governmental Non-tax Revenue:				<u>\$ 55,795,000</u>
<u>Income Tax Revenue Bonds:</u>				
April 15, 1999	3.3 to 5.25	1999	December 1, 2023	\$ 6,665,000
				<u>\$ 6,665,000</u>
<u>CLC Income-Tax Revenue Bonds:</u>				
January 1, 2004	4.0 to 5.25	2004A	December 1, 2033	\$ 165,000,000
January 1, 2004	2.0 to 6.0	2004B	December 1, 2014	23,440,000
July 28, 2010	3.0 to 4.5	2010A	December 1, 2033	17,880,000
July 28, 2010	5.074 to 6.463	2010B	December 1, 2033	12,060,000
July 28, 2010	5.87	2010C	December 1, 2026	<u>15,060,000</u>
Total CLC Income-Tax Revenue Bonds:				<u>\$ 233,440,000</u>
<u>Special Revenue Bonds (JEDD):</u>				
July 1, 2000	4.55 to 5.625	2000	December 1, 2020	\$ 8,765,000
August 1, 2000	4.45 to 6	2000	December 1, 2020	8,780,000
September 1, 2002	2.0 to 5.25	2002	December 1, 2022	10,770,000
November 1, 2002	2.0 to 5.25	2002	December 1, 2022	<u>6,800,000</u>
Total Special Revenue Bonds (JEDD):				<u>\$ 35,115,000</u>

11. Long-Term Debt (Continued)

<u>Issued</u>	<u>Rate %</u>	<u>Issue</u>	<u>Final Maturity</u>	<u>Amount</u>
<u>Governmental Activities (Continued):</u>				
<u>Special Assessment Obligations:</u>				
Street Improvement Bonds:				
September 1, 1978	7.25	Rosemary Blvd.	September 1, 2014	\$ 12,000
November 1, 2001	3.0 to 5.5	Series 2001	December 1, 2022	148,936
September 1, 2002	1.5 to 3.375	2002	December 1, 2012	455,000
September 1, 2003	2 to 4	2003	December 1, 2013	955,000
September 1, 2004	4	2004	December 1, 2014	1,565,000
March 1, 2004	4	2004	December 1, 2014	30,023
December 1, 2004	4	2004B	December 1, 2014	23,123
September 29, 2005	3.707	2005	December 1, 2015	1,300,000
March 1, 2006	4	2006	December 1, 2015	34,935
September 14, 2006	4.0 to 5.5	2006	December 1, 2016	850,000
March 1, 2007	4	2007	December 1, 2016	205,930
September 5, 2007	4.1	2007	December 1, 2017	665,000
March 1, 2008	4	2008	December 1, 2017	283,455
December 1, 2009	4.521	2009	December 1, 2014	53,387
June 1, 2010	4	2010	December 1, 2019	<u>1,800,308</u>
Total Special Assessment Obligations:				<u><u>\$ 8,382,097</u></u>
<u>State Infrastructure Bank (SIB) Loans:</u>				
July 12, 2004	0.0 to 3.0	U.S. 224 Ph 1&2	September 1, 2014	\$ 2,431,572
September 30, 2004	0.0 to 3.0	Bridges	September 30, 2014	1,874,461
June 21, 2005	0.0 to 3.0	Bikeway	September 1, 2016	<u>1,476,793</u>
Total SIB Loans:				<u><u>\$ 5,782,826</u></u>
<u>Business-type Activities:</u>				
<u>Enterprise General Obligation Bonds:</u>				
Off-Street Parking Facility Bonds:				
November 1, 2001	3.0 to 5.5	Canal/Tell	December 1, 2022	\$ 127,295
November 30, 2010	2.35 to 1.55	Canal/Tell	December 1, 2020	<u>505,630</u>
Total Enterprise General Obligation Bonds:				<u><u>\$ 632,925</u></u>

11. Long-Term Debt (Continued)

Issued	Rate %	Issue	Final Maturity	Amount
<u>Business-type Activities (Continued):</u>				
<u>Enterprise Mortgage Revenue Bonds:</u>				
Waterworks System Bonds:				
July 1, 2003	2 to 5	2003	September 1, 2014	\$ 10,335,000
August 1, 2006	4 to 4.5	2006	March 1, 2026	11,500,000
September 17, 2009	2.5 to 5.0	2009	March 1, 2034	<u>22,090,000</u>
Total Waterworks System Bonds:				<u>\$ 43,925,000</u>
<u>Enterprise Revenue Bonds:</u>				
Sewer System Improvement Bonds:				
April 1, 1998	3.7 to 5.5	Sewer 1998	December 1, 2017	\$ 3,285,000
December 1, 2005	3.5 to 5.00	Sewer 2005	December 1, 2018	<u>23,975,000</u>
Total Enterprise Revenue Bonds:				<u>\$ 27,260,000</u>
<u>Enterprise OWDA Loans:</u>				
March 30, 1995	4.56	Sewer	July 1, 2015	\$ 5,207,542
April 27, 1995	4.56	Sewer	July 1, 2015	6,071,811
September 30, 1999	2.01	Water	July 1, 2019	675,402
May 25, 2000	4.64	Water	July 1, 2021	4,967,959
April 26, 2001	3.9	Water	July 1, 2011	83,774
July 25, 2002	3.89	Water	July 1, 2021	651,581
January 29, 2004	3.5	Water	January 1, 2014	1,131,282
September 30, 2004	3.81	Sewer	July 1, 2015	4,503,067
December 16, 2004	3.35	Sewer	July 1, 2014	5,839,298
October 30, 2008	3.52	Water	January 1, 2020	1,481,853
October 30, 2008	3.52	Sewer	January 1, 2020	1,481,853
January 14, 2010	3.25	Sewer	January 1, 2030	1,325,381
November 19, 2009	3.25	Sewer	July 1, 2030	203,453
December 10, 2009	3.25	Sewer	July 1, 2020	413,711
December 10, 2009	3.25	Sewer	January 1, 2015	89,686
December 10, 2009	3.25	Sewer	January 1, 2030	89,163
Total Enterprise OWDA Loans:				<u>\$ 34,216,816</u>
<u>Enterprise OPWC Loans:</u>				
July 1, 1995	0	Water	July 1, 2016	\$ 460,870
December 1, 1995	0	Sewer	January 1, 2017	170,476
July 1, 1996	0	Sewer	July 1, 2017	430,952
July 1, 1997	0	Sewer	July 1, 2018	312,375
July 1, 2000	0	Water	July 1, 2021	626,500
July 1, 2005	0	Sewer	July 1, 2025	<u>146,130</u>
Total Enterprise OPWC Loans:				<u>\$ 2,147,303</u>

11. Long-Term Debt (Continued)

The following is a summary of the City's future debt service requirements as of December 31, 2010 (in thousands):

Fiscal Year Ending December 31	Governmental Activities					
	General Obligation Bonds		OPWC Loan		Ohio Department of Development Loans	
	Principal	Interest	Principal	Interest	Principal	Interest
2011	\$ 9,813	\$ 11,166	\$ 609	\$ -	\$ 156	\$ 32
2012	12,046	10,704	648	-	107	27
2013	14,546	11,153	648	-	100	23
2014	15,557	10,550	648	-	104	19
2015	15,614	9,898	648	-	108	14
2016-2020	81,334	37,712	3,166	-	270	14
2021-2025	66,384	17,710	2,369	-	-	-
2026-2030	29,305	5,173	1,179	-	-	-
2031-2035	3,960	235	398	-	-	-
2036-2040	-	-	398	-	-	-
2041-2045	-	-	40	-	-	-
	<u>\$ 248,559</u>	<u>\$ 114,301</u>	<u>\$ 10,751</u>	<u>\$ -</u>	<u>\$ 845</u>	<u>\$ 129</u>

Fiscal Year Ending December 31	Non-Tax Revenue Bonds		Income Tax Revenue		Special Revenue Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
	2011	\$ 2,610	\$ 3,385	\$ 6,125	\$ 12,174	\$ 2,535
2012	2,750	3,234	6,220	11,870	2,650	1,659
2013	2,990	3,073	7,130	11,560	2,770	1,541
2014	3,290	2,919	7,980	11,203	2,900	1,407
2015	4,073	2,745	6,165	10,827	3,035	1,266
2016-2020	18,203	10,186	37,675	48,935	17,620	3,776
2021-2025	14,324	5,567	53,700	37,538	3,605	254
2026-2030	7,555	989	65,245	22,886	-	-
2031-2035	-	-	49,865	5,180	-	-
2036-2040	-	-	-	-	-	-
2041-2045	-	-	-	-	-	-
	<u>\$ 55,795</u>	<u>\$ 32,098</u>	<u>\$ 240,105</u>	<u>\$ 172,173</u>	<u>\$ 35,115</u>	<u>\$ 11,677</u>

Fiscal Year Ending December 31	Special Assessment Bonds		State Infrastructure Bonds	
	Principal	Interest	Principal	Interest
	2011	\$ 2,154	\$ 332	\$ 1,307
2012	2,044	249	1,347	124
2013	1,741	168	1,387	83
2014	1,464	98	1,429	42
2015	554	40	313	7
2016-2020	425	25	-	-
2021-2025	-	-	-	-
2026-2030	-	-	-	-
2031-2035	-	-	-	-
2036-2040	-	-	-	-
2041-2045	-	-	-	-
	<u>\$ 8,382</u>	<u>\$ 912</u>	<u>\$ 5,783</u>	<u>\$ 420</u>

11. Long-Term Debt (Continued)

Business-type Activities						
Fiscal Year Ending December 31	General Obligation Bonds		Mortgage Revenue		Revenue	
	Principal	Interest	Principal	Interest	Principal	Interest
2011	\$ -	\$ 24	\$ 3,560	\$ 1,917	\$ 3,790	\$ 1,292
2012	2	24	3,190	1,758	3,955	1,125
2013	2	24	3,340	1,608	4,130	950
2014	14	24	3,475	1,471	4,310	769
2015	72	23	3,625	1,322	4,525	554
2016-2020	415	59	14,195	4,067	6,550	418
2021-2025	128	10	6,395	2,154	-	-
2026-2030	-	-	3,570	972	-	-
2031-2035	-	-	2,575	266	-	-
2036-2040	-	-	-	-	-	-
2041-2045	-	-	-	-	-	-
	<u>\$ 633</u>	<u>\$ 188</u>	<u>\$ 43,925</u>	<u>\$ 15,535</u>	<u>\$ 27,260</u>	<u>\$ 5,108</u>

Fiscal Year Ending December 31	OWDA Loans		OPWC Loans	
	Principal	Interest	Principal	Interest
2011	\$ 5,802	\$ 1,323	\$ 201	\$ -
2012	6,007	1,090	202	-
2013	5,875	851	201	-
2014	5,939	613	202	-
2015	4,409	389	201	-
2016-2020	5,267	749	891	-
2021-2025	445	118	240	-
2026-2030	473	40	9	-
2031-2035	-	-	-	-
2036-2040	-	-	-	-
2041-2045	-	-	-	-
	<u>\$ 34,217</u>	<u>\$ 5,173</u>	<u>\$ 2,147</u>	<u>\$ -</u>

Fiscal Year Ending December 31	Governmental Activities Total		Business-type Activities Total		Grand Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2011	\$ 25,309	\$ 29,027	\$ 13,353	\$ 4,556	\$ 38,662	\$ 33,583
2012	27,812	27,867	13,356	3,997	41,168	31,864
2013	31,312	27,601	13,548	3,433	44,860	31,034
2014	33,372	26,238	13,940	2,877	47,312	29,115
2015	30,510	24,797	12,832	2,288	43,342	27,085
2016-2020	158,693	100,648	27,318	5,293	186,011	105,941
2021-2025	140,382	61,069	7,208	2,282	147,590	63,351
2026-2030	103,284	29,048	4,052	1,012	107,336	30,060
2031-2035	54,223	5,415	2,575	266	56,798	5,681
2036-2040	398	-	-	-	398	-
2041-2045	40	-	-	-	40	-
	<u>\$ 605,335</u>	<u>\$ 331,710</u>	<u>\$ 108,182</u>	<u>\$ 26,004</u>	<u>\$ 713,517</u>	<u>\$ 357,714</u>

11. Long-Term Debt (Continued)

All bonds and notes are backed by the full faith and credit of the City except revenue bonds. Water Mortgage Revenue Bonds are collateralized by the capital assets of the Water System that had net carrying values of approximately \$140,394,862 at December 31, 2010. It is the City's policy to pay debt service of the Enterprise and Internal Service Funds from the receipts of those funds. Accordingly, such debt is reported in those funds. Any deficiency is paid from the City's General Fund. Revenue bonds and OWDA loans are retired entirely from the excess of operating revenues over operating expenses of the applicable enterprise activity. Therefore, the City is under no obligation to repay these long-term obligations from the City's General Fund.

Bond Indenture Agreements for the Sanitary Sewer System Revenue Bonds dated June 1, 1996, the Sanitary Sewer System Revenue Bonds dated January 1, 1997, the Sanitary Sewer System Improvement and Refunding Revenue Bond dated April 1, 1998, the Waterworks System Mortgage Revenue Improvement and Refunding Bonds dated July 1, 2003, and the Waterworks System Mortgage Revenue Improvement Bond dated August 10, 2006 require deposits to a Debt Service Fund based on a calculation of net operating revenues. The Sewer System Revenue Bond Indenture Agreement dated April 1, 1998 requires that a Debt Service Reserve Fund be created and maintained at a minimum of \$1,217,306 for the Series 1996 Bonds, the Series 1997 Bonds, and the Series 1998 Bonds. The balances in the Debt Service Reserve Fund and the Debt Service Fund at December 31, 2010 were as follows:

	Sewer System 1996, 1997, and 1998 Issues	Waterworks System 2003 Issue	Waterworks System 2006 Issue
Minimum balance of debt service reserve fund	\$ 1,217,306	\$ -	\$ -
Actual balance of debt service reserve fund	<u>4,449,221</u>	<u>2,395,838</u>	<u>509,324</u>
Excess	<u>\$ 3,231,915</u>	<u>\$ 2,395,838</u>	<u>\$ 509,324</u>

The debt service and debt service reserve funds for Mortgage Revenue Bond issues are included in the applicable enterprise fund for reporting purposes.

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 assessed 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 assessed value of property. At December 31, 2010, the City's total net debt amounted to 4.06% of the total assessed value of all property within the City and unvoted net debt amounted to 4.05% of the total assessed value of all property within the City.

11. Long-Term Debt (Continued)

On November 30, 2010, the City issued \$24,045,000 in general obligation bonds Various Purpose Refunding Bonds, Series 2010 maturing on December 1, 2012 through 2023 with interest rates ranging from 2% to 5 %. Out of the net proceeds of \$25,929,697.52 (after payment of \$253,707.75 in underwriting fees, insurance and other issuance costs, and including a premium of \$2,139,246.75), \$25,830,180.00 was used to provide cash to provide for debt service payments of a portion of the General Obligation Bonds, Various Purpose Improvement Bonds, Series 1998, 2001 and 2002.

As a result, a portion of the Series 1998, 2001 and 2002 Bonds are considered to be defeased and the liability for these bonds has been removed from the financial statements. The City advance refunded these bonds to reduce its total debt service payments for the refunding portion of the transaction by approximately \$23,850,000.00 and incurred an economic gain (difference between the present values of the debt service payments on the old and new debt) of approximately \$957,448.29. The net difference between the reacquisition price and the carrying amount of the old debt has been recorded as a component of deferred bond issuance costs and is being amortized over the previous remaining life of the old debt.

The City has defeased certain debt issues by placing investments in U.S. Government obligations in irrevocable escrow accounts. Such accounts will be used, together with interest earned thereon, to provide for the payment of all principal and interest on the defeased bonds on their scheduled due dates. Accordingly, the escrow accounts and the defeased bonds summarized below are not included in the accompanying financial statements at December 31, 2010:

Issue	Defeasance Date	Original Amount		Principal Outstanding at 12/31/10
		Defeased	Escrowed	
Waterworks System First Mortgage Revenue Bonds Series 1991	1996	\$ 19,090,000	\$ 20,726,104	\$ 5,185,000
Various Purpose Improvement Bonds, Series 1991	2001	1,265,000	1,330,320	115,000
Various Purpose Improvement Bonds, Series 1992	2001	10,785,000	11,869,971	1,735,000
Street Improvement Bonds, Series 1992	2001	1,940,000	2,135,164	150,000
Various Purpose Improvement Bonds, Series 1994	2001	15,825,000	18,761,930	3,955,000
Waterworks System Mortgage Revenue Bonds Series 1994	2003	19,405,000	20,820,490	9,160,000

11. Long-Term Debt (Continued)

Issue	Defeasance Date	Original Amount		Principal Outstanding at 12/31/10
		Defeased	Escrowed	
Various Purpose Improvement Bonds, Series 1993	2005	\$ 5,555,000	\$ -	\$ 1,930,000
Various Purpose Improvement Bonds, Series 1995-2	2005	3,855,000	-	1,710,000
Various Purpose Improvement Bonds, Series 1996	2005	2,600,000	-	1,825,000
Various Purpose Improvement Bonds, Series 1996-2	2005	7,900,000	-	4,550,000
Various Purpose Improvement Bonds, Series 1997	2005	11,960,000	-	6,760,000
Various Purpose Improvement Bonds, Series 1999	2005	14,310,000	-	9,265,000
Various Purpose Improvement Bonds, Series 2000	2005	14,265,000	-	11,005,000
		<u>60,445,000</u>	<u>40,208,751</u>	<u>37,045,000</u>
Sanitary Sewer System Revenue Bonds, Series 1996	2005	12,655,000	-	5,695,000
Sanitary Sewer System Revenue Bonds, Series 1997	2005	11,245,000	-	10,170,000
Revenue Bonds, Series 1998	2005	6,165,000	-	5,235,000
		<u>30,065,000</u>	<u>30,839,036</u>	<u>21,100,000</u>
Revenue Bonds, Series 1996	2009	7,780,000		5,305,000
Revenue Bonds, Series 1998	2009	6,570,000		5,970,000
		<u>14,350,000</u>	<u>14,464,701</u>	<u>11,275,000</u>
Various Purpose Improvement Bonds, Series 1998	2010	5,835,000	6,044,651	5,375,000
Various Purpose Improvement Bonds, Series 2001	2010	13,850,000	14,792,506	12,560,000
Various Purpose Improvement Bonds, Series 2002	2010	4,660,000	4,993,023	3,160,000
		<u>24,345,000</u>	<u>25,830,180</u>	<u>21,095,000</u>
				<u>\$ 110,815,000</u>

11. Long-Term Debt (Continued)

The City of Akron's original General Obligation bond ratings are AA- from Fitch, A1 from Moody's and AA- from Standard and Poor's. The insured Water and Sewer Revenue bonds were originally rated AAA from Fitch, Aaa from Moody's and AAA from Standard and Poor's. As of December, the City's bond ratings are as follows:

<u>Description</u>	<u>Moody's</u> <u>Investors</u> <u>Service</u>	<u>Standard</u> <u>and Poor's</u>	<u>Fitch</u> <u>Ratings</u>
	<u>Current</u> <u>Rating</u>	<u>Current Rating</u>	<u>Current</u> <u>Rating</u>
1997 Nontax Revenue Economic Dev Bonds	Baa1	BBB	n/a
1997 Various Purpose Improvement Bonds (Advance Refunded)	Aa3	n/a	n/a
1998 Sanitary Sewer System Improvement and Refunding Bonds	WR	n/a	n/a
1999 Pension Refunding Income Tax Revenue Bonds	A1	n/a	Not rated
1999 Various Purpose Improvement Bonds (Advance Refunded)	Aa3	n/a	WD
2000 Sanitary Sewer System Special Revenue Bonds	WR	n/a	Not rated
2000 Waterworks System Special Revenue Bonds	WR	n/a	Not rated
2001 Various Purpose Improvement and Refunding Bonds	Aa3	AA-	AA-
2002 Sanitary Sewer System Special Revenue Bonds	Baa1	n/a	Not rated
2002 Street Improvement Special Assessment Bonds	Aa3	AA-	n/a
2002 Various Purpose Improvement and Refunding Bonds	Aa3	AA-	AA-
2002 Waterworks System Special Revenue Bonds	Baa1	n/a	n/a
2003 Street Improvement Special Assessment Bonds	Aa3	AA-	n/a
2003 Various Purpose Improvement Bonds	Aa3	AA-	AA-
2003 Waterworks System Mortgage Revenue Improvement and Refunding Bonds	Baa1	n/a	n/a
2004A Income Tax Revenue Bonds (CLC)	A1	AA+	A+
2004B Income Tax Revenue Bonds (CLC)	A1	AA+	A+
2005 Refunding Certificates of Participation	n/a	A+	A
2005 Sanitary Sewer System Improvement and Refunding Bonds	WR	n/a	Not rated
2005 Street Improvement Special Assessment Bonds	Aa3	AA-	n/a
2005 Various Purpose Improving and Refunding Bonds	Aa3	AA-	AA-
2005-A Certificates of Participation	WR	A+	n/a
2006 Street Improvement Special Assessment Bonds	Aa3	AA-	WD
2006 Taxable Economic Development Revenue Bonds	Baa1	n/a	n/a
2006 Various Purpose Improvement Bonds	Aa3	AA-	AA-
2006 Waterworks System Mortgage Revenue Improvement and Refunding Bonds	WR	n/a	n/a
2007 Certificates of Participation	WR	A+	n/a
2007 Various Purpose Improvement Bonds	Aa3	AA-	AA-
2009 Various Purpose Improvement Refunding Bonds	n/a	AA-	n/a
2009 Waterworks System Mortgage Revenue Improvement and Refunding Bonds	Aa3	n/a	n/a
2010 Special Assessment Notes	n/a	SP-1	n/a
2010 Various Purpose Improvement Notes, Series B	n/a	SP-1 +	n/a
2010 Various Purpose Refunding Bonds, Series A	n/a	AA-	AA-
2010 Various Purpose Refunding Bonds, Series B	n/a	AA-	AA-
2010 Various Purpose Refunding Bonds, Series C	n/a	AA-	AA-
2010 Various Purpose Refunding Bonds, Series D	n/a	AA-	n/a
2010A Income Tax Revenue Bonds (CLC)	n/a	AA+	n/a
2010B Income Tax Revenue Bonds (CLC)	n/a	AA+	n/a
2010C Income Tax Revenue Bonds (CLC)	n/a	AA+	n/a

11. Long-Term Debt (Continued)

During 2001, the City entered into an amendment and restatement of cooperative agreement among various parties to unconditionally guarantee the principal and interest payments of the Summit County Port Authority Revenue Bonds (Akron Civic Theatre Project), issued by the Summit County Port Authority. As of December 31, 2010, the principal amount outstanding was \$13,936,070. The City believes that the Summit County Port Authority is current on all required debt service payments and will continue to pay all debt service when due throughout the remaining term of the bonds; therefore, no provision for such guarantee has been recorded in the financial statements as of December 31, 2010.

During 2004, the City entered into an agreement with various parties to unconditionally guarantee the principal and interest payments on behalf of The Goodyear Tire & Rubber Company for the Summit County Port Authority Bonds, Series 2005B. As of December 31, 2010, the principal amount outstanding was \$2,750,000. The City believes that Goodyear Tire & Rubber Company is current on all required debt service payments and will continue to pay all debt service when due throughout the remaining term of the bonds; therefore, no provision for such guarantee has been recorded in the financial statements as of December 31, 2010.

During 2007, the City entered into an agreement with various parties to unconditionally guarantee the principal and interest payments on behalf of Akron Community Service Center and Urban League, Inc. for Summit County Port Authority Bonds, Series 2007. As of December 31, 2010, the principal amount outstanding was \$2,405,000. The City believes that the Akron Community Service Center and Urban League, Inc. is current on all required debt service payments and will continue to pay all debt service when due throughout the remaining term of the loan; therefore, no provision for such guarantee has been recorded in the financial statements as of December 31, 2010.

During 2008, the City entered into a new agreement with various parties to unconditionally guarantee the principal and interest payments on behalf of MemPro Ceramics Corporation for the loan issued by The Huntington National Bank. As of December 31, 2010, the principal amount outstanding was \$241,667. During 2011 the City is required to make principal and interest payment on behalf of MemPro Ceramics Corporation. The City paid approximately \$9,141 in principal and interest that was due to The Huntington National Bank for 2010 principal and interest payments. MemPro Ceramics Corporation scheduled 2011 principal and interest payments are \$50,000 and \$12,197, respectively. The City believes that the amounts are immaterial; therefore, no provision for such guarantee has been recorded in the financial statements as of December 31, 2010.

During 2010, the City entered into an agreement with various parties to unconditionally guarantee the principal and interest payments on behalf of the International Soap Box Derby, Inc. for the loan issued by FirstMerit Bank. As of December 31, 2010, the principal amount outstanding was \$546,000. The City believes that the International Soap Box Derby Inc. is current on all required debt service payments and will continue to pay all debt service when due throughout the remaining term of the loan; therefore, no provision for such guarantee has been recorded in the financial statements as of December 31, 2010.

From time to time, the City has issued industrial revenue bonds to provide financial assistance to private sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received by the bond trustees on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. The bonds do not constitute a debt or pledge of the faith and credit of the City and, accordingly, have not been reported in the accompanying financial statements. As of December 31, 2010, there was one industrial revenue bond outstanding. The aggregate principal amount payable for the issue was \$635,000.

12. Obligations Under Capitalized Leases and Certificates of Participation (COPs)

In November, 1996, \$28.9 million Series 1996 Convertible Capital Appreciation Certificates of Participation (COPs) were issued by a bank to finance the costs of the construction of a professional baseball stadium (meeting class “AA” standards) within the City. In connection with the issuance of the Series 1996 COPs, the City entered into a capital lease agreement (as lessee) for the baseball stadium. The City will make lease payments during successive annual renewal periods through November 25, 2016, providing City Council appropriates funds each year for that purpose. If the lease is paid through November 25, 2016, the City will acquire title to the baseball stadium. The lease agreement also includes a purchase option during the years 2002 through 2016.

Unspent funds of approximately \$75,000 provided from the COPs are recorded as restricted assets in the governmental activities in the accompanying government-wide statement of net assets as of December 31, 2010. In the unlikely event the lease is terminated, the restricted funds are available for payment of the certificates.

The City has defeased certain certificate issues by placing investments in U.S. Government obligations in irrevocable escrow accounts. Such accounts will be used, together with interest earned thereon, to provide for the payment of all principal and interest on the defeased certificates on their scheduled due dates. Accordingly, the escrow accounts and the defeased certificates summarized below are not included in the accompanying financial statements at December 31, 2010:

Issue	Defeasance Date	Original Amount		Principal Outstanding at 12/31/10
		Defeased	Escrowed	
Certificates of Participation, Series 1996	2005	\$31,515,000	\$33,661,685	\$18,840,000

On November 3, 2010, the City issued \$13.2 million Series 2010 Convertible Certificates of Participation (COPs) for the Akron Energy Systems Project. Total future payments as of December 31, 2010 are as follows:

Year	Governmental Activities	
	Principal	Interest
2011	\$ -	\$ 608,563
2012	440,000	608,563
2013	455,000	595,363
2014	465,000	582,850
2015	480,000	570,063
2016-2020	2,675,000	2,573,113
2021-2025	3,405,000	1,847,750
2026-2030	5,280,000	907,250
	<u>\$ 13,200,000</u>	<u>\$ 8,293,513</u>

12. Obligations Under Capitalized Leases and Certificates of Participation (COPs) (Continued)

The City also has three other capital leases, one for computer hardware, software and licenses; one for the redesign of the City's sanitation trash collection system; and one for equipment. The cost of the computer lease agreement is \$515,964 and is included in the City's capital assets in the Management Information Systems Fund.

The cost of the sanitation redesign equipment is \$9,050,203 and is included in the City's capital assets in the Statement of Net Assets – Governmental Activities.

The cost of the equipment purchase is \$1,952,230 and is included in the City's capital assets in the Statement of Net Assets – Governmental Activities and in the Water and Golf Course Funds.

The following is a summary of the capital lease transactions for the year ended December 31, 2010:

	<u>Governmental Activities</u>				<u>Enterprise</u>	<u>Internal Service</u>
	<u>COPS Stadium</u>	<u>COPS Parking</u>	<u>Sanitation Redesign</u>	<u>Equipment</u>	<u>Equipment</u>	<u>Computer Equipment</u>
Capital Lease at January 1, 2010	\$ 22,160,000	\$ 44,405,000	\$ 6,804,079	\$ 1,525,800	\$ 426,430	\$ 156,469
Additions	-	-	-	-	-	-
Retirements	(2,720,000)	(2,485,000)	(841,243)	-	-	(162,519)
Adjustments	-	-	-	(89,569)	89,569	6,050
Capital Lease at December 31, 2010	<u>\$ 19,440,000</u>	<u>\$ 41,920,000</u>	<u>\$ 5,962,836</u>	<u>\$ 1,436,231</u>	<u>\$ 515,999</u>	<u>\$ -</u>

Future lease payments are as follows as of December 31, 2010:

<u>Year</u>	<u>Governmental Activities</u>				<u>Enterprise</u>	<u>Internal Service</u>
	<u>COPS Stadium</u>	<u>COPS Parking</u>	<u>Sanitation Redesign</u>	<u>Equipment</u>	<u>Equipment</u>	<u>Computer Equipment</u>
2011	\$ 3,827,000	\$ 4,291,338	\$ 1,152,972	\$ 248,797	\$ 89,386	\$ -
2012	3,834,250	4,259,063	1,152,972	248,797	89,386	-
2013	3,829,000	4,215,263	1,152,972	248,797	89,386	-
2014	3,831,500	4,179,063	1,152,972	248,797	89,386	-
2015	3,831,000	4,145,438	1,152,972	248,797	89,386	-
2016-2020	3,827,250	18,998,338	1,152,972	497,595	178,773	-
2021-2025	-	11,894,306	-	-	-	-
2026-2030	-	4,909,581	-	-	-	-
Total lease payments	22,980,000	56,892,388	6,917,832	1,741,580	625,703	-
Less amount representing interest	<u>3,540,000</u>	<u>14,972,388</u>	<u>954,996</u>	<u>305,349</u>	<u>109,704</u>	<u>-</u>
Present value of lease payments	<u>\$ 19,440,000</u>	<u>\$ 41,920,000</u>	<u>\$ 5,962,836</u>	<u>\$ 1,436,231</u>	<u>\$ 515,999</u>	<u>\$ -</u>
Net book value of leased assets *	<u>\$ 21,255,357</u>	<u>\$ 64,471,219</u>	<u>\$ 4,977,612</u>	<u>\$ 1,364,419</u>	<u>\$ 490,199</u>	<u>\$ 154,789</u>

*Amount represents the entire net book value of the capital lease recorded in the statement of net assets.

13. Self-Insurance Funds

The City is exposed to various risks of loss including employee health-care costs and accidents, torts and legal judgments, and damage or destruction of assets. The City purchases fire and extended coverage insurance on all buildings and contents up to \$175,000,000 per occurrence, with a variety of deductibles beginning at \$250,000. Coverage is purchased on 1,227 vehicles for combined single-limit liability of \$1,000,000. There has been no significant reduction in coverage from the prior year, and settled claims have not exceeded the City's insurance coverage in any of the past three years.

The City has a Medical Self-Insurance Fund. The purpose of this fund is to pay medical claims for City employees and their covered dependents and minimize the total cost of medical benefits of the City. The plan is internally managed and accounted for as an Internal Service Fund. This Internal Service Fund has been in existence since 1987.

The City has an Internal Service Fund entitled "Workers' Compensation Reserve Fund" to account for self-insured workers' compensation claims. Workers' compensation is administered by the State of Ohio under a retrospective rating plan. The City reimburses the Ohio Bureau of Workers' Compensation for injured workers' claims subject to a maximum annual claim limit of \$300,000 for each worker's compensation claim. All funds of the City participate in the program and make payments to the Internal Service Fund based on the experience premium that would normally be charged by the Ohio Bureau of Workers' Compensation. Future claims liabilities are actuarially determined.

The City has a Self-Insurance Settlement Fund. The purpose of this fund is to pay judgments and claims. Claims are accrued based upon estimates, past experience, and current claims outstanding. Actual claims experience may differ from the estimate.

The claims liabilities of \$2,172,457, \$6,606,823 and \$437,444 reported in the Medical, Workers' Compensation, and Self-Insurance Settlement funds, respectively, at December 31, 2010, are in accordance with the requirements of GASB Statement No. 10, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*, and GASB Statement No. 30, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*. These GASB statements require that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. The liabilities recorded include the estimated incremental expenses to be incurred to settle the claims, including legal fees. Claims liabilities are based on evaluations of individual claims and a review of experience with respect to the probable number and nature of claims arising from losses that have been incurred but have not yet been reported. The claims liabilities represent the estimated ultimate cost of settling the claims, including the effects of inflation and other societal and economic factors. Estimated future recoveries on settled and unsettled claims, such as subrogations, if any, are evaluated in terms of their estimated realizable value and deducted from the liability for unpaid claims. Any adjustments resulting from the actual settlement of the claims are reflected in the financial statements at the time the adjustments are determined.

13. Self-Insurance Funds (Continued)

Changes in the funds' claims liabilities (both current and long-term) amounts in fiscal 2009 and 2010 were:

	Beginning of Year Liability	Claim Adjustments	Current Period Claims	Claim Payments	Balance at End of Year
<u>Medical Self-Insurance Fund</u>					
2009	\$ 2,441,697	\$ -	\$ 26,059,300	\$ (26,346,012)	\$ 2,154,985
2010	2,154,985	-	25,845,024	(25,827,552)	2,172,457
<u>Workers' Compensation Reserve Fund</u>					
2009	7,160,353	-	1,679,509	(1,455,851)	7,384,011
2010	7,384,011	-	866,947	(1,644,135)	6,606,823
<u>Self-Insurance Settlement Fund</u>					
2009	616,789	(130,194)	84,273	(65,600)	505,268
2010	505,268	(104,745)	39,171	(2,250)	437,444

14. Long-term Liabilities

The City reports the following amounts relating to the government's long-term liabilities for the year ended December 31, 2010:

	Balance January 1, 2010	Additions	Deletions	Balance December 31, 2010
Governmental Activities:				
Governmental Funds:				
Due to other governments	\$ 4,567,070	\$ -	\$ (592,332)	\$ 3,974,738
Accrued vacation and leave (Note 8)	41,289,602	14,869,855	(15,497,858)	\$ 40,661,599
Accrued OPERS	683,421	-	(683,421)	-
OPEB liability (Note 9)	10,845,035	5,037,513	-	15,882,548
Employment Related Liabilities	382,552	3,052,479	(67,983)	3,367,048
Pollution Remediation (Note 20)	202,034	379,965	(202,034)	379,965
Total Governmental Funds	57,969,714	23,339,812	(17,043,628)	64,265,898
Internal Service Funds:				
Accrued vacation and leave (Note 8)	2,148,422	934,805	(703,473)	2,379,754
Accrued OPERS	87,541	-	(87,541)	-
OPEB liability (Note 9)	368,006	230,362	-	598,368
Employment Related Liabilities	4,975	22,400	(350)	27,025
Liability for unpaid claims	5,620,902	637,167	(1,137,085)	5,120,984
Total Internal Service Funds	8,229,846	1,824,734	(1,928,449)	8,126,131
Total Governmental Activities	66,199,560	25,164,546	(18,972,077)	72,392,029
Business-type Activities:				
Enterprise Funds:				
Water				
Accrued vacation and leave (Note 8)	2,618,170	1,270,717	(996,543)	2,892,344
Accrued OPERS	113,924	-	(113,924)	-
OPEB liability (Note 9)	641,946	361,023	-	1,002,969
Employment Related Liabilities	11,725	59,600	(700)	70,625
Sewer				
Due to other governments	320,345	-	(24,515)	295,830
Accrued vacation and leave (Note 8)	1,642,186	1,134,807	(935,467)	1,841,526
Accrued OPERS	67,864	-	(67,864)	-
OPEB liability (Note 9)	419,508	236,112	-	655,620
Employment Related Liabilities	3,775	30,700	-	34,475
Off Street Parking				
Accrued vacation and leave (Note 8)	54,028	8,744	(3,626)	59,146
Other Business-type Activities				
Accrued vacation and leave (Note 8)	206,714	70,296	(118,442)	158,568
Accrued OPERS	7,497	-	(7,497)	-
Pollution Remediation (Note 20)	35,000	-	(35,000)	-
OPEB liability (Note 9)	40,328	29,985	-	70,313
Employment Related Liabilities	325	1,700	-	2,025
Total Enterprise Funds/ Business-type Activities	6,183,335	3,203,684	(2,303,578)	7,083,441
Total	\$ 72,382,895	\$ 28,368,230	\$ (21,275,655)	\$ 79,475,470

The above liabilities are liquidated by the various operating funds in which the liabilities exist. See Note 4 for detailed explanations for the amounts recorded as due to other governments.

15. Compliance and Accountability

A. Legal compliance

The City incurred expenditures that were not individually appropriated, has deficit cash fund balances in certain funds, and certain funds had appropriations which exceeded the Official Certificate of Estimated Resources which are contrary to the Ohio Revised Code.

B. Deficit fund balances

The following funds have fund balance deficits or net assets deficits at December 31, 2010:

Special Revenue Funds:	
Income Tax Collection	\$ 58,891
Emergency Medical Service	3,793,012
Street and Highway Maintenance	1,010,903
Street Assessment	4,829,796
Community Development	4,124,756
Air Pollution Control	791,532
Akron Metro Area Transportation Study	641,745
Police Grants	1,343,481
Various Domestic Violence	118,120
Health Grants	892,347
City Facilities Operating	20,808,113
Deposits	206,525
Debt Service Funds:	
Debt Service Bond Payment	4,992,821
Capital Project Funds:	
Non-appropriated Capital Projects	3,113,034
Streets	14,605,254
Information Technology and Improvements	370,540
Public Parking	2,792,841
Internal Service Funds:	
Medical Self-Insurance	12,227,901
Workers' Compensation Reserve	5,047,927
Self-Insurance Settlement	420,331
Storeroom	746,146
Engineering Bureau	2,533,911
Management Information Systems	2,349,778

The Special Revenue Funds that have deficit fund balances at year-end have incurred expenditures that have not yet received the revenue under federal or state grant agreements or as a reimbursement from other funds. The Akron Metro Area Transportation Study, Community Development, Police Grants and Health Grants funds requested grant draws are based on actual cash basis expenditures.

The Debt Service Fund that has a deficit balance at year-end has incurred expenditures relating to debt service.

The Capital Project Funds that have deficit fund balances at year-end have incurred expenditures that have not yet been reimbursed from debt issuances and/or interfund transfers. The City carries out programs in its capital budget for which pooled cash is spent up front.

The Internal Service Funds, that have deficit net assets balances at year-end, have incurred expenses above charges for services. User charges will be assessed to eliminate the deficits. In 2010, the City issued bond anticipation notes for the Medical Self-Insurance fund. The debt will be repaid through user charges. The City's policy is to transfer funds from the pertinent division's operating budget for actual claim settlements to reimburse the Self-Insurance Settlement Fund. The Engineering Bureau will review its applied overhead rate charged to capital projects to address its deficit.

16. Income Taxes

The City levies a tax at the rate of 2.25% on substantially all income earned within the City. In addition, residents of the City are required to pay City income tax on income earned outside the City. However, a credit is allowed for income taxes paid to other municipalities.

On May 6, 2003, Akron voters increased the City's income tax rate from 2% to 2.25% which took effect January 1, 2004. However, the additional .25% increase is designated exclusively for funding the Akron Public Schools' local share in obtaining State of Ohio grants for the construction and renovation of community learning centers in Akron. Therefore, the additional .25% will not be distributed according to City Charter into both operation and capital improvement funds, as described below.

The proceeds of income taxes, after payment of the expenditures incurred from collection thereof, are allocated by the City Charter as follows: 27% to capital expenditures and 73% to the General Fund. The portion allocated to capital expenditures may be utilized for payment of debt service or capital expenditures of any City fund.

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

17. Property Taxes

Property taxes include amounts levied against all real, public utility and tangible (used in business) property located in the City.

Real property taxes are levied each October on the assessed value listed as of the prior January 1. Assessed values are established by the County Fiscal Officer at 35% of appraised market value. By law, a revaluation of all property based on current individual appraisals is required to be completed no less than every six years. The last revaluation was completed in tax year 2008 for collection in 2009. The next sexennial revaluation will be completed in 2014 for collection in 2015. In addition, the County Fiscal Officer is required to adjust (but without individual appraisal of properties except in the sexennial reappraisal) taxable real property values triennially to reflect true values.

Real estate and public utility taxes attach an enforceable lien on property as of December 31 in the year levied. Payments are scheduled in two installments in mid-February and mid-July of the succeeding year and are considered delinquent if unpaid as of December 31 of that year.

Tangible personal property used in business (except for certain public utility tangible personal property) is being phased out over four years by the State of Ohio. Previously, machinery, equipment and fixtures were generally taxed at 25% of true value and inventory was taxed at 23%. These percentages are being decreased as follows:

Tax Year	Percentage
2006	18.75%
2007	12.50%
2008	6.25%
2009	0.00%

17. Property Taxes (Continued)

To compensate for foregone revenue as the tangible personal property tax is phased out, the state will make distributions to taxing subdivisions from revenue generated by a newly enacted commercial activity tax. Generally, these distributions are expected to fully compensate taxing subdivisions for such tax losses through 2010 with gradual reductions in the reimbursement from 2011 through 2017.

The assessed value upon which the 2010 property tax was based aggregated \$3,004,924,000. The assessed value for 2010 (upon which the 2011 property tax will be based) is approximately \$3,016,351,000.

Under the current allocation method, the City's share was 1.030% (10.30 mills) of assessed value in 2010 for collection in 2011. The City's Charter limits the maximum total tax rate that could be levied without a vote of the electors to 1.05% (10.5 mills).

The Fiscal Officer collects property taxes on behalf of all taxing districts in the County including the City of Akron and periodically remits to the City its portion of the taxes collected. Current real property and tangible personal property tax collections for the year ended December 31, 2010, including delinquencies from prior years, were 97.4% and 114.0% (tangible property tax is being phased out and we are still receiving collections from prior years), respectively, of the current year tax levy. On a full accrual basis, collectible delinquent property taxes have been recorded as revenue, while the remainder of the tax receivable is deferred.

Property taxes are allocated to the various funds based upon voter authorization.

18. JEDD Revenues

In an effort to promote regional growth and economic development, the City has entered into contracts with four surrounding townships and a bordering municipality to create Joint Economic Development Districts (JEDDs). The City entered into separate contracts with Copley, Coventry, and Springfield Townships to create JEDDs in 1994. Voters in each township approved the respective JEDD contracts in the November 1994 election, which became effective January 1, 1995. In accordance with state law, each of the Districts' Board of Trustees levied a 2% income tax effective January 1, 1995. In accordance with the City of Akron's income tax increase, as of January 1, 2005, Copley, Coventry and Springfield's income tax rate increased to 2.25%. The proceeds of that tax are allocated, in accordance with the contract, primarily to the City. The City has utilized these JEDD revenues, in part, to construct water and sewer lines so that the JEDDs have access to the City's water and sewer system and to encourage and promote economic development.

In 1998 the City entered into a JEDD contract with Bath Township (Bath) and the City of Fairlawn (Fairlawn). This contract was approved by voters in November 1998 and became effective on January 1, 1999. As in the other JEDDs, a 2% income tax has been levied by the District. In accordance with the City of Akron's income tax increase, as of January 1, 2006, Bath's income tax rate increased to 2.25%. As stated in the contract, the net JEDD revenues are allocated to the City and Fairlawn, with the City providing water and sewer services.

19. Pledged Revenues

Pursuant to GASB No. 48, *Accounting and Financial Reporting for Sales and Pledges of Receivables and Intra-Entity Transfers of Assets and Future Revenues*, the City holds different types of pledged revenue. Pledged revenues of the City are broken down into water system revenues, sewer system revenues, JEDD revenues, non-tax revenues, income tax revenues, and CLC income tax revenues.

Water System Revenues

The City has pledged future water customer revenues, net of specified operating expenses to repay \$83.9 million in water system revenue bonds issued at various dates ranging from July 1, 1995 thru April 15, 2010. Proceeds from the bonds provided financing for various water projects. The bonds are payable solely from water customer net revenues and are payable in various maturity dates ranging from January 1, 2011 thru March 1, 2034. The total principal and interest remaining to be paid on the bonds as of December 31, 2010 is \$71,398,286. Principal and interest paid for 2010 and total customer net revenues were \$7,104,933 and \$9,843,787 respectively.

Issued	Amount of Issue	Purpose of Issue	Final Maturity	Debt Service	Future Debt Service
07/01/95	\$ 1,024,156	Various Water Projects	07/01/16	\$ 51,208	\$ 460,870
09/28/99	1,129,039	Water Mains	07/01/20	82,691	826,905
05/02/00	8,108,206	Sedimentation Basin	07/01/20	626,574	6,265,734
07/01/00	895,000	Various Water Projects	07/01/21	44,750	626,500
04/16/01	476,826	Water Force Main	01/01/11	58,041	87,062
07/25/02	2,809,223	Water Force Main	07/01/12	341,785	683,569
07/01/03	28,045,000	Various Water Projects	03/01/14	3,467,525	11,221,475
01/29/04	2,900,272	Post Chemical Bldg.	01/01/14	346,242	1,211,843
08/10/06	13,340,000	Various Water Projects	03/01/26	997,195	15,983,693
09/17/09	22,100,000	Various Water Projects	03/01/34	996,486	32,274,350
04/15/10	3,094,122	Water Meter Replacement	01/01/20	92,436	1,756,285
	<u>\$ 83,921,844</u>			<u>\$ 7,104,933</u>	<u>\$ 71,398,286</u>

Sewer System Revenues

The City has pledged future sewer customer revenues, net of specified operating expenses to repay \$120.3 million in sewer system revenue bonds issued at various dates ranging from May 6, 1982 thru January 1, 2010. Proceeds from the bonds provided financing for various sewer projects. The bonds are payable solely from sewer customer net revenues and are payable in various maturity dates ranging from January 1, 2010 thru July 1, 2030. The total principal and interest remaining to be paid on the bonds as of December 31, 2010 is \$61,986,098. Principal and interest paid for 2010 and total customer net revenues were \$10,918,331 and \$18,250,700 respectively

Issued	Amount of Issue	Purpose of Issue	Final Maturity	Debt Service	Future Debt Service
05/06/82	\$ 7,544,333	Sewage Treatment	01/01/10	\$ 459,481	\$ -
01/26/95	15,328,600	Sewage Treatment	07/01/15	1,176,440	5,882,679
03/30/95	17,873,704	Relief Sewers	07/01/15	1,371,789	6,858,943
12/01/95	426,191	Various Sewer Projects	01/01/17	21,310	170,476
07/01/96	907,265	Various Sewer Projects	07/01/17	45,363	430,952
07/01/97	595,000	Various Sewer Projects	07/01/18	29,750	312,375
04/01/98	19,140,000	Various Sewer Projects	12/01/13	843,600	3,648,618
09/30/04	8,231,733	Meter Replacement	07/01/15	997,644	4,988,223
12/16/04	10,951,961	Storage Basin - CSO	07/01/14	1,571,990	6,287,962
07/01/05	182,663	Various Sewer Projects	07/01/25	9,133	146,130
12/01/05	33,855,000	Various Sewer Projects	12/01/17	4,240,912	28,719,250
04/15/10	3,094,122	Water Meter Replacement	01/01/20	92,436	1,756,285
07/01/10	1,349,600	Sand Run Sewer Recon	01/01/30	44,587	1,799,818
07/01/10	98,870	WWTP Influent Screen	01/01/15	10,792	97,129
07/01/10	90,793	WWTP Roof Replacement	01/01/30	3,104	121,080
01/01/10	203,453	Mill Street Sewer Lining	07/01/30	-	278,281
01/01/10	413,711	WPC Control System	07/01/20	-	487,897
	<u>\$ 120,286,999</u>			<u>\$ 10,918,331</u>	<u>\$ 61,986,098</u>

19. Pledged Revenues (Continued)

JEDD Revenues

The City has pledged future JEDD revenues to repay \$53.2 million in JEDD revenue bonds issued at various dates ranging from July 1, 2000 thru November 1, 2002. Proceeds from the bonds provided financing for various water projects. The bonds are payable solely from JEDD revenues and are payable in various maturity dates ranging from December 1, 2020 thru December 1, 2022. The total principal and interest remaining to be paid on the bonds as of December 31, 2010 is \$46,792,224. Principal and interest paid for 2010 and total JEDD revenues were \$4,308,396 and \$10,177,030 respectively.

Issued	Amount of Issue	Purpose of Issue	Final Maturity	Debt Service	Future Debt Service
07/01/00	\$ 13,825,000	Various Water Projects	12/01/20	\$ 1,163,057	\$ 11,658,615
08/01/00	13,825,000	Various Sewer Projects	12/01/20	1,164,182	11,648,103
09/01/02	15,550,000	Various Water Projects	12/01/22	1,196,807	14,353,072
11/01/02	<u>10,000,000</u>	Various Sewer Projects	12/01/22	<u>784,350</u>	<u>9,132,434</u>
	<u>\$ 53,200,000</u>			<u>\$ 4,308,396</u>	<u>\$ 46,792,224</u>

Non-Tax Revenues

The City has pledged future non-tax revenues, to repay \$74.6 million in non-tax revenue bonds issued November 1, 1997 thru September 18, 2008. Proceeds from the bonds provided financing for various economic development and renovation projects. The bonds are payable from non-tax revenue including fees of licenses, fines and interest earnings. The maturity dates range from December 1, 2018 thru December 1, 2028. The total principal and interest remaining to be paid on the bonds as of December 31, 2010 is \$87,892,982. Principal and interest paid for 2010 and total non-tax revenues were \$5,870,749 and \$24,803,014 respectively.

Issued	Amount of Issue	Purpose of Issue	Final Maturity	Debt Service	Future Debt Service
11/01/97	\$ 35,000,000	O'Neil's Bldg. Renovation	12/01/18	\$ 2,833,800	\$ 22,682,000
12/15/06	19,500,000	Various Econ. Dev. Proj.	12/01/26	1,550,886	26,736,024
09/18/08	<u>20,150,000</u>	Various Econ. Dev. Proj.	12/01/28	<u>1,486,063</u>	<u>38,474,958</u>
	<u>\$ 74,650,000</u>			<u>\$ 5,870,749</u>	<u>\$ 87,892,982</u>

19. Pledged Revenues (Continued)

Income Tax Revenues

The City has pledged future income tax revenues, to repay \$156.5 million in income tax revenue bonds issued at various dates ranging from November 1, 1992 thru November 30, 2010. Proceeds from the bonds provided financing for various liabilities, equipment, facilities, and improvements. The bonds are payable solely from income tax revenues and are payable in various maturity dates ranging from December 1, 2014 thru December 1, 2031. The total principal and interest remaining to be paid on the bonds as of December 31, 2010 is \$174,174,347. Principal and interest paid for 2010 and total income tax revenues were \$7,795,100 and \$107,180,499 respectively.

Date Issued	Amount of Issue	Purpose of Issue	Final Maturity	Debt Service	Future Debt Service
11/30/09	\$ 362,088	Storm Sewers	12/1/14	\$ 2,031	\$ 75,786
11/30/09	23,277	Street Improvement	12/1/14	1,306	48,719
11/1/92	900,000	Balch St. Community Ctr.	12/1/14	80,234	297,097
11/1/92	6,500,000	Convention Center	12/1/14	558,624	2,144,485
11/30/09	402,998	Street Improvement	12/1/14	1,602	59,768
11/30/09	49,331	Ascot Park Impvmt	12/1/21	2,473	76,463
11/30/09	232,562	CitiCenter Building	12/1/21	11,660	360,471
10/15/93	7,000,000	Inventors Hall of Fame	12/1/21	431,975	1,691,177
6/15/94	8,715,000	Various Community Ctrs.	12/1/14	577,039	2,534,216
11/30/09	540,776	Off Street Parking	12/1/23	13,180	491,815
11/30/09	202,284	Street Improvement	12/1/23	4,943	184,431
11/30/09	398,268	Street Improvement	12/1/21	14,872	459,767
12/1/96	1,060,000	Various Community Ctrs.	12/1/21	75,744	518,052
11/30/09	140,994	Final Judgement	12/1/21	6,445	199,232
12/1/96	1,110,000	Northwest Fire Station	12/1/21	80,752	552,304
12/1/96	1,200,000	H.K. Stubbs Justice Ctr.	12/1/21	88,264	603,680
11/30/09	54,035	Real Estate Acqstn	12/1/21	2,116	65,402
11/30/09	114,970	Recreational Facilities	12/1/21	4,501	139,154
11/30/09	81,054	Street Improvement	12/1/21	3,173	98,104
11/30/09	251,199	High St Renewal Area	12/1/21	9,849	304,468
11/30/09	289,107	Recreational Facilities	12/1/21	7,949	245,723
12/1/97	3,300,000	Street Improvements	12/1/21	251,873	1,878,707
12/1/98	1,660,000	Municipal Facilities	12/1/23	130,151	1,376,408
12/1/98	4,685,000	Recreational Facilities	12/1/23	372,146	3,930,195
12/1/98	3,095,000	Street Improvements	12/1/23	243,630	2,585,536
11/1/99	765,000	Motor Equipment	12/1/23	113,260	155,264
11/1/99	2,280,000	Var. Municipal Facilities	12/1/21	341,054	467,532
11/1/99	8,165,000	Recreational Facilities	12/1/21	700,639	7,545,565
11/30/09	151,720	Street Improvement	12/1/21	6,622	204,719
4/15/99	10,090,000	Pension Accrued Liability	12/1/23	704,973	9,176,040
11/1/00	885,000	Var. Municipal Facilities	12/1/21	75,346	873,793
11/1/00	1,300,000	Recreational Facilities	12/1/21	109,638	1,271,481
11/1/00	2,300,000	Street Improvements	12/1/21	195,128	2,262,901
11/1/01	3,320,000	Motor Equipment	12/1/23	422,642	1,612,067
11/30/09	134,675	Municipal Facilities	12/1/23	4,175	159,534
11/30/09	433,454	Off Street Parking	12/1/28	14,180	541,814
11/1/01	1,807,000	Recreational Facilities	12/1/23	148,949	1,970,144
11/30/09	426,211	Street Improvement	12/1/23	12,670	484,126
12/1/02	2,300,000	Equipment Replacement	12/1/23	292,196	1,381,641
11/30/09	757,969	Off Street Parking	12/1/23	18,993	626,030
12/1/02	11,775,000	Recreational Facilities	12/1/23	980,171	13,777,593
11/30/09	442,066	Street Improvement	12/1/23	18,050	594,000
11/30/09	79,515	Municipal Facilities	12/1/24	4,400	169,488
11/30/09	461,168	Off Street Parking	12/1/24	16,295	552,500
11/30/09	680,267	Recreational Facilities	12/1/24	29,081	986,000
11/30/09	465,992	Street Improvement	12/1/24	23,315	790,500
11/30/09	102,641	Motor Equipment	12/1/26	4,262	153,000
11/30/09	68,593	Municipal Facilities	12/1/26	3,216	115,448
11/30/09	143,098	Recreational Facilities	12/1/26	6,708	240,827
11/30/09	707,827	Street Improvement	12/1/26	34,198	1,227,724
11/30/09	133,862	Furnace/Howard Renewal	12/1/26	6,267	225,000
11/30/09	80,223	Municipal Facilities	12/1/26	3,760	135,000

19. Pledged Revenues (Continued)

Income Tax Revenues (Continued)

Issued	Amount of Issue	Purpose of Issue	Final Maturity	Debt Service	Future Debt Service
11/30/09	144,536	Real Estate Acquisition	12/1/26	10,028	360,000
11/30/09	214,944	Street Improvement	12/1/26	6,769	243,000
11/30/09	54,500	Final Judgement	12/1/17	1,504	60,500
11/30/09	124,075	Industrial Incubator	12/1/27	5,114	206,700
11/30/09	348,874	Motor Equipment	12/1/17	9,627	387,200
11/30/09	56,858	Municipal Facilities	12/1/27	2,344	94,738
11/30/09	46,445	Recreational Facilities	12/1/27	1,918	77,513
11/30/09	424,081	Street Improvement	12/1/27	17,473	706,225
11/30/09	80,000	Final Judgement	12/1/18	2,567	100,480
12/3/07	390,000	Var. Fire Dept. Facilities	12/1/28	32,502	563,250
11/30/09	220,000	Motor Equipment	12/1/18	7,060	276,320
12/3/07	540,000	Municipal Service Center	12/1/28	179,088	3,182,538
12/3/07	1,745,000	Municipal Complex	12/1/28	3,196	132,375
12/3/07	2,895,000	Recreational Facilities	12/1/23	225,538	4,029,700
11/30/09	95,000	Recreational Facilities	12/1/28	4,049	167,675
11/30/09	460,000	Street Improvement	12/1/38	19,604	811,900
11/30/10	254,100	Fire Department Facilities	12/1/31	-	401,292
11/30/10	2,350,000	Motor Equipment	12/1/31	-	2,989,563
11/30/10	790,900	Municipal Facilities	12/1/31	-	1,364,097
11/30/10	6,980,000	Recreational Facilities	12/1/31	-	11,526,800
11/30/10	9,495,000	Street Improvement	12/1/31	-	15,809,332
11/30/10	3,370,600	Economic Development	12/1/31	-	5,883,554
11/30/10	3,155,000	Motor Equipment	12/1/31	-	4,013,648
11/30/10	5,584,900	Municipal Facilities	12/1/31	-	9,632,499
11/30/10	5,380,600	Recreational Facilities	12/1/31	-	8,885,544
11/30/10	1,119,600	Storm Sewers	12/1/31	-	1,954,337
11/30/10	10,189,300	Street Improvement	12/1/31	-	16,965,353
11/30/10	2,850,000	Municipal Facilities	12/1/31	-	5,691,237
11/30/10	4,525,000	Street Improvement	12/1/31	-	9,036,087
	<u>\$ 156,508,537</u>			<u>\$ 7,795,100</u>	<u>\$ 174,174,347</u>

CLC Income Tax Revenues

The City's income tax rate includes .25% Community Learning Center (CLC) income tax revenue. This is designated exclusively for funding the Akron Public Schools' local share in obtaining State of Ohio grants for the construction and renovation of community learning centers (CLC) in Akron. The City has issued bonds totaling \$260 million and are payable through 2014 and 2033. The Akron Public Schools' annual contribution towards this debt is \$3,000,000. The City has committed each year, from the supplemental income tax revenue, amounts sufficient to cover the City's portion of the principal and interest requirements. Total principal and interest remaining on bonds are \$334,102,052. For 2010 total principal and interest paid by the City was \$12,591,254 and total income tax revenues were \$12,940,652.

Issued	Amount of Issue	Purpose of Issue	Final Maturity	Debt Service*	Future Debt Service
01/01/04	\$ 50,000,000	Community Learning Centers	12/01/14	\$ 6,512,510	\$ 26,347,000
01/01/04	165,000,000	Community Learning Centers	12/01/33	5,251,288	221,214,075
11/20/10	17,880,000	Community Learning Centers	11/20/33	263,647	32,394,175
11/20/10	12,060,000	Community Learning Centers	11/20/33	261,562	27,144,373
11/20/10	15,060,000	Community Learning Centers	11/20/33	302,247	27,002,429
	<u>\$ 260,000,000</u>			<u>\$ 12,591,254</u>	<u>\$ 334,102,052</u>

* Net of \$3,000,000 annual contribution from Akron City School District.

20. **Pollution Remediation**

GASB Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Cost* addresses reporting standards for pollution remediation obligations. The City is aware of six sites that meet the requirements for disclosure. The first site is a vacant, undeveloped piece of land known as Middlebury East. The City of Akron legally obligated itself by voluntarily commencing cleanup activities and has obtained a \$750,000 grant to assist in the remediation clean-up. The projected cost to remediate this site is estimated at approximately \$1,200,000. Of this amount, \$759,931 (equally split between 2011 and 2012) is left to be expended and is reflected in the Statement of Net Assets as of December 31, 2010.

The second site is known as the Westside Depot property where the City of Akron was compelled to take remediation action. This site use to house an underground storage tank (UST) system. During an upgrade to this system in 1991, there was evidence of residual petroleum hydrocarbons under the tank and the associated dispensing equipment. This site also had been the location of a previous UST system that may have consisted of a diesel tank, gasoline tank, and kerosene tank. The projected completion date is 2011 and the estimated cost of \$63,500 is recorded as a liability in the Airport Fund as of December 31, 2010.

The third site is for remediation work in the Landmark Building. The remediation work includes asbestos abatement, general waste removal and soil remediation activities. The total project cost is estimated to be just under \$2,000,000. The City has received funding from the Ohio Department of Development to assist with this project. The project completion date is 2011 and the estimated cost of \$1,308,352 is recorded as a liability as of December 31, 2010.

The fourth site is referred to as the Imperial Electric/XXth Century property. The City will conduct demolition and remediation activities at this site estimated at approximately \$1,600,000. The City was awarded Clean Ohio Revitalization Funds to assist in the remediation of the property. The project is expected to be completed in 2011 and the estimated cost of \$1,505,000 is recorded as a liability as of December 31, 2010.

The fifth site is located at 99 Seiberling Street. The City received Clean Ohio Assistance Funds to assist with asbestos abatement and demolition activity for this property. The estimated project cost is just over \$1,200,000. Approximately \$750,000 has been expended so far with a remaining balance of \$530,916 to be expended in 2011. This amount is recorded as a liability as of December 31, 2010.

The last site is referred to as Building 116 and is located at 200 South Martha Avenue. The City has been awarded Clean Ohio Revitalization Funds to assist in the remediation of the property. The estimated project cost is just under \$1,500,000 and is already nearly complete. The remaining project costs are \$248,049 and is recorded as a liability as of December 31, 2010.

21. Transfers

For the year ended December 31, 2010 transfers presented in conformity with generally accepted accounting principles (GAAP) are listed in the following table. Interfund transfers are made to cover expenditures/expenses in various funds or to consolidate inactive funds.

	Transfers In					Total
	Transfers Out	Income Tax Capital Improvement	Other Governmental Funds	Other Enterprise Funds	Internal Service Funds	
Governmental Activities:						
General Fund	\$ 5,405,560	\$ -	\$ 4,525,400	\$ 530,160	\$ 350,000	\$ 5,405,560
Income Tax Capital Improvement	430,196	-	430,196	-	-	430,196
Other Governmental Funds	38,079,598	561,132	37,518,466	-	-	38,079,598
	<u>43,915,354</u>	<u>561,132</u>	<u>42,474,062</u>	<u>530,160</u>	<u>350,000</u>	<u>43,915,354</u>
Business-type Activities:						
Sewer	137,093	-	137,093	-	-	137,093
	<u>137,093</u>	<u>-</u>	<u>137,093</u>	<u>-</u>	<u>-</u>	<u>137,093</u>
	<u>\$ 44,052,447</u>	<u>\$ 561,132</u>	<u>\$ 42,611,155</u>	<u>\$ 530,160</u>	<u>\$ 350,000</u>	<u>\$ 44,052,447</u>

22. Contingencies

(1) Litigation

The City is a defendant in a number of lawsuits pertaining to matters that are incidental to performing routine governmental functions. The City Law Director is of the opinion that ultimate settlement of all outstanding litigation and claims will not result in a material adverse effect on the City's financial position.

(2) Federal and State Grants

The City has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies or their designees. Such audits could lead to a request for reimbursement to the grantor agencies for expenditures disallowed under the terms of the grants. The City believes that such disallowances, if any, would not have a material adverse effect on the City's financial position.

23. Closure and Post-Closure Care Costs

Pursuant to a ruling by the Ohio EPA, the Hardy Road Landfill officially closed on June 30, 2002. The City has begun diverting its waste to Waste Management's American Landfill located in Stark County. As part of a 1998 agreement, the City agreed to use landfill facilities controlled by Akron Regional Landfill, Inc., (a subsidiary of Waste Management) for disposal of ninety percent of the refuse collected by the City's sanitation division.

On October 4, 2004, the City entered into an Agreement with the Summit/Akron Solid Waste Management Authority (Authority) implementing a \$1.20 per ton increase in the waste management generation fee by the Authority to help fund the closure and post-closure operations of the landfill.

24. Jointly Governed Organizations

Reported as a non-major special revenue fund in the City's CAFR, the Akron Metropolitan Area Transportation Study (AMATS) is an association of various local political subdivisions in the Akron area whose purpose is to develop and implement a comprehensive and continuing transportation plan for Summit, Portage and parts of Wayne County. The operations of AMATS are financed primarily by federal and state grants and local matching contributions. AMATS is staffed by employees of the City of Akron Department of Planning and Urban Development, and support functions are performed by various departments of the City. The City also makes all disbursements on behalf of AMATS and is reimbursed by the AMATS local share and grant funds. Most of AMATS' grant funds are deposited in a trust fund with Summit County (not included in the City's books), while some funds are deposited directly with the City of Akron.

The Akron/Summit Convention and Visitors' Bureau (Convention Center) was constructed by the City of Akron along with the County of Summit and the University of Akron, with the City paying approximately 26% of the construction costs. The Convention Center contains meeting rooms, an exhibit hall, and a large ballroom-banquet facility to accommodate a wide range of seminars, trade shows, and major community events.

25. Related Organization

The City of Akron, in conjunction with Summit County, University of Akron, Medina County, and Greater Akron Chamber of Commerce, agreed to form the Summit Medina Business Alliance (SMBA). SMBA is a not-for-profit corporation which supports economic development of the region. The organization entered into an agreement with the Kent Regional Business Alliance to carry out activities in cooperation with the Ohio Department of Development and the Small Business Administration. The Mayor of the City of Akron appoints three of the five voting members of the board of trustees of the Summit Medina Business Alliance. The SMBA does not pose a financial burden on the City of Akron since it receives revenues from the City and other governments in the area. During 2010, the City paid SMBA \$100,000 for operating expenses.

26. Restatement of Beginning Balances

Effective January 1, 2010, the City recorded an adjustment to beginning balances for reimbursements for capital project costs. The reimbursements resulted in a change in beginning balances as reported in the financial statements. The following balances were restated:

	Balance as of January 1, 2010	Restatement	January 1, 2010 as Restated
Governmental Funds:			
Major:			
Income Tax Capital Improvement	\$ 11,919,282	\$ 3,433,220	\$ 15,352,502
Non-Major:			
Street and Highway Maintenance	(74,180)	(969,801)	(1,043,981)
Joint Economic Development Districts	4,247,867	(17,000)	4,230,867
Non-appropriated Capital Projects	(4,064,328)	165,037	(3,899,291)
Road and Bridge Improvements	5,276,044	(6,679,404)	(1,403,360)
Streets	(25,458,874)	4,289,418	(21,169,456)
Transportation	(3,486,971)	(455,317)	(3,942,288)
Parks and Recreation	(3,279,321)	842,783	(2,436,538)
Public Facilities and Improvements	(7,032,108)	472,055	(6,560,053)
Economic Development	3,630,796	(1,080,991)	2,549,805
Other Governmental Funds	109,127,613	-	109,127,613
Total Governmental Funds	\$ 90,805,820	\$ -	\$ 90,805,820

27. Subsequent Event

On February 14, 2011, City Council passed ordinance 39-2011 authorizing the issuance of Health Benefit Claims Notes in the estimated principal amount of \$14,000,000 to pay the costs of maintaining the self-insurance program for employee health care benefits.

On April 25, 2011, City Council passed ordinances 129-2011, 130-2011, 131-2011, 132-2011, 133-2011, and 134-2011 authorizing the issuance of Non-tax Revenue Refunding Bonds in the principal amount of \$18,400,000, GO Notes – Storm Sewers in the principal amount of \$565,000, General Obligation Notes – Motor Equipment in the principal amount of \$1,070,000, General Obligation Notes – Economic Development in the principal amount of \$1,215,000, General Obligation Notes – Recreation in the principal amount of \$1,340,000, General Obligation Notes – Streets in the principal amount of \$7,150,000, respectively.

As of December 31, 2010, the City was obligated to provide half of the funds for any shortfall in payments for \$17.2 million in Taxable Bonds issued by the Summit County Port Authority to fund acquisitions by IRG Rubber City LLC of certain properties for the Goodyear Headquarters Project.

This obligation was rescinded on April 13, 2011, when the City entered into a Cooperative Agreement with the Summit County Port Authority, County of Summit, Director of Development of the State of Ohio, Huntington National Bank, IRG LLC, AGNL Blimp LLC and the Goodyear Tire and Rubber Company for the Goodyear Headquarters Project. The agreement calls for the City to repay a \$5 million State 166/City Revenue Loan Note with payments beginning in June of 2016. The City also is obligated to transfer net Tax Increment Financing Service Payments to pay for portions of \$15 million in other State 166 Loans issued for the project.

28. Fiscal Analysis

The Auditor of State Local Government Services Section (LGS) initiated a fiscal analysis of the City as of December 31, 2010. Pursuant to Ohio Revised Code Chapter 118, a fiscal analysis determination can be delayed and based on more current financial information. The fiscal analysis resulted in a declaration of Fiscal Caution by the Auditor of State on September 30, 2011.

City management's plan to alleviate the fiscal caution conditions include: improvement to the City's accounting system, changes in accounting procedures and budget practices, and issuance of bonds for capital improvements that will eliminate existing cash deficits in several capital project funds.

City of Akron, Ohio

Schedule of Revenues, Expenditures and
Changes in Fund Balance-Budget and Actual-
General Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>
	<u>Original</u>	<u>Final</u>	
Revenues and other sources			
Revenues:			
Income taxes	\$ 78,168,176	\$ 78,168,176	\$ 74,504,530
JEDD revenues	2,582,960	2,582,960	2,256,000
Local government	10,606,369	10,606,369	12,515,342
Inheritance tax	5,710,640	5,710,640	3,718,987
Miscellaneous revenues	5,567,870	5,567,870	4,700,264
Property taxes	21,619,863	21,619,863	21,212,845
Service revenues	22,238,530	22,238,530	20,767,564
	<u>146,494,408</u>	<u>146,494,408</u>	<u>139,675,532</u>
Other sources:			
Previous year's encumbrances	3,294,609	3,294,609	3,294,609
	<u>3,294,609</u>	<u>3,294,609</u>	<u>3,294,609</u>
Total revenues and other sources	149,789,017	149,789,017	142,970,141
Expenditures and other uses			
Expenditures:			
Civil Service Commission:			
Wages/benefits	1,041,040	941,040	924,201
Other	73,645	73,645	62,057
	<u>1,114,685</u>	<u>1,014,685</u>	<u>986,258</u>
Finance:			
Wages/benefits	2,085,670	1,895,670	1,865,805
Other	4,659,656	4,909,656	4,897,165
	<u>6,745,326</u>	<u>6,805,326</u>	<u>6,762,970</u>
Law:			
Wages/benefits	2,964,510	3,064,510	3,034,747
Other	847,097	917,097	898,764
	<u>3,811,607</u>	<u>3,981,607</u>	<u>3,933,511</u>
Legislative:			
Wages/benefits	875,960	910,960	901,509
Other	203,213	183,213	171,911
	<u>1,079,173</u>	<u>1,094,173</u>	<u>1,073,420</u>
Municipal Court - Clerk:			
Wages/benefits	3,022,930	2,967,930	2,932,145
Other	333,166	288,166	273,383
	<u>3,356,096</u>	<u>3,256,096</u>	<u>3,205,528</u>

City of Akron, Ohio

Schedule of Revenues, Expenditures and
Changes in Fund Balance-Budget and Actual-
General Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2010
(continued)

	Budgeted Amounts		Actual Amounts
	Original	Final	
Municipal Court - Judges:			
Wages/benefits	3,373,930	3,373,930	3,338,462
Other	173,291	173,291	152,899
	<u>3,547,221</u>	<u>3,547,221</u>	<u>3,491,361</u>
Office of the Mayor:			
Wages/benefits	2,614,660	2,424,660	2,404,156
Other	316,771	276,771	249,100
	<u>2,931,431</u>	<u>2,701,431</u>	<u>2,653,256</u>
Planning:			
Wages/benefits	1,111,730	1,111,730	1,095,582
Other	142,702	122,702	105,723
	<u>1,254,432</u>	<u>1,234,432</u>	<u>1,201,305</u>
Public Health:			
Wages/benefits	4,940,000	5,315,000	5,275,943
Other	1,579,594	1,419,594	1,354,203
	<u>6,519,594</u>	<u>6,734,594</u>	<u>6,630,146</u>
Public Safety:			
Wages/benefits	5,773,730	5,478,730	5,411,272
Other	11,583,422	10,158,422	10,149,306
	<u>17,357,152</u>	<u>15,637,152</u>	<u>15,560,578</u>
Public Service:			
Wages/benefits	10,291,020	10,366,020	10,358,265
Other	15,780,206	16,080,206	16,074,332
	<u>26,071,226</u>	<u>26,446,226</u>	<u>26,432,597</u>
Fire:			
Wages/benefits	22,872,250	23,487,250	23,484,269
Other	1,451,327	1,251,327	1,243,102
	<u>24,323,577</u>	<u>24,738,577</u>	<u>24,727,371</u>
Police:			
Wages/benefits	40,507,090	41,577,090	41,362,059
Other	3,605,308	3,455,308	3,398,772
	<u>44,112,398</u>	<u>45,032,398</u>	<u>44,760,831</u>
Total expenditures	142,223,918	142,223,918	141,419,132
Excess of revenues and other sources over expenditures	7,565,099	7,565,099	1,551,009
Fund balance, January 1, 2010	1,911,337	1,911,337	1,911,337
Fund balance, December 31, 2010	<u>\$ 9,476,436</u>	<u>\$ 9,476,436</u>	<u>\$ 3,462,346</u>

City of Akron, Ohio

Schedule of Revenues, Expenditures and
Changes in Fund Balance- Budget and Actual-
Community Learning Centers Fund, Non-GAAP Basis

For the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>
	<u>Original</u>	<u>Final</u>	
Revenues and other sources			
Revenues:			
Income taxes	\$ 11,644,740	\$ 11,644,740	\$ 12,772,154
Investment earnings	58,640	58,640	-
Governmental revenues	-	-	368,889
Miscellaneous revenue	1,450	1,450	374,958
	<u>11,704,830</u>	<u>11,704,830</u>	<u>13,516,001</u>
Other sources:			
Interfund transfers	2,229,120	2,229,120	-
Previous year's encumbrances	506,464	506,464	506,464
	<u>2,735,584</u>	<u>2,735,584</u>	<u>506,464</u>
Total revenues and other sources	14,440,414	14,440,414	14,022,465
Expenditures			
Department Wide:			
Wages/benefits	50,000	50,000	-
Other	14,256,239	14,256,239	12,840,132
Capital outlay	1,020,025	1,020,025	512,024
	<u>15,326,264</u>	<u>15,326,264</u>	<u>13,352,156</u>
Total expenditures	15,326,264	15,326,264	13,352,156
Excess (deficiency) of revenues and other sources over expenditures	(885,850)	(885,850)	670,309
Fund balance, January 1, 2010	<u>14,731,956</u>	<u>14,731,956</u>	<u>14,731,956</u>
Fund balance, December 31, 2010	<u>\$ 13,846,106</u>	<u>\$ 13,846,106</u>	<u>\$ 15,402,265</u>

City of Akron, Ohio

Schedule of Revenues, Expenditures and
Changes in Fund Balance-Budget and Actual-
Income Tax Capital Improvement Fund, Non-GAAP Budget Basis

For the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Revenues and other sources			
Revenues:			
Income taxes	\$ 25,373,700	\$ 25,373,700	\$ 27,099,001
JEDD revenues	1,389,430	1,389,430	1,410,000
Governmental revenues	543,490	543,490	2,275,000
Gasoline tax	-	-	1,350,000
Miscellaneous revenues	269,380	269,380	949,085
	<u>27,576,000</u>	<u>27,576,000</u>	<u>33,083,086</u>
Other sources:			
Note/Bond proceeds	-	-	14,684
Previous year's encumbrances	364,982	364,982	364,982
	<u>364,982</u>	<u>364,982</u>	<u>379,666</u>
Total revenues and other sources	27,940,982	27,940,982	33,462,752
Expenditures			
Expenditures:			
Department Wide:			
Wages/benefits	897,390	897,390	778,791
Other	30,745,083	32,245,083	31,757,304
Capital outlay	1,242,240	1,242,240	711,249
	<u>32,884,713</u>	<u>34,384,713</u>	<u>33,247,344</u>
Total expenditures	32,884,713	34,384,713	33,247,344
Excess (deficiency) of revenues and other sources over expenditures	(4,943,731)	(6,443,731)	215,408
Fund balance, January 1, 2010	8,702,436	8,702,436	8,702,436
Fund balance, December 31, 2010	<u>\$ 3,758,705</u>	<u>\$ 2,258,705</u>	<u>\$ 8,917,844</u>

City of Akron, Ohio

Notes to the Budgetary Comparison Schedule

General Fund, Community Learning Centers Fund and Income Tax Capital Improvement Fund

For the Year Ended December 31, 2010

Budgetary Data

The City's budgetary process is based upon accounting for certain transactions on a basis other than on generally accepted accounting principles (GAAP). The actual results of operations are presented in the Budgetary Comparison Schedule in accordance with the City's budgetary process (budget basis) to provide a meaningful comparison of actual results with the budget. The legal level of budgetary control is by category for each department within each fund. The categories are wages/benefits, other, and capital outlay.

The major differences between budget basis and GAAP basis in the General Fund, the Community Learning Centers Fund, and Income Tax Capital Improvement are:

1. Revenues are recorded when received in cash (budget) as opposed to susceptible to accrual (GAAP).
2. Expenditures are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).
3. Encumbrances are recorded as the equivalent of expenditures (budget) as opposed to reservation of fund balances (GAAP).

Recognition of certain revenues may be reclassified between funds to facilitate matching with the related expenditures.

	General	Community Learning Centers	Income Tax Capital Improvement
Excess (Deficiency) of revenues and other financing sources over expenditures and other financing uses (budgetary basis)	\$ 1,551,009	\$ 670,309	\$ 215,408
Adjustments:			
To adjust revenues for accruals	(2,011,181)	(481,421)	1,731,488
To adjust expenditures for accruals	804,675	5,369,126	(5,488,017)
To adjust for encumbrances	1,799,531	450,958	234,495
Net change in fund balance (GAAP basis)	\$ 2,144,034	\$ 6,008,972	\$ (3,306,626)

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**SUPPLEMENTARY
INFORMATION**

NON-MAJOR GOVERNMENTAL FUNDS

Special Revenue Funds - are used to account for types of resources for which specific uses are mandated by City ordinances or federal and state statutes. The title of the fund is descriptive of the activities accounted for therein. The non-major Special Revenue Funds are:

To Account for Special Purposes:

Income Tax Collection	Canal Park Stadium COPs
Emergency Medical Service	Downtown District Heating COPs
Special Assessment	Off-Street Parking COPs
Street and Highway Maintenance	Public Health
Street Assessment	Safety Programs
Tax Equivalency	City Facilities Operating
E.D.A. Revolving Loans	Various Purpose Funding
Joint Economic Development Districts	Deposits
Akron Muni. Court Information System	

Federal and/or State Statutes to Account for Grants and Subsidies:

Community Development	H.O.M.E. Program
Air Pollution Control	Police Grants
Community Environment Grants	Various Domestic Violence
Akron Metro. Area Transportation Study	Health Grants

NON-MAJOR GOVERNMENTAL FUNDS (Continued)

Debt Service Funds - are used to account for the accumulation of financial resources for, and the payment of, general long-term debt principal, interest and related costs. The non-major Debt Service Funds are as follows:

General Bond Payment	Non-Tax Revenue Bond Payment
Debt Service Bond Payment	Pension Obligation Refunding
Special Assessment Bond Payment	JEDD Bond Payment
Main Place Bond Payment	CLC Bond Payment
Market Valley Urban Renewal Bond Payment	Taxable Revenue Bond Payment
Downtown Hotel Bond Payment	

Capital Project Funds - are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds). The non-major Capital Projects Funds are as follows:

To Account for Grant Revenue and Other Funding Sources:

Non-appropriated Capital Projects	Parks and Recreation
Road and Bridge Improvements	Public Facilities and Improvements
Streets	Public Parking
Information Technology and Improvements	Economic Development
Transportation	

City of Akron, Ohio

Combining Balance Sheet - Non-Major Governmental Funds

December 31, 2010

Special Revenue Funds

	Income Tax Collection	Emergency Medical Service	Special Assessment	Street and Highway Maintenance	Street Assessment	Community Development	Air Pollution Control	Community Environment Grants
\$	58,719	\$ 3	\$ 175,068	\$ -	\$ 69,741	\$ -	\$ -	\$ 201,642
Pooled cash and investments	-	-	-	-	-	-	-	-
Restricted cash and investments	-	-	-	-	-	-	-	-
Receivables, net of allowances for uncollectibles	-	10,007,666	-	1,987,443	-	-	-	-
Loans receivable	-	-	-	-	-	66,898	-	943,485
Due from other governments	-	-	-	-	-	3,479,431	-	909
Due from other funds	866,797	40,916	-	463,098	5,900,000	77,351	-	-
Deposits	-	-	-	-	-	-	-	-
Assets held for resale	-	-	-	-	-	-	-	-
Total assets	\$ 925,516	\$ 10,048,585	\$ 175,068	\$ 2,450,541	\$ 5,969,741	\$ 3,623,680	\$ -	\$ 1,146,036

Liabilities

\$	576,736	\$ 18,986	\$ 10,441	\$ 231,375	\$ 820,186	\$ 579,352	\$ 1,744	\$ 2,184
Accounts payable	-	-	-	-	-	-	-	-
Customer deposits	-	-	-	-	-	-	-	-
Due to other governments	68,715	3,608,244	13,152	1,647,475	189,271	4,350,443	15,594	-
Due to others	-	-	-	-	-	-	243,082	-
Deferred grant revenue	-	-	-	-	-	-	347	27,917
Deferred revenue	-	9,497,125	-	1,263,954	-	-	-	-
Matured interest payable	-	-	-	-	-	-	-	-
Accrued liabilities	34,002	371,741	5,459	112,655	98,247	46,058	51,112	-
Accrued wages	154,645	244,838	9,764	172,163	106,833	54,878	229,433	-
Accrued vacation and leave	150,309	100,663	-	33,822	-	-	250,220	-
G.O. Notes	-	-	-	-	9,585,000	50,000	-	-
Total liabilities	984,407	13,841,597	38,816	3,461,444	10,799,537	7,748,436	791,532	30,101

Fund balances

68,283	163,027	137,425	-	-	-	9,215,615	14,102	53,129
Reserved for encumbrances	-	-	-	-	-	66,898	-	943,485
Reserved for loans receivable	-	-	-	-	-	-	-	-
Reserved for assets held for resale	-	-	-	-	-	-	-	-
Unreserved designated for pre-encumbrances	(127,174)	(3,956,039)	(1,173)	(1,010,903)	(4,829,796)	(13,407,269)	(805,634)	119,321
Unreserved reported in special revenue funds	-	-	-	-	-	-	-	-
Unreserved reported in debt service funds	-	-	-	-	-	-	-	-
Unreserved reported in capital project funds	-	-	-	-	-	-	-	-
Total fund balances (deficits)	(58,891)	(3,793,012)	136,252	(1,010,903)	(4,829,796)	(4,124,756)	(791,532)	1,115,935
Total liabilities and fund balances	\$ 925,516	\$ 10,048,585	\$ 175,068	\$ 2,450,541	\$ 5,969,741	\$ 3,623,680	\$ -	\$ 1,146,036

City of Akron, Ohio

Combining Balance Sheet - Non-Major Governmental Funds

December 31, 2010
(continued)

Special Revenue Funds										
	Akron Metro. Area Transportation Study	H.O.M.E. Program	Tax Equivalency	E.D.A. Revolving Loans	Joint Economic Development Districts	Akron Muni. Court Information System	Canal Park Stadium COPs	Downtown District Heating COPs		
Assets										
Pooled cash and investments	\$ -	\$ 102,067	\$ 36,636	\$ -	\$ 493,892	\$ 52,616	\$ -	\$ -		
Restricted cash and investments	-	-	-	-	-	-	74,698	-		
Receivables, net of allowances for uncollectibles	-	-	-	-	2,079,221	22,135	-	-		
Loans receivable	-	3,502,877	-	92,521	78,000	-	-	-		
Due from other governments	-	466,229	-	-	-	-	-	-		
Due from other funds	-	550,000	1,700,000	-	-	1,000,000	-	-		
Deposits	-	-	-	-	-	-	-	-		
Assets held for resale	-	-	-	-	-	-	-	-		
Total assets	\$ -	\$ 4,621,173	\$ 1,736,636	\$ 92,521	\$ 2,651,113	\$ 1,074,751	\$ 74,698	\$ 9,435,424		
Liabilities										
Accounts payable	\$ 1,666	\$ 61,425	\$ 619	\$ -	\$ 332,678	\$ 532	\$ -	\$ -		
Customer deposits	-	-	-	-	-	-	-	-		
Due to other governments	-	-	-	-	160,908	-	-	-		
Due to other funds	427,018	-	-	34,371	13,330	1,224	-	-		
Due to others	-	-	-	-	-	-	-	-		
Deferred grant revenue	-	413,229	-	-	-	-	-	-		
Deferred revenue	-	-	-	-	598,326	-	-	-		
Matured interest payable	-	-	-	-	-	-	-	-		
Accrued liabilities	19,887	-	-	-	74,835	-	-	-		
Accrued wages	103,389	-	-	-	10,399	-	-	-		
Accrued vacation and leave	89,785	-	-	-	-	-	-	-		
G.O. Notes	-	-	-	-	-	-	-	-		
Total liabilities	641,745	474,654	619	34,371	1,190,476	1,756	-	-		
Fund balances										
Fund balance:										
Reserved for encumbrances	21,574	175,001	10,983	-	1,180,036	39,062	-	-		
Reserved for loans receivable	-	3,502,877	-	92,521	78,000	-	-	-		
Reserved for assets held for resale	-	-	-	-	-	-	-	-		
Unreserved designated for pre-encumbrances	-	-	-	-	11,783	-	-	-		
Unreserved reported in special revenue funds	(663,319)	468,641	1,725,034	(34,371)	190,818	1,033,933	74,698	9,435,424		
Unreserved reported in debt service funds	-	-	-	-	-	-	-	-		
Unreserved reported in capital project funds	-	-	-	-	-	-	-	-		
Total fund balances (deficits)	(641,745)	4,146,519	1,736,017	58,150	1,460,637	1,072,995	74,698	9,435,424		
Total liabilities and fund balances	\$ -	\$ 4,621,173	\$ 1,736,636	\$ 92,521	\$ 2,651,113	\$ 1,074,751	\$ 74,698	\$ 9,435,424		

City of Akron, Ohio

Combining Balance Sheet - Non-Major Governmental Funds

December 31, 2010
(continued)

Special Revenue Funds										
	Off-Street Parking COPs	Public Health	Police Grants	Various Domestic Violence	Safety Programs	Health Grants	City Facilities Operating	Various Purpose Funding		
Assets										
Pooled cash and investments	\$ -	\$ 563,107	\$ -	\$ -	\$ 78,480	\$ 711,723	\$ -	\$ -	\$ -	\$ 52,980
Restricted cash and investments	4,119,376	-	-	-	-	-	-	-	-	-
Receivables, net of allowances for uncollectibles	-	1,217	-	-	165,792	3,445	17,447	-	-	73,700
Loans receivable	-	-	-	-	-	-	-	-	-	-
Due from other governments	-	-	585,245	430,839	419,827	887,041	-	-	-	314,613
Due from other funds	-	-	3,289	-	2,402,987	61	-	-	-	3,261,215
Deposits	-	-	-	-	-	-	-	-	-	-
Assets held for resale	-	-	-	-	-	-	-	-	-	-
Total assets	\$ 4,119,376	\$ 564,324	\$ 588,534	\$ 430,839	\$ 3,067,086	\$ 1,602,270	\$ 17,447	\$ -	\$ 3,702,508	
Liabilities										
Accounts payable	\$ -	\$ 1,039	\$ 105,902	\$ 544	\$ 36,435	\$ 148,134	\$ 380,170	\$ -	\$ 142,114	
Customer deposits	-	-	16,776	-	-	353,674	67,995	-	2,743	
Due to other governments	-	-	443,500	274,260	5,565	17,819	19,345,994	-	6,626	
Due to other funds	-	597	-	-	-	-	-	-	-	
Due to others	-	-	-	-	-	-	-	-	-	
Deferred grant revenue	-	-	1,237,612	274,155	648,530	1,772,193	-	-	54,130	
Deferred revenue	-	-	-	-	-	-	-	-	-	
Matured interest payable	-	-	-	-	-	-	-	-	-	
Accrued liabilities	-	5,214	76,516	-	162,129	102,900	10,224	-	102,714	
Accrued wages	-	11,687	51,709	-	117,340	92,469	21,177	-	3,692	
Accrued vacation and leave	-	1,282	-	-	20,847	7,428	-	-	-	
G.O. Notes	-	-	-	-	-	-	1,000,000	-	-	
Total liabilities	-	19,819	1,932,015	548,959	990,846	2,494,617	20,825,560	-	312,019	
Fund balances										
Fund balance:										
Reserved for encumbrances	-	26,890	148,108	21,789	108,797	353,876	1,086,076	-	883,675	
Reserved for loans receivable	-	-	-	-	-	-	-	-	-	
Reserved for assets held for resale	-	-	-	-	-	-	-	-	-	
Unreserved designated for pre-encumbrances	-	-	-	-	154,441	-	-	-	810	
Unreserved reported in special revenue funds	4,119,376	517,615	(1,491,589)	(139,909)	1,813,002	(1,246,223)	(21,894,189)	-	2,506,004	
Unreserved reported in debt service funds	-	-	-	-	-	-	-	-	-	
Unreserved reported in capital project funds	-	-	-	-	-	-	-	-	-	
Total fund balances (deficits)	4,119,376	544,505	(1,343,481)	(118,120)	2,076,240	(892,347)	(20,808,113)	-	3,390,489	
Total liabilities and fund balances	\$ 4,119,376	\$ 564,324	\$ 588,534	\$ 430,839	\$ 3,067,086	\$ 1,602,270	\$ 17,447	\$ -	\$ 3,702,508	

City of Akron, Ohio

Combining Balance Sheet - Non-Major Governmental Funds

December 31, 2010
(continued)

	Special Revenue Funds		Debt Service Funds		Debt Service Bond Payment	Special Assessment Bond Payment	Main Place Bond Payment	Market Valley Urban Renewal Bond Payment	Downtown Hotel Bond Payment	Non-Tax Revenue Bond Payment
	Deposits	General Bond Payment	Debt Service Bond Payment	Assessment Bond Payment						
Assets										
Pooled cash and investments	\$ 1,468,201	\$ 908,327	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted cash and investments	-	-	3,201,700	145,282	742,899	-	-	-	4	5,008,962
Receivables, net of allowances for uncollectibles	82,898	1,497,835	-	20,476,536	-	-	-	-	-	-
Loans receivable	-	-	-	-	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	-	-	-	-	-
Due from other funds	1,100,000	-	-	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	-	-	-	-
Assets held for resale	-	-	-	-	-	-	-	-	-	-
Total assets	\$ 2,651,099	\$ 2,406,162	\$ 3,201,700	\$ 20,621,818	\$ 742,899	\$ -	\$ -	\$ -	\$ 4	\$ 5,008,962
Liabilities										
Accounts payable	\$ 101,462	\$ 6,798	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Customer deposits	663,968	-	-	-	-	-	-	-	-	-
Due to other governments	-	-	-	-	-	-	-	-	-	-
Due to other funds	131,869	1,057	535,520	-	-	-	-	-	-	-
Due to others	1,475,789	-	-	-	-	-	-	-	-	-
Deferred grant revenue	-	-	-	-	-	-	-	-	-	-
Deferred revenue	-	1,424,568	-	18,476,536	-	-	-	-	-	-
Matured interest payable	-	-	1	-	-	-	-	-	-	-
Accrued liabilities	484,536	5,907	-	-	-	-	-	-	-	-
Accrued wages	-	9,812	-	-	-	-	-	-	-	-
Accrued vacation and leave	-	-	-	-	-	-	-	-	-	-
G.O. Notes	-	-	7,659,000	-	-	-	-	-	-	-
Total liabilities	2,857,624	1,448,142	8,194,521	18,476,536	-	-	-	-	-	-
Fund balances										
Fund balance:										
Reserved for encumbrances	-	1,154	-	-	-	-	-	-	-	-
Reserved for loans receivable	-	-	-	-	-	-	-	-	-	-
Reserved for assets held for resale	-	-	-	-	-	-	-	-	-	-
Unreserved designated for pre-encumbrances	-	-	-	-	-	-	-	-	-	-
Unreserved reported in special revenue funds	(206,525)	-	-	-	-	-	-	-	-	-
Unreserved reported in debt service funds	-	956,866	(4,992,821)	2,145,282	742,899	-	-	-	4	5,008,962
Unreserved reported in capital project funds	-	-	-	-	-	-	-	-	-	-
Total fund balances (deficits)	(206,525)	958,020	(4,992,821)	2,145,282	742,899	-	-	-	4	5,008,962
Total liabilities and fund balances	\$ 2,651,099	\$ 2,406,162	\$ 3,201,700	\$ 20,621,818	\$ 742,899	\$ -	\$ -	\$ -	\$ 4	\$ 5,008,962

City of Akron, Ohio

Combining Balance Sheet - Non-Major Governmental Funds

December 31, 2010
(continued)

	Capital Project Funds							Information Technology and Improvements
	Debt Service Funds	JEDD Bond Payment	CLC Bond Payment Fund	Taxable Revenue Bond Payment	Non-appropriated Capital Projects	Road and Bridge Improvements	Streets	
Assets								
Pooled cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 28,313	\$ -
Restricted cash and investments	125,425	4,328,397	7,570	1,701,533	-	-	-	-
Receivables, net of allowances for uncollectibles	-	-	-	-	-	-	2,181,760	-
Loans receivable	-	-	-	-	-	-	-	-
Due from other governments	-	-	-	-	1,052,061	-	-	330,910
Due from other funds	-	-	-	-	-	-	2,606,385	-
Deposits	-	-	32,577,807	-	-	-	-	-
Assets held for resale	-	-	-	-	-	-	-	-
Total assets	\$ 125,425	\$ 4,328,397	\$ 32,585,377	\$ 1,701,533	\$ 1,052,061	\$ 4,816,458	\$ 330,910	\$ -
Liabilities								
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 74,018	\$ 59,845
Customer deposits	-	-	-	-	-	-	-	-
Due to other governments	-	-	-	-	1,273	-	-	4,379
Due to other funds	-	-	-	-	3,398,461	-	18,032	13,034,017
Due to others	-	-	-	-	-	-	-	-
Deferred grant revenue	-	-	-	-	553,126	-	-	-
Deferred revenue	-	-	-	-	-	-	1,505,317	-
Matured interest payable	-	-	-	-	-	-	-	-
Accrued liabilities	-	-	-	-	-	-	7,579	201,805
Accrued wages	-	-	-	-	-	-	-	1,118
Accrued vacation and leave	-	-	-	-	-	-	-	-
G.O. Notes	-	-	-	-	7,000	-	20,000	1,635,000
Total liabilities	-	-	-	-	4,165,095	1,624,946	14,936,164	370,540
Fund balances								
Fund balance:								
Reserved for encumbrances	-	-	-	-	725,139	-	1,547,280	2,116,720
Reserved for loans receivable	-	-	-	-	-	-	-	-
Reserved for assets held for resale	-	-	-	-	-	-	-	-
Unreserved designated for pre-encumbrances	-	-	-	-	-	-	-	-
Unreserved reported in special revenue funds	-	-	-	-	-	-	-	-
Unreserved reported in debt service funds	125,425	4,328,397	32,585,377	1,701,533	-	-	-	-
Unreserved reported in capital project funds	-	-	-	-	(3,838,173)	-	1,644,232	(16,721,974)
Total fund balances (deficits)	125,425	4,328,397	32,585,377	1,701,533	(3,113,034)	3,191,512	(14,605,254)	(370,540)
Total liabilities and fund balances	\$ 125,425	\$ 4,328,397	\$ 32,585,377	\$ 1,701,533	\$ 1,052,061	\$ 4,816,458	\$ 330,910	\$ -

City of Akron, Ohio

Combining Balance Sheet - Non-Major Governmental Funds

December 31, 2010
(continued)

	Capital Project Funds					Total
	Transportation	Parks and Recreation	Public Facilities and Improvements	Public Parking	Economic Development	
Assets						
Pooled cash and investments	\$ 90,392	\$ 5,756	\$ 32,838	\$ 36,796	\$ -	\$ 5,167,297
Restricted cash and investments	-	-	-	-	-	28,891,270
Receivables, net of allowances for uncollectibles	-	-	-	-	-	38,597,095
Loans receivable	-	-	-	-	11,625,193	16,308,974
Due from other governments	-	43,046	-	-	625,708	8,635,859
Due from other funds	900,000	780,000	4,000,000	3,000,000	-	28,652,099
Deposits	-	-	-	-	-	32,577,807
Assets held for resale	-	-	-	-	3,085,645	3,085,645
Total assets	\$ 990,392	\$ 828,802	\$ 4,032,838	\$ 3,036,796	\$ 15,336,546	\$ 161,916,046
Liabilities						
Accounts payable	\$ 118,853	\$ 75,321	\$ 105,484	\$ 84,697	\$ 759,126	\$ 5,043,301
Customer deposits	-	-	-	-	-	663,968
Due to other governments	1,541	518	-	-	2,394,667	3,141,334
Due to other funds	16,412	5,340	3,046	2,382	1,500,399	49,707,561
Due to others	-	-	-	-	-	1,475,789
Deferred grant revenue	-	-	-	-	645,796	8,173,474
Deferred revenue	-	-	-	-	-	32,765,826
Matured interest payable	-	-	-	-	-	1
Accrued liabilities	35,241	165,327	156,337	50,558	169,550	2,550,533
Accrued wages	-	-	-	-	-	1,395,346
Accrued vacation and leave	-	-	-	-	-	654,356
G.O. Notes	591,000	157,000	384,000	5,692,000	2,659,000	29,439,000
Total liabilities	763,047	403,506	648,867	5,829,637	8,128,538	135,010,489
Fund balances						
Fund balance:						
Reserved for encumbrances	2,002,059	806,634	424,423	250,789	1,033,365	22,665,129
Reserved for loans receivable	-	-	-	-	11,625,193	16,308,974
Reserved for assets held for resale	-	-	-	-	3,085,645	3,085,645
Unreserved designated for pre-encumbrances	-	-	-	-	-	167,034
Unreserved reported in special revenue funds	-	-	-	-	-	(27,810,247)
Unreserved reported in debt service funds	-	-	-	-	-	42,601,924
Unreserved reported in capital project funds	(1,774,714)	(381,338)	2,959,548	(3,043,630)	(8,536,195)	(30,112,902)
Total fund balances (deficits)	227,345	425,296	3,383,971	(2,792,841)	7,208,008	26,905,557
Total liabilities and fund balances	\$ 990,392	\$ 828,802	\$ 4,032,838	\$ 3,036,796	\$ 15,336,546	\$ 161,916,046

City of Akron, Ohio

Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Non-Major Governmental Funds

Year Ended December 31, 2010

Special Revenue Funds										
	Income Tax Collection	Emergency Medical Service	Special Assessment	Street and Highway Maintenance	Street Assessment	Community Development	Air Pollution Control	Community Environment Grants	Akron Metro. Area Transportation Study	H.O.M.E. Program
Revenues										
Income taxes	\$ 5,287,997	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Property taxes	-	7,126,264	-	-	-	-	-	-	-	-
JEDD revenues	-	-	-	-	-	-	-	-	-	-
Special assessments	-	-	1,062,792	-	700	-	-	-	-	-
Grants and subsidies:										
Community development	-	-	-	-	-	8,954,914	-	279,058	-	1,607,932
Other	-	-	-	-	-	7,339,471	1,407,559	-	1,409,186	-
Investment earnings	-	89,626	-	-	-	-	-	8,589	-	-
Shared revenues	-	2,055,514	-	4,114,903	-	-	-	-	-	-
Licenses, fees and fines	-	-	-	119,256	-	-	64,342	-	3,450	-
Charges for services	156,564	1,635,554	44	1,988,521	-	77,351	600	-	-	-
Miscellaneous	1	5,921	-	138,714	155,496	534,200	1,780	1	132,867	112,834
	5,444,562	10,912,879	1,062,836	6,361,394	156,196	16,905,936	1,474,281	287,648	1,545,503	1,720,766
Expenditures										
Current:										
General government	6,020,816	890	1,161,943	-	-	-	-	-	-	-
Public service	-	13,593	-	7,463,713	11,815,015	8,200,462	-	-	-	-
Public safety	-	12,335,232	-	1,414,603	63,392	1,671	-	-	-	-
Community environment	-	-	-	-	-	8,085,341	-	323,789	1,670,264	1,813,860
Public health	-	-	-	-	-	-	2,657,326	-	-	-
Recreation and parks	-	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	16,055	-	-	-	-
Debt service:										
Principal Retirement	-	10,050	-	-	-	182,690	-	-	-	-
Interest	-	3,938	-	-	73,120	116,501	-	-	-	-
Bond issuance expenditures	-	-	-	-	-	-	-	-	-	-
	6,020,816	12,363,703	1,161,943	8,878,316	11,951,527	16,602,720	2,657,326	323,789	1,670,264	1,813,860
Excess (deficiency) of revenues over (under) expenditures	(576,254)	(1,450,824)	(99,107)	(2,516,922)	(11,795,331)	303,216	(1,183,045)	(36,141)	(124,761)	(93,094)
Other financing sources (uses)										
Issuance of general obligation bonds	-	-	-	-	-	-	-	-	-	-
Issuance of Loans	-	-	-	-	-	-	-	-	-	-
Issuance of COPS	-	-	-	-	-	-	-	-	-	-
Premium on G.O. Debt	-	-	-	-	-	-	-	-	-	-
Transfers-in	-	1,100,000	-	2,550,000	8,615,000	(48,200)	-	-	-	-
Transfers-out	-	-	-	2,550,000	8,615,000	(48,200)	-	-	-	-
	(576,254)	(350,824)	(99,107)	33,078	(3,180,331)	255,016	(1,183,045)	(36,141)	(124,761)	(93,094)
Net change in fund balances	517,363	(3,442,188)	235,359	(1,043,981)	(1,649,465)	(4,379,772)	391,513	1,152,076	(516,984)	4,239,613
Fund balances (deficits), January 1, 2010, as restated	(58,891)	(3,793,012)	136,252	(1,010,903)	(4,829,796)	(4,124,756)	(791,532)	1,115,935	(641,745)	4,146,519
Fund balances (deficits), December 31, 2010										

City of Akron, Ohio

Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Non-Major Governmental Funds

Year Ended December 31, 2010
(continued)

	Debt Service Funds										
	Special Revenue Funds	Safety Programs	Health Grants	City Facilities Operating	Various Purpose Funding	Deposits	General Bond Payment	Debt Service Bond Payment	Special Assessment Bond Payment	Main Place Bond Payment	Market Valley Urban Renewal Bond Payment
Revenues											
Income taxes	\$ -	\$ -	\$ -	\$ 225,000	\$ 64,794	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Property taxes	-	-	-	-	-	-	240,040	1,678,812	-	333,722	-
JEDD revenues	-	-	-	-	-	-	-	-	-	-	-
Special assessments	-	-	-	422,604	-	-	-	-	11,974,590	-	-
Grants and subsidies:											
Community development	-	1,011,845	-	-	-	-	-	-	-	-	-
Other	770,072	4,999,903	-	-	1,799,216	-	-	-	-	-	-
Investment earnings	8,082	3,180	-	-	2,269	131,869	-	-	-	-	-
Shared revenues	970,387	-	-	138,240	-	-	296,390	9,140	10,706	2,139	-
Licenses, fees and fines	44,468	23,975	-	605,225	-	21,938	-	-	-	-	-
Charges for services	1,360,381	445,182	-	342,637	689,984	-	-	-	-	-	-
Miscellaneous	284,800	279,683	-	4,046,312	591,333	833,913	-	786,194	214,708	-	-
	3,438,190	6,763,768	-	5,780,018	3,147,596	987,720	536,430	2,474,146	12,200,004	335,861	-
Expenditures											
Current:											
General government	5	-	-	141,932	777,258	-	457,105	2,098,524	1,365,494	-	-
Public service	-	5,401	-	14,925,139	373,594	-	-	-	-	-	-
Public safety	4,385,268	1,431	-	1,246,676	22,141	-	-	-	-	-	-
Community environment	-	-	-	222,785	509,080	2,580	-	-	-	-	-
Public health	-	7,099,168	-	94,987	-	-	-	-	-	-	-
Recreation and parks	-	-	-	560,906	1,848,964	-	-	-	-	-	-
Capital outlay	1,677	-	-	-	-	-	-	-	-	-	-
Debt service:											
Principal Retirement	-	-	-	28,962	-	-	-	25,063,673	2,386,253	36,296	-
Interest	-	-	-	84,600	-	-	-	1,572,467	435,165	179,215	-
Bond issuance expenditures	-	-	-	-	-	-	-	1,254,888	-	-	-
	4,386,930	7,106,000	-	17,305,987	3,531,037	2,580	457,105	29,989,552	4,186,912	215,511	-
Excess (deficiency) of revenues over (under) expenditures	(948,760)	(342,232)	-	(11,525,969)	(383,441)	985,140	79,325	(27,515,406)	8,013,092	120,350	1
Other financing sources (uses)											
Issuance of general obligation bonds	-	-	-	-	-	-	-	72,816,518	-	-	-
Issuance of Loans	-	-	-	-	-	-	-	-	-	-	-
Issuance of COPS	-	-	-	-	-	-	-	-	-	-	-
Premium on G.O. Debt	-	-	-	-	-	-	-	2,259,556	-	-	-
Transfers-in	100,000	-	-	2,721,775	103,600	-	-	(28,784,149)	599,000	-	-
Transfers-out	100,000	-	-	2,721,775	103,600	-	-	46,291,925	(8,615,000)	-	-
	(848,760)	(342,232)	-	(8,804,194)	(279,841)	985,140	79,325	18,776,519	(2,908)	120,350	1
Net change in fund balances	2,925,000	(520,115)	-	(12,003,919)	3,670,330	(1,191,665)	878,695	(23,769,340)	2,148,190	622,549	(1)
Fund balances (deficits), January 1, 2010, as restated	\$ 2,076,240	\$ (892,347)	\$ -	\$ (20,808,113)	\$ 3,390,489	\$ (206,525)	\$ 958,020	\$ (4,992,821)	\$ 2,145,282	\$ 742,899	\$ -
Fund balances (deficits), December 31, 2010											

City of Akron, Ohio

Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Non-Major Governmental Funds

Year Ended December 31, 2010
(continued)

	Debt Service Funds		Capital Project Funds							Information Technology and Improvements	
	Downtown Hotel Bond Payment	Non-Tax Revenue Bond Payment	Pension Obligation Refunding	JEDD Bond Payment	CLC Bond Payment Fund	Taxable Revenue Bond Payment	Non-appropriated Capital Projects	Road and Bridge Improvements	Streets		
Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Income taxes	-	-	-	-	-	-	-	-	-	-	-
Property taxes	-	-	704,972	-	-	-	-	-	-	-	31,114
JEDD revenues	-	-	-	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-	-	-	670,976
Grants and subsidies:	-	-	-	-	-	-	-	-	-	-	-
Community development	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-
Investment earnings	-	-	-	-	-	-	12,785,423	-	-	-	1,570,227
Shared revenues	-	4,563	-	-	-	1,776	-	-	-	-	-
Licenses, fees and fines	-	-	-	-	-	17,862,082	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	37,506	-	-	-	375,987	-	-	-	-	-
	-	42,069	704,972	-	18,239,845	-	13,206,218	-	8,144,885	3,642,121	5,914,438
Expenditures											
Current:											
General government	-	-	-	-	369,145	-	-	-	-	-	12
Public service	-	-	-	-	-	37,506	-	-	-	-	-
Public safety	-	-	-	-	-	-	13,129,531	-	4,344,106	-	6,430,259
Community environment	-	-	-	-	-	-	-	-	-	-	-
Public health	-	-	-	-	15,437,198	-	-	-	-	-	-
Recreation and parks	-	-	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-	-	-
Debt service:											
Principal Retirement	-	-	360,000	-	-	-	-	-	-	-	-
Interest	-	-	344,972	6,724	-	-	3,393	-	3,154	-	49,291
Bond issuance expenditures	-	-	-	-	-	-	-	-	-	-	-
	-	-	704,972	6,724	15,806,343	37,506	13,132,924	-	4,347,260	-	6,479,562
	-	42,069	-	(6,724)	2,433,502	(37,506)	73,294	-	3,797,625	(565,124)	(3,200)
Other financing sources (uses)											
Issuance of general obligation bonds	-	-	-	-	-	-	215,000	-	420,000	-	2,945,840
Issuance of Loans	-	-	-	-	-	-	239,569	-	-	-	-
Issuance of COPs	-	-	-	-	-	-	-	-	-	-	-
Premium on G.O. Debt	-	-	-	-	-	-	-	-	-	-	-
Transfers-in	-	-	-	-	-	-	258,394	-	377,247	-	4,254,515
Transfers-out	-	-	-	-	-	-	-	-	-	(71,029)	-
	-	-	-	-	-	-	712,963	-	797,247	-	7,129,326
Net change in fund balances	-	42,069	-	(6,724)	2,433,502	(37,506)	786,257	-	4,594,872	6,564,202	(3,200)
Fund balances (deficits), January 1, 2010, as restated	4	4,966,893	125,425	4,335,121	30,151,875	1,739,039	(3,899,291)	(1,403,360)	(21,169,456)	(367,340)	
Fund balances (deficits), December 31, 2010	4	\$ 5,008,962	\$ 125,425	\$ 4,328,397	\$ 32,585,377	\$ 1,701,533	\$ (3,113,034)	\$ 3,191,512	\$ (14,605,254)	\$ (370,540)	

City of Akron, Ohio

Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Non-Major Governmental Funds

Year Ended December 31, 2010
(continued)

	Capital Project Funds					Total
	Transportation	Parks and Recreation	Public Facilities and Improvements	Public Parking	Economic Development	
Revenues						
Income taxes	\$ 20,565	\$ 125,000	\$ 49,367	\$ -	\$ 17,437	\$ 5,825,274
Property taxes	-	-	9,049	-	-	10,092,859
JEDD revenues	-	-	-	-	-	11,796,316
Special assessments	20,278	-	-	-	452,497	14,604,437
Grants and subsidies:						
Community development	-	-	-	-	-	11,853,749
Other	199,631	1,139,430	-	-	5,432,703	44,867,111
Investment earnings	-	-	-	-	143,867	451,894
Shared revenues	-	-	-	-	2,870,145	34,083,439
Licenses, fees and fines	-	-	-	-	-	1,363,432
Charges for services	-	-	-	-	2,132	7,221,024
Miscellaneous	1,732,726	32,915	-	411,017	2,961,345	18,476,900
	<u>1,973,200</u>	<u>1,297,345</u>	<u>58,416</u>	<u>411,017</u>	<u>11,880,126</u>	<u>160,636,435</u>
Expenditures						
Current:						
General government	-	-	-	-	-	21,562,333
Public service	1,692,567	3,017,707	1,120,859	2,052,385	13,493,754	92,266,516
Public safety	-	-	22,015	-	-	22,915,015
Community environment	-	-	-	-	183,328	28,562,103
Public health	-	-	-	-	-	10,149,245
Recreation and parks	-	-	-	-	-	2,695,432
Capital outlay	-	16,804	-	-	-	34,536
Debt service:						
Principal Retirement	-	-	-	-	220,109	32,262,227
Interest	47,761	61,201	102,535	13	272,378	6,185,634
Bond issuance expenditures	-	-	-	-	-	1,707,278
	<u>1,740,328</u>	<u>3,095,712</u>	<u>1,245,409</u>	<u>2,052,398</u>	<u>14,169,569</u>	<u>218,340,319</u>
Excess (deficiency) of revenues over (under) expenditures	232,872	(1,798,367)	(1,186,993)	(1,641,381)	(2,289,443)	(57,703,884)
Other financing sources (uses)						
Issuance of general obligation bonds	300,000	-	3,323,482	-	2,265,000	82,285,840
Issuance of Loans	-	-	-	-	-	239,569
Issuance of COPs	-	-	-	-	-	13,200,000
Premium on G.O. Debt	-	-	-	-	-	2,502,904
Transfers-in	3,636,761	4,660,201	7,807,535	11,234	5,243,866	42,611,155
Transfers-out	-	-	-	-	(561,220)	(38,079,598)
	<u>3,936,761</u>	<u>4,660,201</u>	<u>11,131,017</u>	<u>11,234</u>	<u>6,947,646</u>	<u>102,759,870</u>
Net change in fund balances	4,169,633	2,861,834	9,944,024	(1,630,147)	4,658,203	45,055,986
Fund balances (deficits), January 1, 2010, as restated	(3,942,288)	(2,436,538)	(6,560,053)	(1,162,694)	2,549,805	(18,150,429)
Fund balances (deficits), December 31, 2010	\$ 227,345	\$ 425,296	\$ 3,383,971	\$ (2,792,841)	\$ 7,208,008	\$ 26,905,557

Schedule of Revenues, Expenditures and
Changes in Fund Balance-Budget and Actual-
Income Tax Collection Fund, Non-GAAP Budget Basis
For the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>
	<u>Original</u>	<u>Final</u>	
Revenues and other sources			
Revenues:			
Income taxes	\$ 3,678,230	\$ 3,678,230	\$ 5,287,997
Miscellaneous revenues	62,050	62,050	156,565
	<u>3,740,280</u>	<u>3,740,280</u>	<u>5,444,562</u>
Other sources:			
Previous year's encumbrances	112,723	112,723	112,723
	<u>3,853,003</u>	<u>3,853,003</u>	<u>5,557,285</u>
Expenditures			
Expenditures:			
General Governmental:			
Finance:			
Wages/benefits	2,271,890	2,271,890	2,020,714
Other	4,378,793	3,477,793	3,395,151
	<u>6,650,683</u>	<u>5,749,683</u>	<u>5,415,865</u>
Total expenditures			
Excess (deficiency) of revenues and other sources over expenditures	(2,797,680)	(1,896,680)	141,420
Fund balance, January 1, 2010	714,313	714,313	714,313
Fund balance (deficit), December 31, 2010	<u>\$ (2,083,367)</u>	<u>\$ (1,182,367)</u>	<u>\$ 855,733</u>

Schedule of Revenues, Expenditures and
Changes in Fund Balance-Budget and Actual-
Emergency Medical Service Fund,
Non-GAAP Budget Basis

For the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>
	<u>Original</u>	<u>Final</u>	
Revenues and other sources			
Revenues:			
Property taxes	\$ 9,373,450	\$ 9,373,450	\$ 9,785,207
Treasury investments	159,380	159,380	-
Non-resident billing	1,848,840	1,848,840	1,576,787
Miscellaneous revenues	260	260	595,544
	<u>11,381,930</u>	<u>11,381,930</u>	<u>11,957,538</u>
Other sources:			
General fund subsidy	400,000	400,000	-
Previous year's encumbrances	274,127	274,127	274,127
Total other sources	<u>674,127</u>	<u>674,127</u>	<u>274,127</u>
Total revenues and other sources	12,056,057	12,056,057	12,231,665
Expenditures			
Expenditures:			
Emergency Medical Services:			
Fire:			
Wages/benefits	10,703,710	11,353,710	11,330,329
Other	1,252,894	1,352,894	1,342,061
Capital outlay	113,373	113,373	113,373
Total expenditures	<u>12,069,977</u>	<u>12,819,977</u>	<u>12,785,763</u>
Deficiency of revenues and other sources over expenditures	(13,920)	(763,920)	(554,098)
Fund deficit, January 1, 2010	<u>(3,203,355)</u>	<u>(3,203,355)</u>	<u>(3,203,355)</u>
Fund deficit, December 31, 2010	<u>\$ (3,217,275)</u>	<u>\$ (3,967,275)</u>	<u>\$ (3,757,453)</u>

Schedule of Revenues, Expenditures and
Changes in Fund Balance-Budget and Actual-
Special Assesment Fund, Non-GAAP Budget Basis
For the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Revenues and other sources			
Revenues:			
Special assessments	\$ 1,240,000	\$ 1,240,000	\$ 1,062,792
Miscellaneous revenues	-	-	20,587
	<u>1,240,000</u>	<u>1,240,000</u>	<u>1,083,379</u>
Other sources:			
Previous year's encumbrances	681	681	681
	<u>1,240,681</u>	<u>1,240,681</u>	<u>1,084,060</u>
Expenditures			
Expenditures:			
General Governmental:			
Finance:			
Wages/benefits	424,330	424,330	406,167
Other	683,731	1,083,731	890,305
	<u>1,108,061</u>	<u>1,508,061</u>	<u>1,296,472</u>
Excess (deficiency) of revenues and other sources over expenditures	132,620	(267,380)	(212,412)
Fund balance, January 1, 2010	<u>250,055</u>	<u>250,055</u>	<u>250,055</u>
Fund balance (deficit), December 31, 2010	<u>\$ 382,675</u>	<u>\$ (17,325)</u>	<u>\$ 37,643</u>

Schedule of Revenues, Expenditures and
 Changes in Fund Balance-Budget and Actual-
 Police Pension Employer's Liability Fund, Non-GAAP Budget Basis
 For the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Revenues			
Revenues:			
Property taxes	\$ 1,004,299	\$ 1,004,299	\$ 384,129
Total revenues	1,004,299	1,004,299	384,129
Expenditures			
Expenditures:			
Public Safety:			
Police:			
Other	372,500	372,500	372,120
Total expenditures	372,500	372,500	372,120
Excess of revenues over expenditures	631,799	631,799	12,009
Fund balance, January 1, 2010	5,616	5,616	5,616
Fund balance, December 31, 2010	<u>\$ 637,415</u>	<u>\$ 637,415</u>	<u>\$ 17,625</u>

Schedule of Revenues, Expenditures and
Changes in Fund Balance-Budget and Actual-
Fire Pension Employer's Liability Fund, Non-GAAP Budget Basis
For the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>
	<u>Original</u>	<u>Final</u>	
Revenues			
Revenues:			
Property taxes	\$ 1,004,299	\$ 1,004,299	\$ 384,129
Total revenues	1,004,299	1,004,299	384,129
Expenditures			
Expenditures:			
Public Safety:			
Fire:			
Other	372,500	372,500	372,120
Total expenditures	372,500	372,500	372,120
Excess of revenues over expenditures	631,799	631,799	12,009
Fund balance, January 1, 2010	5,616	5,616	5,616
Fund balance, December 31, 2010	\$ 637,415	\$ 637,415	\$ 17,625

Schedule of Revenues, Expenditures and
Changes in Fund Balance-Budget and Actual-
Street and Highway Maintenance Fund, Non-GAAP Budget Basis
For the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Revenues and other sources			
Revenues:			
Gasoline tax	\$ 3,565,060	\$ 3,565,060	\$ 2,812,514
Motor vehicle license tax	1,507,330	1,507,330	1,217,651
Service revenues	1,438,530	1,438,530	97,535
Transfer from State of Ohio	2,001,440	2,001,440	1,651,086
Miscellaneous revenues	-	-	176,231
	<u>8,512,360</u>	<u>8,512,360</u>	<u>5,955,017</u>
Other sources:			
General fund subsidy	2,626,880	2,626,880	2,550,000
Previous year's encumbrances	173,725	173,725	173,725
	<u>2,800,605</u>	<u>2,800,605</u>	<u>2,723,725</u>
Total revenues and other sources	11,312,965	11,312,965	8,678,742
Expenditures			
Expenditures:			
Public Safety:			
Wages/benefits	1,358,690	1,398,690	1,366,501
Other	235,203	235,203	231,887
Capital outlay	10,000	10,000	10,000
	<u>1,603,893</u>	<u>1,643,893</u>	<u>1,608,388</u>
Public Service:			
Wages/benefits	4,772,900	4,772,900	4,733,745
Other	2,599,652	3,899,652	3,708,865
	<u>7,372,552</u>	<u>8,672,552</u>	<u>8,442,610</u>
Total expenditures	8,976,445	10,316,445	10,050,998
Excess (deficiency) of revenues and other sources over expenditures	2,336,520	996,520	(1,372,256)
Fund deficit, January 1, 2010	<u>(166,040)</u>	<u>(166,040)</u>	<u>(166,040)</u>
Fund balance (deficit), December 31, 2010	<u>\$ 2,170,480</u>	<u>\$ 830,480</u>	<u>\$ (1,538,296)</u>

Schedule of Revenues, Expenditures and
Changes in Fund Balance-Budget and Actual-
Street Assessment Fund, Non-GAAP Budget Basis
For the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Revenues and other sources			
Revenues:			
Special assessments	\$ 8,630,680	\$ 8,630,680	\$ 700
Service revenues	169,320	169,320	155,495
	<u>8,800,000</u>	<u>8,800,000</u>	<u>156,195</u>
Other sources:			
Note/Bond proceeds	-	-	9,600,000
Previous year's encumbrances	467,859	467,859	467,859
	<u>467,859</u>	<u>467,859</u>	<u>10,067,859</u>
Total revenues and other sources	9,267,859	9,267,859	10,224,054
Expenditures			
Expenditures:			
Public Service:			
Wages/benefits	3,412,320	3,612,320	3,612,163
Other	5,372,799	8,972,799	8,821,185
	<u>8,785,119</u>	<u>12,585,119</u>	<u>12,433,348</u>
Total expenditures	8,785,119	12,585,119	12,433,348
Excess (deficiency) of revenues and other sources over expenditures	482,740	(3,317,260)	(2,209,294)
Fund balance, January 1, 2010	<u>7,410,585</u>	<u>7,410,585</u>	<u>7,410,585</u>
Fund balance, December 31, 2010	<u>\$ 7,893,325</u>	<u>\$ 4,093,325</u>	<u>\$ 5,201,291</u>

Schedule of Revenues, Expenditures and
Changes in Fund Balance-Budget and Actual-
Community Development Fund, Non-GAAP Budget Basis
For the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Revenues and other sources			
Revenues:			
Governmental revenues	\$ 14,529,210	\$ 14,529,210	\$ 15,755,419
Service revenues	-	-	138,003
Miscellaneous revenues	761,270	761,270	572,227
	<u>15,290,480</u>	<u>15,290,480</u>	<u>16,465,649</u>
Other sources:			
Note/Bond proceeds	-	-	50,000
Interfund transfers	1,609,520	1,609,520	-
Previous year's encumbrances	3,302,044	3,302,044	3,302,044
	<u>4,911,564</u>	<u>4,911,564</u>	<u>3,352,044</u>
Total revenues and other sources	20,202,044	20,202,044	19,817,693
Expenditures			
Expenditures:			
Planning and Urban Development:			
Wages/benefits	2,229,190	2,635,190	1,930,641
Other	2,070,437	2,070,437	718,078
	<u>4,299,627</u>	<u>4,705,627</u>	<u>2,648,719</u>
Public Service:			
Wages/benefits	552,650	146,650	146,224
Other	10,036,908	22,486,908	22,315,208
Capital Outlay	8,077,430	602,430	595,452
	<u>18,666,988</u>	<u>23,235,988</u>	<u>23,056,884</u>
Total expenditures	22,966,615	27,941,615	25,705,603
Deficiency of revenues and other sources over expenditures	(2,764,571)	(7,739,571)	(5,887,910)
Fund deficit, January 1, 2010	<u>(7,854,414)</u>	<u>(7,854,414)</u>	<u>(7,854,414)</u>
Fund deficit, December 31, 2010	<u>\$ (10,618,985)</u>	<u>\$ (15,593,985)</u>	<u>\$ (13,742,324)</u>

Schedule of Revenues, Expenditures and
Changes in Fund Balance-Budget and Actual-
Air Pollution Control Fund, Non-GAAP Budget Basis
For the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Revenues and other sources			
Revenues:			
Local emission/asbestos fees	\$ 165,200	\$ 165,200	\$ 96,114
Federal grants	501,290	501,290	339,310
State general revenue	170,900	170,900	109,020
State permit fees	1,310,200	1,310,200	398,460
Service revenues	-	-	600
Miscellaneous revenues	1,140	1,140	46,780
	<u>2,148,730</u>	<u>2,148,730</u>	<u>990,284</u>
Other sources:			
Interfund transfers	51,270	51,270	-
Previous year's encumbrances	39,799	39,799	39,799
	<u>91,069</u>	<u>91,069</u>	<u>39,799</u>
Total revenues and other sources	2,239,799	2,239,799	1,030,083
Expenditures			
Expenditures:			
Public Health:			
Wages/benefits	1,369,420	1,369,420	1,352,371
Other	340,509	340,509	305,460
	<u>1,709,929</u>	<u>1,709,929</u>	<u>1,657,831</u>
Total expenditures	1,709,929	1,709,929	1,657,831
Excess (deficiency) of revenues and other sources over expenditures	529,870	529,870	(627,748)
Fund balance, January 1, 2010	<u>378,180</u>	<u>378,180</u>	<u>378,180</u>
Fund balance (deficit), December 31, 2010	<u>\$ 908,050</u>	<u>\$ 908,050</u>	<u>\$ (249,568)</u>

Schedule of Revenues, Expenditures and
Changes in Fund Balance-Budget and Actual-
Community Environment Grants Fund, Non-GAAP Budget Basis
For the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Revenues and other sources			
Revenues:			
Governmental revenues	\$ 334,290	\$ 334,290	\$ 305,661
Miscellaneous revenues	55,710	55,710	37,607
	<u>390,000</u>	<u>390,000</u>	<u>343,268</u>
Other sources:			
Previous year's encumbrances	32,537	32,537	32,537
	<u>32,537</u>	<u>32,537</u>	<u>32,537</u>
Total revenues and other sources	422,537	422,537	375,805
Expenditures			
Expenditures:			
Department Wide:			
Other	432,537	432,537	399,679
	<u>432,537</u>	<u>432,537</u>	<u>399,679</u>
Total expenditures	432,537	432,537	399,679
Deficiency of revenues and other sources over expenditures	(10,000)	(10,000)	(23,874)
Fund balance, January 1, 2010	<u>172,388</u>	<u>172,388</u>	<u>172,388</u>
Fund balance, December 31, 2010	<u>\$ 162,388</u>	<u>\$ 162,388</u>	<u>\$ 148,514</u>

Schedule of Revenues, Expenditures and
Changes in Fund Balance-Budget and Actual-
Akron Metropolitan Area Transportation Study Fund, Non-GAAP Budget Basis
For the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>
	<u>Original</u>	<u>Final</u>	
Revenues and other sources			
Revenues:			
Federal/State grants	\$ 1,816,930	\$ 1,816,930	\$ 1,541,913
Service revenues	-	-	3,450
Miscellaneous revenues	13,070	13,070	140
	<u>1,830,000</u>	<u>1,830,000</u>	<u>1,545,503</u>
Other sources:			
Previous year's encumbrances	<u>32,311</u>	<u>32,311</u>	<u>32,311</u>
Total revenues and other sources	1,862,311	1,862,311	1,577,814
Expenditures			
Expenditures:			
AMATS:			
Planning:			
Wages/benefits	1,320,860	1,320,860	1,277,891
Other	387,781	387,781	292,509
	<u>1,708,641</u>	<u>1,708,641</u>	<u>1,570,400</u>
Total expenditures	1,708,641	1,708,641	1,570,400
Excess of revenues and other sources over expenditures	153,670	153,670	7,414
Fund deficit, January 1, 2010	<u>(441,349)</u>	<u>(441,349)</u>	<u>(441,349)</u>
Fund deficit, December 31, 2010	<u>\$ (287,679)</u>	<u>\$ (287,679)</u>	<u>\$ (433,935)</u>

Schedule of Revenues, Expenditures and
Changes in Fund Balance-Budget and Actual-
H.O.M.E. Program Fund, Non-GAAP Budget Basis
For the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Revenues and other sources			
Revenues:			
Governmental revenues	\$ 3,706,230	\$ 3,706,230	\$ 1,764,932
Service revenues	-	-	48,189
Miscellaneous revenues	154,990	154,990	112,836
	<u>3,861,220</u>	<u>3,861,220</u>	<u>1,925,957</u>
Other sources:			
Interfund transfers	101,080	101,080	-
Previous year's encumbrances	400,001	400,001	400,001
	<u>501,081</u>	<u>501,081</u>	<u>400,001</u>
Total revenues and other sources	4,362,301	4,362,301	2,325,958
Expenditures			
Expenditures:			
Department Wide:			
Other	3,900,001	3,900,001	2,225,625
	<u>3,900,001</u>	<u>3,900,001</u>	<u>2,225,625</u>
Total expenditures	3,900,001	3,900,001	2,225,625
Excess of revenues and other sources over expenditures	462,300	462,300	100,333
Fund balance, January 1, 2010	326,731	326,731	326,731
Fund balance, December 31, 2010	<u>\$ 789,031</u>	<u>\$ 789,031</u>	<u>\$ 427,064</u>

Schedule of Revenues, Expenditures and
Changes in Fund Balance-Budget and Actual-
Tax Equivalency Fund, Non-GAAP Budget Basis
For the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>
	<u>Original</u>	<u>Final</u>	
Revenues and other sources			
Revenues:			
Income taxes	\$ 7,730	\$ 7,730	\$ -
Taxes and assessments	834,920	834,920	1,410,588
Miscellaneous revenues	7,730	7,730	4,672
	<u>850,380</u>	<u>850,380</u>	<u>1,415,260</u>
Other sources:			
Previous year's encumbrances	10,983	10,983	10,983
Total revenues and other sources	861,363	861,363	1,426,243
Expenditures			
Expenditures:			
Department Wide:			
Other	453,513	1,453,513	1,432,445
Total expenditures	453,513	1,453,513	1,432,445
Excess (deficiency) of revenues and other sources over expenditures	407,850	(592,150)	(6,202)
Fund balance, January 1, 2010	<u>1,731,854</u>	<u>1,731,854</u>	<u>1,731,854</u>
Fund balance, December 31, 2010	<u>\$ 2,139,704</u>	<u>\$ 1,139,704</u>	<u>\$ 1,725,652</u>

Schedule of Revenues, Expenditures and
Changes in Fund Balance-Budget and Actual-
E.D.A. Revolving Loans Fund, Non-GAAP Budget Basis
For the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Revenues			
Revenues:			
JEDD revenues	\$ 22,060	\$ 22,060	\$ -
Miscellaneous revenues	52,940	52,940	-
Total revenues	75,000	75,000	-
Expenditures			
Expenditures:			
Office of the Mayor			
Other	50,000	50,000	-
Total expenditures	50,000	50,000	-
Excess of revenues over expenditures	25,000	25,000	-
Fund deficit, January 1, 2010	(34,372)	(34,372)	(34,372)
Fund deficit, December 31, 2010	<u>\$ (9,372)</u>	<u>\$ (9,372)</u>	<u>\$ (34,372)</u>

Schedule of Revenues, Expenditures and
Changes in Fund Balance-Budget and Actual-
Joint Economic Development Districts Fund, Non-GAAP Budget Basis
For the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>
	<u>Original</u>	<u>Final</u>	
Revenues and other sources			
Revenues:			
JEDD revenues	\$ 13,682,610	\$ 13,682,610	\$ 11,650,316
Income taxes	335,500	335,500	-
Service revenues	477,580	477,580	354,291
Miscellaneous revenues	298,480	298,480	137,450
	<u>14,794,170</u>	<u>14,794,170</u>	<u>12,142,057</u>
Other sources:			
Note/Bond proceeds	1,373,040	1,373,040	-
Interfund transfers	632,790	632,790	-
Previous year's encumbrances	723,406	723,406	723,406
	<u>2,729,236</u>	<u>2,729,236</u>	<u>723,406</u>
Total revenues and other sources	17,523,406	17,523,406	12,865,463
Expenditures			
Expenditures:			
Department Wide:			
Wages/benefits	231,850	231,850	178,455
Other	14,350,852	14,350,852	14,234,570
Capital Outlay	2,417,765	2,417,765	1,723,033
	<u>17,000,467</u>	<u>17,000,467</u>	<u>16,136,058</u>
Total expenditures	17,000,467	17,000,467	16,136,058
Excess (deficiency) of revenues and other sources over expenditures	522,939	522,939	(3,270,595)
Fund balance, January 1, 2010	<u>2,380,558</u>	<u>2,380,558</u>	<u>2,380,558</u>
Fund balance (deficit), December 31, 2010	<u>\$ 2,903,497</u>	<u>\$ 2,903,497</u>	<u>\$ (890,037)</u>

Schedule of Revenues, Expenditures and
Changes in Fund Balance-Budget and Actual-
Akron Municipal Court Information System Fund, Non-GAAP Budget Basis
For the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Revenues and other sources			
Revenues:			
Service revenues	\$ 315,000	\$ 315,000	\$ 278,910
Other sources:			
Previous year's encumbrances	12,171	12,171	12,171
	12,171	12,171	12,171
Total revenues and other sources	327,171	327,171	291,081
Expenditures			
Expenditures:			
Court Clerk:			
Other	104,168	104,168	87,469
Judges:			
Other	122,653	122,653	101,771
Total expenditures	226,821	226,821	189,240
Excess of revenues and other sources over expenditures	100,350	100,350	101,841
Fund balance, January 1, 2010	911,712	911,712	911,712
Fund balance, December 31, 2010	\$ 1,012,062	\$ 1,012,062	\$ 1,013,553

Schedule of Revenues, Expenditures and
Changes in Fund Balance-Budget and Actual-
Public Health Fund, Non-GAAP Budget Basis
For the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>
	<u>Original</u>	<u>Final</u>	
Revenues and other sources			
Revenues:			
Governmental revenues	\$ 135,130	\$ 135,130	\$ 62,247
Service revenues	628,630	628,630	346,734
Miscellaneous revenues	58,740	58,740	31,360
	<u>822,500</u>	<u>822,500</u>	<u>440,341</u>
Other sources:			
Previous year's encumbrances	29,274	29,274	29,274
	<u>29,274</u>	<u>29,274</u>	<u>29,274</u>
Total revenues and other sources	851,774	851,774	469,615
Expenditures			
Expenditures:			
Court Clerk:			
Other	40,000	40,000	40,000
Public Health:			
Wages/benefits	380,760	380,760	276,233
Other	150,544	150,544	47,410
	<u>531,304</u>	<u>531,304</u>	<u>323,643</u>
Public Service:			
Wages/benefits	321,580	321,580	309,544
Other	78,880	93,880	85,721
Capital Outlay	-	25,000	20,665
	<u>400,460</u>	<u>440,460</u>	<u>415,930</u>
Total expenditures	971,764	1,011,764	779,573
Deficiency of revenues and other sources over expenditures	(119,990)	(159,990)	(309,958)
Fund balance, January 1, 2010	<u>846,175</u>	<u>846,175</u>	<u>846,175</u>
Fund balance, December 31, 2010	<u>\$ 726,185</u>	<u>\$ 686,185</u>	<u>\$ 536,217</u>

Schedule of Revenues, Expenditures and
Changes in Fund Balance-Budget and Actual-
Police Grants Fund, Non-GAAP Budget Basis
For the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Revenues and other sources			
Revenues:			
Governmental revenues	\$ 1,191,730	\$ 1,191,730	\$ 2,635,110
Property taxes	-	-	500,000
Service revenues	410,490	410,490	10,255
Miscellaneous revenues	790	790	86,209
	<u>1,603,010</u>	<u>1,603,010</u>	<u>3,231,574</u>
Other sources:			
Interfund transfers	119,440	119,440	-
Previous year's encumbrances	651,465	651,465	651,465
	<u>770,905</u>	<u>770,905</u>	<u>651,465</u>
Total revenues and other sources	2,373,915	2,373,915	3,883,039
Expenditures			
Expenditures:			
Police:			
Wages/benefits	2,090,110	2,710,110	2,682,365
Other	1,581,065	1,181,065	1,078,050
Capital outlay	20,000	20,000	-
	<u>3,691,175</u>	<u>3,911,175</u>	<u>3,760,415</u>
Total expenditures	3,691,175	3,911,175	3,760,415
Excess (deficiency) of revenues and other sources over expenditures	(1,317,260)	(1,537,260)	122,624
Fund deficit, January 1, 2010	<u>(841,818)</u>	<u>(841,818)</u>	<u>(841,818)</u>
Fund deficit, December 31, 2010	<u>\$ (2,159,078)</u>	<u>\$ (2,379,078)</u>	<u>\$ (719,194)</u>

Schedule of Revenues, Expenditures and
Changes in Fund Balance-Budget and Actual-
Various Domestic Violence Fund, Non-GAAP Budget Basis
For the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Revenues and other sources			
Revenues:			
Governmental revenues	\$ 67,660	\$ 67,660	\$ 11,736
Miscellaneous revenues	36,910	36,910	60,000
	<u>104,570</u>	<u>104,570</u>	<u>71,736</u>
Other sources:			
Interfund transfers	246,040	246,040	-
Previous year's encumbrances	49,362	49,362	49,362
	<u>295,402</u>	<u>295,402</u>	<u>49,362</u>
Total revenues and other sources	399,972	399,972	121,098
Expenditures			
Expenditures:			
Law:			
Other	126,582	126,582	117,218
Total expenditures	126,582	126,582	117,218
Excess of revenues and other sources over expenditures	273,390	273,390	3,880
Fund deficit, January 1, 2010	<u>(299,824)</u>	<u>(299,824)</u>	<u>(299,824)</u>
Fund deficit, December 31, 2010	<u>\$ (26,434)</u>	<u>\$ (26,434)</u>	<u>\$ (295,944)</u>

Schedule of Revenues, Expenditures and
Changes in Fund Balance-Budget and Actual-
Safety Programs Fund, Non-GAAP Budget Basis
For the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Revenues and other sources			
Revenues:			
Governmental revenues	\$ 1,214,370	\$ 1,214,370	\$ 1,733,577
Service revenues	778,040	778,040	1,270,224
Property taxes	-	-	100,000
Miscellaneous revenues	257,590	257,590	268,656
	<u>2,250,000</u>	<u>2,250,000</u>	<u>3,372,457</u>
Other sources:			
Previous year's encumbrances	222,063	222,063	222,063
	<u>222,063</u>	<u>222,063</u>	<u>222,063</u>
Total revenues and other sources	2,472,063	2,472,063	3,594,520
Expenditures			
Expenditures:			
Public Safety:			
Wages/benefits	336,200	376,200	367,514
Other	219,446	244,446	229,107
Capital outlay	550,000	250,000	212,830
	<u>1,105,646</u>	<u>870,646</u>	<u>809,451</u>
Fire:			
Wages/benefits	-	1,250,000	1,082,899
Other	114,855	114,855	97,503
	<u>114,855</u>	<u>1,364,855</u>	<u>1,180,402</u>
Police:			
Wages/benefits	2,314,740	2,244,740	1,778,712
Other	626,452	696,452	577,761
Capital outlay	60,000	60,000	24,330
	<u>3,001,192</u>	<u>3,001,192</u>	<u>2,380,803</u>
Total expenditures	4,221,693	5,236,693	4,370,656
Deficiency of revenues and other sources over expenditures	(1,749,630)	(2,764,630)	(776,136)
Fund balance, January 1, 2010	<u>2,960,106</u>	<u>2,960,106</u>	<u>2,960,106</u>
Fund balance, December 31, 2010	<u>\$ 1,210,476</u>	<u>\$ 195,476</u>	<u>\$ 2,183,970</u>

Schedule of Revenues, Expenditures and
Changes in Fund Balance-Budget and Actual-
Health Grants Fund, Non-GAAP Budget Basis
For the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Revenues and other sources			
Revenues:			
Governmental revenues	\$ 5,910,960	\$ 5,910,960	\$ 5,731,060
Service revenues	544,430	544,430	334,285
Miscellaneous revenues	51,850	51,850	693,803
	<u>6,507,240</u>	<u>6,507,240</u>	<u>6,759,148</u>
Other sources:			
Interfund transfers	119,260	119,260	-
Previous year's encumbrances	865,292	865,292	865,292
	<u>984,552</u>	<u>984,552</u>	<u>865,292</u>
Total revenues and other sources	7,491,792	7,491,792	7,624,440
Expenditures			
Expenditures:			
Public Health:			
Wages/benefits	3,544,580	3,144,580	2,638,046
Other	5,041,862	5,441,862	5,242,761
	<u>8,586,442</u>	<u>8,586,442</u>	<u>7,880,807</u>
Total expenditures	8,586,442	8,586,442	7,880,807
Deficiency of revenues and other sources over expenditures	(1,094,650)	(1,094,650)	(256,367)
Fund balance, January 1, 2010	488,264	488,264	488,264
Fund balance (deficit), December 31, 2010	<u>\$ (606,386)</u>	<u>\$ (606,386)</u>	<u>\$ 231,897</u>

Schedule of Revenues, Expenditures and
Changes in Fund Balance-Budget and Actual-
City Facilities Operating Fund, Non-GAAP Budget Basis
For the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>
	<u>Original</u>	<u>Final</u>	
Revenues and other sources			
Revenues:			
Income taxes	\$ 309,480	\$ 309,480	\$ 225,000
Taxes and assessments	1,134,750	1,134,750	422,604
Governmental revenues	-	-	15,000
Service revenues	1,258,540	1,258,540	329,859
Miscellaneous revenues	2,441,420	2,441,420	5,982,624
	<u>5,144,190</u>	<u>5,144,190</u>	<u>6,975,087</u>
Other sources:			
Note/Bond proceeds	5,845,680	5,845,680	1,000,000
Interfund transfers	385,130	385,130	-
Previous year's encumbrances	4,306,652	4,306,652	4,306,652
	<u>10,537,462</u>	<u>10,537,462</u>	<u>5,306,652</u>
Total revenues and other sources	15,681,652	15,681,652	12,281,739
Expenditures			
Expenditures:			
Department Wide:			
Wages/benefits	756,130	856,130	793,613
Other	4,761,819	12,561,819	12,530,436
Capital outlay	7,055,053	7,055,053	6,223,087
	<u>12,573,002</u>	<u>20,473,002</u>	<u>19,547,136</u>
Total expenditures	12,573,002	20,473,002	19,547,136
Excess (deficiency) of revenues and other sources over expenditures	3,108,650	(4,791,350)	(7,265,397)
Fund deficit, January 1, 2010	<u>(13,457,893)</u>	<u>(13,457,893)</u>	<u>(13,457,893)</u>
Fund deficit, December 31, 2010	<u>\$ (10,349,243)</u>	<u>\$ (18,249,243)</u>	<u>\$ (20,723,290)</u>

Schedule of Revenues, Expenditures and
Changes in Fund Balance-Budget and Actual-
Various Purpose Funding Fund, Non-GAAP Budget Basis
For the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Revenues and other sources			
Revenues:			
Income taxes	\$ 102,160	\$ 102,160	\$ 64,794
Governmental revenues	1,184,160	1,184,160	1,654,951
Service revenues	664,060	664,060	1,064,155
Miscellaneous revenues	603,680	603,680	746,538
	<u>2,554,060</u>	<u>2,554,060</u>	<u>3,530,438</u>
Other sources:			
Interfund transfers	417,940	417,940	-
Previous year's encumbrances	1,785,772	1,785,772	1,785,772
	<u>2,203,712</u>	<u>2,203,712</u>	<u>1,785,772</u>
Total revenues and other sources	4,757,772	4,757,772	5,316,210
Expenditures			
Expenditures:			
Department Wide:			
Wages/benefits	373,170	373,170	(187,913)
Other	4,302,902	4,602,902	4,525,974
	<u>4,676,072</u>	<u>4,976,072</u>	<u>4,338,061</u>
Total expenditures	4,676,072	4,976,072	4,338,061
Excess (deficiency) of revenues and other sources over expenditures	81,700	(218,300)	978,149
Fund balance, January 1, 2010	<u>703,537</u>	<u>703,537</u>	<u>703,537</u>
Fund balance, December 31, 2010	<u>\$ 785,237</u>	<u>\$ 485,237</u>	<u>\$ 1,681,686</u>

Schedule of Revenues, Expenditures and
Changes in Fund Balance-Budget and Actual-
Deposits Fund, Non-GAAP Budget Basis
For the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>
	<u>Original</u>	<u>Final</u>	
Revenues and other sources			
Revenues:			
Investment earnings	\$ 429,670	\$ 429,670	\$ -
Service revenues	467,030	467,030	-
Miscellaneous revenues	4,203,300	4,203,300	915,978
	<u>5,100,000</u>	<u>5,100,000</u>	<u>915,978</u>
Other sources:			
Previous year's encumbrances	3,835	3,835	3,835
	<u>3,835</u>	<u>3,835</u>	<u>3,835</u>
Total revenues and other sources	5,103,835	5,103,835	919,813
Expenditures			
Expenditures:			
Finance:			
Other	3,815,000	1,815,000	991,782
	<u>3,815,000</u>	<u>1,815,000</u>	<u>991,782</u>
Planning and Urban Development:			
Other	8,835	8,835	3,250
	<u>8,835</u>	<u>8,835</u>	<u>3,250</u>
Total expenditures	3,823,835	1,823,835	995,032
Excess (deficiency) of revenues and other sources over expenditures	1,280,000	3,280,000	(75,219)
Fund balance, January 1, 2010	2,642,748	2,642,748	2,642,748
Fund balance, December 31, 2010	<u>\$ 3,922,748</u>	<u>\$ 5,922,748</u>	<u>\$ 2,567,529</u>

Schedule of Revenues, Expenditures and
Changes in Fund Balance-Budget and Actual-
General Bond Payment Fund, Non-GAAP Budget Basis
For the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Revenues and other sources			
Revenues:			
Property taxes	\$ 1,343,790	\$ 1,343,790	\$ 536,944
Other sources:			
Previous year's encumbrances	3,829	3,829	3,829
Total revenues and other sources	1,347,619	1,347,619	540,773
Expenditures			
Expenditures:			
Finance:			
Wages/benefits	386,980	386,980	372,504
Other	94,039	94,039	82,097
Total expenditures	481,019	481,019	454,601
Excess of revenues and other sources over expenditures	866,600	866,600	86,172
Fund balance, January 1, 2010	821,003	821,003	821,003
Fund balance, December 31, 2010	\$ 1,687,603	\$ 1,687,603	\$ 907,175

Schedule of Revenues, Expenditures and
Changes in Fund Balance-Budget and Actual-
Non-appropriated Capital Projects Fund, Non-GAAP Budget Basis
For the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Revenues and other sources			
Revenues:			
Income taxes	\$ 261,240	\$ 261,240	\$ 4,000
Governmental revenues	671,770	671,770	2,532,493
Miscellaneous revenues	37,330	37,330	370,139
	<u>970,340</u>	<u>970,340</u>	<u>2,906,632</u>
Other sources:			
Note/Bond proceeds	1,716,740	1,716,740	222,000
Interfund transfers	223,920	223,920	-
Previous year's encumbrances	445,383	445,383	445,383
	<u>2,386,043</u>	<u>2,386,043</u>	<u>667,383</u>
Total revenues and other sources	3,356,383	3,356,383	3,574,015
Expenditures			
Expenditures:			
Public Service:			
Other	2,016,536	2,716,536	2,686,096
Capital outlay	113,846	1,863,846	1,816,319
	<u>2,130,382</u>	<u>4,580,382</u>	<u>4,502,415</u>
Total expenditures	2,130,382	4,580,382	4,502,415
Excess (deficiency) of revenues and other sources over expenditures	1,226,001	(1,223,999)	(928,400)
Fund deficit, January 1, 2010	<u>(3,319,919)</u>	<u>(3,319,919)</u>	<u>(3,319,919)</u>
Fund deficit, December 31, 2010	<u>\$ (2,093,918)</u>	<u>\$ (4,543,918)</u>	<u>\$ (4,248,319)</u>

Schedule of Revenues, Expenditures and
Changes in Fund Balance-Budget and Actual-
Road and Bridge Improvement Fund, Non-GAAP Budget Basis
For the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Revenues and other sources			
Revenues:			
Governmental revenues	\$ 4,537,420	\$ 4,537,420	\$ 728,372
Gasoline tax	-	-	2,870,677
Motor vehicle license tax	-	-	1,749,144
Miscellaneous revenues	260,900	260,900	32,808
	<u>4,798,320</u>	<u>4,798,320</u>	<u>5,381,001</u>
Other sources:			
Note/Bond proceeds	79,400	79,400	577,093
Interfund transfers	725,990	725,990	-
Previous year's encumbrances	2,165,372	2,165,372	2,165,372
	<u>2,970,762</u>	<u>2,970,762</u>	<u>2,742,465</u>
Total revenues and other sources	7,769,082	7,769,082	8,123,466
Expenditures			
Expenditures:			
Public Service:			
Wages/benefits	20,000	20,000	-
Other	5,942,182	8,542,182	8,538,383
Capital outlay	2,223,189	2,223,189	1,428,786
	<u>8,185,371</u>	<u>10,785,371</u>	<u>9,967,169</u>
Total expenditures	8,185,371	10,785,371	9,967,169
Deficiency of revenues and other sources over expenditures	(416,289)	(3,016,289)	(1,843,703)
Fund balance, January 1, 2010	<u>2,857,129</u>	<u>2,857,129</u>	<u>2,857,129</u>
Fund balance (deficit), December 31, 2010	<u>\$ 2,440,840</u>	<u>\$ (159,160)</u>	<u>\$ 1,013,426</u>

Schedule of Revenues, Expenditures and
Changes in Fund Balance-Budget and Actual-
Streets Fund, Non-GAAP Budget Basis
For the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Revenues and other sources			
Revenues:			
Income taxes	\$ 5,760	\$ 5,760	\$ 575,230
Governmental revenues	2,735,980	2,735,980	1,285,629
Service revenues	1,295,990	1,295,990	126,500
Gasoline tax	-	-	2,695,650
Taxes and assessments	1,036,790	1,036,790	670,976
Miscellaneous revenues	328,310	328,310	4,898,714
	<u>5,402,830</u>	<u>5,402,830</u>	<u>10,252,699</u>
Other sources:			
Note/Bond proceeds	23,327,790	23,327,790	6,128,714
Interfund transfers	3,519,330	3,519,330	-
Previous year's encumbrances	4,166,316	4,166,316	4,166,316
	<u>31,013,436</u>	<u>31,013,436</u>	<u>10,295,030</u>
Total revenues and other sources	36,416,266	36,416,266	20,547,729
Expenditures			
Expenditures:			
Public Service:			
Wages/benefits	235,000	435,000	418,636
Other	5,484,932	3,984,932	3,123,102
Capital outlay	13,446,385	7,946,385	7,105,237
	<u>19,166,317</u>	<u>12,366,317</u>	<u>10,646,975</u>
Total expenditures	19,166,317	12,366,317	10,646,975
Excess of revenues and other sources over expenditures	17,249,949	24,049,949	9,900,754
Fund deficit, January 1, 2010	<u>(25,069,922)</u>	<u>(25,069,922)</u>	<u>(25,069,922)</u>
Fund deficit, December 31, 2010	<u>\$ (7,819,973)</u>	<u>\$ (1,019,973)</u>	<u>\$ (15,169,168)</u>

Schedule of Revenues, Expenditures and
Changes in Fund Balance-Budget and Actual-
Information Technology and Improvements Fund, Non-GAAP Budget Basis
For the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Other sources			
Other sources:			
Miscellaneous revenues	\$ 552,000	\$ 552,000	\$ -
Previous year's encumbrances	31,903	31,903	31,903
Total other sources	583,903	583,903	31,903
Expenditures			
Expenditures:			
Public Service:			
Capital outlay	231,903	231,903	81,903
Total expenditures	231,903	231,903	81,903
Excess (deficiency) of other sources over expenditures	352,000	352,000	(50,000)
Fund deficit, January 1, 2010	(370,457)	(370,457)	(370,457)
Fund deficit, December 31, 2010	<u>\$ (18,457)</u>	<u>\$ (18,457)</u>	<u>\$ (420,457)</u>

Schedule of Revenues, Expenditures and
Changes in Fund Balance-Budget and Actual-
Transportation Fund, Non-GAAP Budget Basis
For the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Revenues and other sources			
Revenues:			
Income taxes	\$ 6,660	\$ 6,660	\$ 20,565
Special assessments	366,130	366,130	20,278
Governmental revenues	216,350	216,350	199,631
Miscellaneous revenues	9,990	9,990	1,378,245
	<u>599,130</u>	<u>599,130</u>	<u>1,618,719</u>
Other sources:			
Note/Bond proceeds	4,992,730	4,992,730	1,349,439
Interfund transfers	2,912,430	2,912,430	-
Previous year's encumbrances	1,568,307	1,568,307	1,568,307
	<u>9,473,467</u>	<u>9,473,467</u>	<u>2,917,746</u>
Total revenues and other sources	10,072,597	10,072,597	4,536,465
Expenditures			
Expenditures:			
Public Service:			
Other	2,967,739	2,967,739	2,396,768
Capital outlay	3,600,567	3,100,567	1,974,721
			<u>4,371,489</u>
Total expenditures	6,568,306	6,068,306	4,371,489
Excess of revenues and other sources over expenditures	3,504,291	4,004,291	164,976
Fund deficit, January 1, 2010	<u>(1,285,940)</u>	<u>(1,285,940)</u>	<u>(1,285,940)</u>
Fund balance (deficit), December 31, 2010	<u>\$ 2,218,351</u>	<u>\$ 2,718,351</u>	<u>\$ (1,120,964)</u>

Schedule of Revenues, Expenditures and
Changes in Fund Balance-Budget and Actual-
Parks and Recreation Fund, Non-GAAP Budget Basis
For the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>
	<u>Original</u>	<u>Final</u>	
Revenues and other sources			
Revenues:			
Income taxes	\$ 90,350	\$ 90,350	\$ 125,000
Governmental revenues	1,824,280	1,824,280	88,011
Miscellaneous revenues	12,910	12,910	2,915
	<u>1,927,540</u>	<u>1,927,540</u>	<u>215,926</u>
Other sources:			
Note/Bond proceeds	7,572,460	7,572,460	1,032,000
Previous year's encumbrances	471,475	471,475	471,475
	<u>8,043,935</u>	<u>8,043,935</u>	<u>1,503,475</u>
Total revenues and other sources	9,971,475	9,971,475	1,719,401
Expenditures			
Expenditures:			
Public Service:			
Other	1,914,784	1,164,784	794,978
Capital outlay	4,056,691	1,656,691	1,403,770
	<u>5,971,475</u>	<u>2,821,475</u>	<u>2,198,748</u>
Total expenditures	5,971,475	2,821,475	2,198,748
Excess (deficiency) of revenues and other sources over expenditures	4,000,000	7,150,000	(479,347)
Fund balance, January 1, 2010	430,860	430,860	430,860
Fund balance (deficit), December 31, 2010	<u>\$ 4,430,860</u>	<u>\$ 7,580,860</u>	<u>\$ (48,487)</u>

Schedule of Revenues, Expenditures and
Changes in Fund Balance-Budget and Actual-
Public Facilities and Improvements Fund, Non-GAAP Budget Basis
For the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Revenues and other sources			
Revenues:			
Income taxes	\$ 76,420	\$ 76,420	\$ 49,367
Governmental revenues	-	-	3,746
Taxes and assessments	-	-	9,049
Miscellaneous revenues	-	-	71,156
	<u>76,420</u>	<u>76,420</u>	<u>133,318</u>
Other sources:			
Interfund transfers	717,280	717,280	-
Note/Bond proceeds	7,206,300	7,206,300	4,857,995
Previous year's encumbrances	676,127	676,127	676,127
	<u>8,599,707</u>	<u>8,599,707</u>	<u>5,534,122</u>
Total revenues and other sources	8,676,127	8,676,127	5,667,440
Expenditures			
Expenditures:			
Public Service:			
Other	3,825,038	1,825,038	1,403,827
Capital outlay	3,351,089	1,951,089	1,490,959
			<u>2,894,786</u>
Total expenditures	7,176,127	3,776,127	2,894,786
Excess of revenues and other sources over expenditures	1,500,000	4,900,000	2,772,654
Fund balance, January 1, 2010	<u>740,014</u>	<u>740,014</u>	<u>740,014</u>
Fund balance, December 31, 2010	<u>\$ 2,240,014</u>	<u>\$ 5,640,014</u>	<u>\$ 3,512,668</u>

Schedule of Revenues, Expenditures and
Changes in Fund Balance-Budget and Actual-
Public Parking Fund, Non-GAAP Budget Basis
For the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Revenues and other sources			
Revenues:			
Miscellaneous revenues	\$ 55,850	\$ 55,850	\$ 421,238
	55,850	55,850	421,238
Other sources:			
Note/Bond proceeds	13,444,150	13,444,150	9,326,463
Previous year's encumbrances	1,605,906	1,605,906	1,605,906
	15,050,056	15,050,056	10,932,369
Total revenues and other sources	15,105,906	15,105,906	11,353,607
Expenditures			
Expenditures:			
Public Service:			
Other	3,525,311	4,925,311	4,671,918
Capital outlay	6,080,595	2,680,595	1,860,268
Total expenditures	9,605,906	7,605,906	6,532,186
Excess of revenues and other sources over expenditures	5,500,000	7,500,000	4,821,421
Fund deficit, January 1, 2010	(2,062,975)	(2,062,975)	(2,062,975)
Fund balance, December 31, 2010	\$ 3,437,025	\$ 5,437,025	\$ 2,758,446

Schedule of Revenues, Expenditures and
Changes in Fund Balance-Budget and Actual-
Economic Development Fund, Non-GAAP Budget Basis
For the Year Ended December 31, 2010

	<u>Budgeted Amounts</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>
Revenues and other sources			
Revenues:			
Income taxes	\$ 36,160	\$ 36,160	\$ 17,437
Taxes and assessments	4,716,500	4,716,500	3,313,593
Governmental revenues	7,941,210	7,941,210	3,382,893
Miscellaneous revenues	1,371,260	1,371,260	4,090,042
	<u>14,065,130</u>	<u>14,065,130</u>	<u>10,803,965</u>
Other sources:			
Note/Bond proceeds	19,777,670	19,777,670	4,937,000
Interfund transfers	7,530	7,530	-
Previous year's encumbrances	6,520,679	6,520,679	6,520,679
	<u>26,305,879</u>	<u>26,305,879</u>	<u>11,457,679</u>
Total revenues and other sources	40,371,009	40,371,009	22,261,644
Expenditures			
Expenditures:			
Department Wide:			
Other	20,611,001	13,411,001	13,285,203
Capital outlay	8,161,678	7,161,678	7,060,008
	<u>28,772,679</u>	<u>20,572,679</u>	<u>20,345,211</u>
Total expenditures	28,772,679	20,572,679	20,345,211
Excess of revenues and other sources over expenditures	11,598,330	19,798,330	1,916,433
Fund deficit, January 1, 2010	<u>(5,087,814)</u>	<u>(5,087,814)</u>	<u>(5,087,814)</u>
Fund balance (deficit), December 31, 2010	<u>\$ 6,510,516</u>	<u>\$ 14,710,516</u>	<u>\$ (3,171,381)</u>

NON-MAJOR ENTERPRISE FUNDS

Enterprise Funds - are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The non-major Enterprise Funds are as follows:

Oil and Gas
Golf Course
Airport

City of Akron, Ohio

Combining Statement of Net Assets - Non-Major Enterprise Funds

December 31, 2010

	Oil and Gas	Golf Course	Airport	Total
Assets				
Pooled cash and investments	\$ 111,339	\$ -	\$ 125,536	\$ 236,875
Due from other governments	-	-	36,523	36,523
Inventories, at cost	-	47,834	13,956	61,790
Property, plant and equipment, net of accumulated depreciation	395,485	1,506,862	8,917,620	10,819,967
Total assets	506,824	1,554,696	9,093,635	11,155,155
Liabilities				
Accounts payable	296	10,347	5,684	16,327
Due to other funds	356	748,883	12,390	761,629
Accrued liabilities	1,366	6,280	68,673	76,319
Accrued wages	3,214	6,024	6,818	16,056
Accrued vacation and leave	10,377	5,624	10,260	26,261
Obligations under capital lease	-	12,821	-	12,821
Noncurrent liabilities				
Obligations under capital lease	-	93,726	-	93,726
Due in more than one year	45,221	82,249	103,436	230,906
Total liabilities	60,830	965,954	207,261	1,234,045
Net assets				
Invested in capital assets net of related debt	395,485	1,506,862	8,917,620	10,819,967
Unrestricted (deficit)	50,509	(918,120)	(31,246)	(898,857)
Total net assets	\$ 445,994	\$ 588,742	\$ 8,886,374	\$ 9,921,110

City of Akron, Ohio

Combining Statement of Revenues, Expenses and Changes in Net Assets - Non-Major Enterprise Funds

For the Year Ended December 31, 2010

	Oil and Gas	Golf Course	Airport	Total
Operating revenues				
Charges for services	\$ 371,137	\$ 926,633	\$ 65,186	\$ 1,362,956
Other	-	37,450	118,375	155,825
	<u>371,137</u>	<u>964,083</u>	<u>183,561</u>	<u>1,518,781</u>
Operating expenses				
Personal services	126,162	726,553	230,756	1,083,471
Direct expenses	336,733	291,016	203,092	830,841
Rentals and lease	-	94,799	-	94,799
Utilities	288	111,962	15,639	127,889
Insurance	14,576	2,939	11,778	29,293
Depreciation, depletion and amortization	-	49,119	225,811	274,930
Other	1,617	1,800	-	3,417
	<u>479,376</u>	<u>1,278,188</u>	<u>687,076</u>	<u>2,444,640</u>
Operating income (loss)	(108,239)	(314,105)	(503,515)	(925,859)
Transfers-in	-	300,000	230,160	530,160
Capital contributions	-	4,039	772,991	777,030
	<u>-</u>	<u>304,039</u>	<u>1,003,151</u>	<u>1,307,190</u>
Changes in net assets	(108,239)	(10,066)	499,636	381,331
Net assets, January 1, 2010	<u>554,233</u>	<u>598,808</u>	<u>8,386,738</u>	<u>9,539,779</u>
Net assets, December 31, 2010	<u>\$ 445,994</u>	<u>\$ 588,742</u>	<u>\$ 8,886,374</u>	<u>\$ 9,921,110</u>

City of Akron, Ohio
Combining Statement of Cash Flows
Non-Major Enterprise Funds
For the Year Ended December 31, 2010

	Oil and Gas	Golf	Airport	Total Non-Major Enterprise Funds
Operating activities				
Cash received from customers	\$ 371,137	\$ 926,633	\$ 163,290	\$ 1,461,060
Cash payments to suppliers for goods and services	(357,847)	(498,243)	(218,687)	(1,074,777)
Cash paid for salaries and employee benefits	(114,018)	(834,095)	(346,618)	(1,294,731)
Other revenues	-	37,450	118,375	155,825
Other expenses	(1,617)	(1,800)	-	(3,417)
Net cash used for operating activities	(102,345)	(370,055)	(283,640)	(756,040)
Non-capital financing activities				
Transfers from other funds	-	300,000	230,160	530,160
Transfers in for negative cash balances	-	735,227	-	735,227
Transfers out for negative cash balances	-	(691,129)	-	(691,129)
Net cash provided by non-capital financing activities	-	344,098	230,160	574,258
Capital and related financing activities				
Acquisition and construction of capital assets	-	21,918	(626,836)	(604,918)
Capital Contributions	-	4,039	772,991	777,030
Net cash provided by (used for) capital and related financing activities	-	25,957	146,155	172,112
Net increase (decrease) in cash and cash equivalents	(102,345)	-	92,675	(9,670)
Cash and cash equivalents, January 1, 2010	213,684	-	32,861	246,545
Cash and cash equivalents, December 31, 2010	<u>\$ 111,339</u>	<u>\$ -</u>	<u>\$ 125,536</u>	<u>\$ 236,875</u>

City of Akron, Ohio
Combining Statement of Cash Flows
Non-Major Enterprise Funds
For the Year Ended December 31, 2010

	<u>Oil and Gas</u>	<u>Golf</u>	<u>Airport</u>	<u>Total Non-Major Enterprise Funds</u>
Operating income (loss)	\$ (108,239)	\$ (314,105)	\$ (503,515)	\$ (925,859)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation, depletion and amortization	-	49,119	225,811	274,930
(Increase) decrease in operating assets:				
Due from other governments	-	-	98,104	98,104
Inventories	-	(13,902)	1,249	(12,653)
Increase (decrease) in operating liabilities:				
Accounts payable	(6,228)	8,770	4,277	6,819
Due to other funds	(22)	7,605	6,296	13,879
Accrued liabilities	3,647	(65,372)	(100,056)	(161,781)
Accrued wages	3,214	(3,168)	(1,712)	(1,666)
Accrued vacation and leave	5,283	(39,002)	(14,094)	(47,813)
Net cash used for operating activities	<u>\$ (102,345)</u>	<u>\$ (370,055)</u>	<u>\$ (283,640)</u>	<u>\$ (756,040)</u>

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INTERNAL SERVICE FUNDS

Internal Service Funds - are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City, or to other governmental units, on a cost-reimbursement basis. The title of the funds indicate the type of service provided. The Internal Service Funds are:

- Motor Equipment
- Medical Self-Insurance
- Workers' Compensation Reserve
- Self-Insurance Settlement
- Storeroom
- Telephone System
- Engineering Bureau
- Management Information Systems

Combining Statement of Net Assets - Internal Service Funds

December 31, 2010

	Motor Equipment	Medical Self- Insurance	Workers' Compensation Reserve
Assets			
Pooled cash and investments	\$ -	\$ 1,109,461	\$ 90,706
Receivables, net of allowances for uncollectibles	133,614	-	-
Due from other funds	1,417,566	3,000,000	3,000,000
Inventories, at cost	717,997	-	-
Property, plant and equipment, net of accumulated depreciation	2,209,783	-	-
Total assets	4,478,960	4,109,461	3,090,706
Liabilities			
Accounts payable	327,971	163,203	20,430
Due to other governments	-	-	-
Due to other funds	1,057,699	1,702	4
Accrued liabilities	43,978	-	1,511,376
Accrued wages	70,173	-	-
Accrued vacation and leave	155,618	-	-
Liability for unpaid claims	-	2,172,457	1,485,839
Noncurrent liabilities			
Due in more than one year	837,041	-	5,120,984
Bonds, notes, loans	-	14,000,000	-
Total liabilities	2,492,480	16,337,362	8,138,633
Net assets			
Invested in capital assets net of related debt	2,209,783	-	-
Unrestricted (deficit)	(223,303)	(12,227,901)	(5,047,927)
Total net assets	\$ 1,986,480	\$ (12,227,901)	\$ (5,047,927)

Combining Statement of Net Assets - Internal Service Funds

December 31, 2010

Self-Insurance Settlement	Storeroom	Telephone System	Engineering Bureau	Management Information Systems	Total
\$ 17,246	\$ -	\$ 50,490	\$ -	\$ -	\$ 1,267,903
-	-	-	-	-	133,614
-	210,076	1,343,476	112,891	383,305	9,467,314
-	66,672	-	-	-	784,669
-	26,373	343,309	126,491	234,772	2,940,728
17,246	303,121	1,737,275	239,382	618,077	14,594,228
17	6,139	8,125	2,564	36,674	565,123
116	-	-	-	-	116
-	910,207	-	696,331	2,388,080	5,054,023
-	4,465	-	80,357	19,054	1,659,230
-	7,382	-	108,426	23,805	209,786
-	15,049	-	261,920	61,856	494,443
437,444	-	-	-	-	4,095,740
-	106,025	-	1,623,695	438,386	8,126,131
-	-	-	-	-	14,000,000
437,577	1,049,267	8,125	2,773,293	2,967,855	34,204,592
-	26,373	343,309	126,491	234,772	2,940,728
(420,331)	(772,519)	1,385,841	(2,660,402)	(2,584,550)	(22,551,092)
\$ (420,331)	\$ (746,146)	\$ 1,729,150	\$ (2,533,911)	\$ (2,349,778)	\$ (19,610,364)

City of Akron, Ohio

Combining Statement of Revenues, Expenses and Changes in Net Assets - Internal Service Funds

For the Year Ended December 31, 2010

	Motor Equipment	Medical Self- Insurance	Workers' Compensation Reserve
Operating revenues			
Charges for services	\$ 8,797,398	\$ 27,987,062	\$ 3,419,500
Other	197,442	195,460	43,495
	<u>8,994,840</u>	<u>28,182,522</u>	<u>3,462,995</u>
Operating expenses			
Personal services	2,931,807	-	-
Direct expenses	5,417,120	2,670,190	881,879
Claims	-	25,827,552	1,644,135
Rentals and lease	-	-	-
Utilities	141,464	-	-
Insurance	8,244	-	-
Depreciation, depletion and amortization	471,403	-	-
Other	3,800	-	-
	<u>8,973,838</u>	<u>28,497,742</u>	<u>2,526,014</u>
Operating income (loss)	21,002	(315,220)	936,981
Non-operating revenues (expenses)			
Interest income	-	-	112
Interest expense	-	-	-
Capital contributions	4,048	-	-
Loss on disposal of capital assets	(22,234)	-	-
	<u>(18,186)</u>	<u>-</u>	<u>112</u>
Gain (loss) before transfers	2,816	(315,220)	937,093
Transfers-in	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Net change in assets	2,816	(315,220)	937,093
Net assets (deficit), January 1, 2010	1,983,664	(11,912,681)	(5,985,020)
Net assets (deficit), December 31, 2010	<u>\$ 1,986,480</u>	<u>\$ (12,227,901)</u>	<u>\$ (5,047,927)</u>

City of Akron, Ohio

Combining Statement of Revenues, Expenses and Changes in Net Assets - Internal Service Funds

For the Year Ended December 31, 2010

Self-Insurance Settlement	Storeroom	Telephone System	Engineering Bureau	Management Information Systems	Total
\$ -	\$ 1,290,305	\$ 668,265	\$ 4,432,332	\$ 1,860,355	\$ 48,455,217
70,904	10,121	1,700	7,781	-	526,903
70,904	1,300,426	669,965	4,440,113	1,860,355	48,982,120
-	305,644	-	4,329,818	989,636	8,556,905
133	1,050,358	170,106	511,025	889,580	11,590,391
2,250	-	-	-	-	27,473,937
-	110,356	-	-	16,049	126,405
-	3,431	123,864	15,882	1,722	286,363
-	-	-	13,311	986	22,541
-	1,051	52,083	10,822	108,204	643,563
-	-	1,700	1,400	-	6,900
2,383	1,470,840	347,753	4,882,258	2,006,177	48,707,005
68,521	(170,414)	322,212	(442,145)	(145,822)	275,115
-	-	-	-	-	112
-	-	-	-	(6,050)	(6,050)
-	-	22,480	-	-	26,528
-	-	-	-	-	(22,234)
-	-	22,480	-	(6,050)	(1,644)
68,521	(170,414)	344,692	(442,145)	(151,872)	273,471
-	-	350,000	-	-	350,000
-	-	350,000	-	-	350,000
68,521	(170,414)	694,692	(442,145)	(151,872)	623,471
(488,852)	(575,732)	1,034,458	(2,091,766)	(2,197,906)	(20,233,835)
\$ (420,331)	\$ (746,146)	\$ 1,729,150	\$ (2,533,911)	\$ (2,349,778)	\$ (19,610,364)

City of Akron, Ohio
Combining Statement of Cash Flows-Internal Service Funds
For the Year Ended December 31, 2010

	Motor Equipment	Medical Self - Insurance	Workers' Compensation Reserve
Operating activities			
Cash received from customers	\$ 8,351,775	\$ 24,992,661	\$ 419,500
Cash payments to suppliers for goods and services	(5,422,883)	(2,652,886)	(883,518)
Cash paid for salaries and employee benefits	(2,809,533)	(25,810,080)	(3,084,612)
Other revenues	197,442	195,460	43,495
Other expenses	(3,800)	-	-
Net cash provided by (used for) operating activities	313,001	(3,274,845)	(3,505,135)
Non-capital financing activities			
Transfers from other funds	-	-	-
Transfers in for negative cash balances	1,042,160	-	-
Transfers out for negative cash balances	(1,231,195)	(9,615,694)	-
Proceeds sale of notes	-	14,000,000	-
Net cash provided by (used for) non-capital financing activities	(189,035)	4,384,306	-
Capital and related financing activities			
Principal paid on bonds and loans	(123,488)	-	-
Interest paid on bonds and loans	(478)	-	-
Acquisition and construction of capital assets	(4,048)	-	-
Capital contributions	4,048	-	-
Net cash provided by (used for) capital and related financing activities	(123,966)	-	-
Investing activities			
Interest on investments	-	-	112
Net cash provided by investing activities	-	-	112
Net increase (decrease) in cash and cash equivalents	-	1,109,461	(3,505,023)
Cash and cash equivalents, January 1, 2010	-	-	3,595,729
Cash and cash equivalents, December 31, 2010	\$ -	\$ 1,109,461	\$ 90,706

City of Akron, Ohio
Combining Statement of Cash Flows-Internal Service Funds
For the Year Ended December 31, 2010

Self - Insurance Settlement	Storeroom	Telephone System	Engineering Bureau	Management Information Systems	Total
\$ -	\$ 1,192,847	\$ (564,238)	\$ 4,579,786	\$ 1,943,486	\$ 40,915,817
(356)	(1,196,451)	(387,593)	(511,478)	(919,162)	(11,974,327)
(70,074)	(305,411)	-	(4,423,106)	(1,207,686)	(37,710,502)
70,904	10,121	1,700	7,781	-	526,903
-	-	(1,700)	(1,400)	-	(6,900)
474	(298,894)	(951,831)	(348,417)	(183,362)	(8,249,009)
-	-	350,000	-	-	350,000
-	908,397	-	580,468	2,349,925	4,880,950
-	(609,503)	-	(232,051)	(2,038,052)	(13,726,495)
-	-	-	-	-	14,000,000
-	298,894	350,000	348,417	311,873	5,504,455
-	-	-	-	-	(123,488)
-	-	-	-	(6,050)	(6,528)
-	-	(135,330)	-	(122,461)	(261,839)
-	-	22,480	-	-	26,528
-	-	(112,850)	-	(128,511)	(365,327)
-	-	-	-	-	112
-	-	-	-	-	112
474	-	(714,681)	-	-	(3,109,769)
16,772	-	765,171	-	-	4,377,672
\$ 17,246	\$ -	\$ 50,490	\$ -	\$ -	\$ 1,267,903

City of Akron, Ohio
 Combining Statement of Cash Flows-Internal Service Funds
 For the Year Ended December 31, 2010
 (continued)

	Motor Equipment	Medical Self - Insurance	Workers' Compensation
Operating income (loss)	\$ 21,002	\$ (315,220)	\$ 936,981
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation, depletion and amortization	471,403	-	-
(Increase) decrease in operating assets:			
Receivables	(123,614)	5,599	-
Due from other funds	(322,009)	(3,000,000)	(3,000,000)
Inventories	96,622	-	-
Increase (decrease) in operating liabilities:			
Accounts payable	42,781	16,234	(1,643)
Due to other funds	4,542	1,070	4
Due to other governments	-	-	-
Accrued liabilities	19,739	-	-
Accrued wages	(1,914)	-	-
Accrued vacation and leave	104,449	-	-
Estimated liability for unpaid claims	-	17,472	(1,440,477)
Net cash provided by (used for) operating activities	<u>\$ 313,001</u>	<u>\$ (3,274,845)</u>	<u>\$ (3,505,135)</u>

City of Akron, Ohio
Combining Statement of Cash Flows-Internal Service Funds
For the Year Ended December 31, 2010
(continued)

Self - Insurance Settlement	Storeroom	Telephone System	Engineering Bureau	Management Information Systems	Total
\$ 68,521	\$ (170,414)	\$ 322,212	\$ (442,145)	\$ (145,822)	\$ 275,115
-	1,051	52,083	10,822	108,204	643,563
-	-	-	-	-	(118,015)
-	(97,458)	(1,232,503)	147,454	83,131	(7,421,385)
-	(8,130)	-	-	-	88,492
(339)	(23,590)	(93,623)	1,734	(19,954)	(78,400)
-	(586)	-	27,006	9,129	41,165
116	-	-	-	-	116
-	10,870	-	(188,148)	(243,284)	(400,823)
-	(338)	-	(17,470)	(1,430)	(21,152)
-	(10,299)	-	112,330	26,664	233,144
(67,824)	-	-	-	-	(1,490,829)
\$ 474	\$ (298,894)	\$ (951,831)	\$ (348,417)	\$ (183,362)	\$ (8,249,009)

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FIDUCIARY FUNDS

Private Purpose Trust Funds - are used to account for other trust arrangements which benefit individuals, private organizations, or other governments. The City has the following Private Purpose Trust Funds:

Claire Merrix Trust
Holocaust Memorial Trust
Police/Fire Beneficiary Trust

Municipal Court Agency Fund - is used to account for assets held by the Municipal Court Clerk for individuals, private organizations, and other governments.

Police Property Monetary Evidence Fund - is used to account for funds held by the Police Department that will be returned to other agencies.

City of Akron, Ohio

Combining Statement of Fiduciary Net Assets
Private Purpose Trust Funds

December 31, 2010

	Claire Merrix Trust	Holocaust Memorial Trust	Police/Fire Beneficiary Trust	Total
Assets				
Cash and investments	\$ 810	\$ 1,799	\$ 3,560	\$ 6,169
Total assets	810	1,799	3,560	6,169
Total liabilities	-	-	-	-
Net assets	\$ 810	\$ 1,799	\$ 3,560	\$ 6,169

City of Akron, Ohio

Combining Statement of Fiduciary Net Assets
Agency Funds

December 31, 2010

	Municipal Court	Police Property Monetary Evidence	Total
Assets			
Cash and investments	\$ 786,954	\$ 15,000	\$ 801,954
Total assets	<u>786,954</u>	<u>15,000</u>	<u>801,954</u>
Liabilities			
Due to other governments	786,954	-	786,954
Due to others	-	15,000	15,000
Total liabilities	<u>786,954</u>	<u>15,000</u>	<u>801,954</u>
Net assets	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

City of Akron, Ohio

Combining Statement of Changes in Fiduciary Net Assets
Private Purpose Trust Funds

For the Year Ended December 31, 2010

	Claire Merrix Trust	Holocaust Memorial Trust	Police/Fire Beneficiary Trust	Total
Additions				
Contributions	\$ -	\$ 10,373	\$ 500	\$ 10,873
	-	10,373	500	10,873
Deductions				
Education and awareness	-	12,435	840	13,275
	-	12,435	840	13,275
Deficiency of revenues over expenditures	-	(2,062)	(340)	(2,402)
Net assets, January 1, 2010	810	3,861	3,900	8,571
Net assets, December 31, 2010	\$ 810	\$ 1,799	\$ 3,560	\$ 6,169

City of Akron, Ohio

Combining Statement of Changes in Assets and Liabilities
Agency Funds

For the Year Ended December 31, 2010

	Balance January 1, 2010	Additions	Deductions	Balance December 31, 2010
Municipal Court				
Assets				
Cash	\$ 752,600	\$ 34,354	\$ -	\$ 786,954
Liabilities				
Due to other governments	\$ 752,600	\$ 34,354	\$ -	\$ 786,954
Police Property Monetary Evidence				
Assets				
Cash	\$ 15,000	\$ -	\$ -	\$ 15,000
Liabilities				
Due to others	\$ 15,000	\$ -	\$ -	\$ 15,000
Total All Agency Funds				
Assets				
Cash	\$ 767,600	\$ 34,354	\$ -	\$ 801,954
	\$ 767,600	\$ 34,354	\$ -	\$ 801,954
Liabilities				
Due to other governments	\$ 752,600	\$ 34,354	\$ -	\$ 786,954
Due to others	15,000	-	-	15,000
	\$ 767,600	\$ 34,354	\$ -	\$ 801,954

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Statistical Section

This part of the City of Akron's (City) comprehensive annual financial report presents detailed historical 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.	181
Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue sources which are income tax and property tax.	188
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.	193
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within the City.	200
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.	202

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

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City of Akron, Ohio
 Net Assets by Component
 Last Ten Fiscal Years
(accrual basis of accounting)

Schedule 1

	2001	2002	2003	2004	2005
Governmental Activities					
Invested in Capital Assets, Net of Related Debt Restricted	\$ 330,404,704	\$ 322,483,517	\$ 342,937,788	\$ 347,553,024	\$ 354,911,430
Unrestricted	37,540,147	39,710,686	40,319,154	305,806,875	305,806,875
	(36,817,038)	(44,766,982)	(68,256,422)	(342,848,212)	(342,622,082)
Total Governmental Activities Net Assets	331,127,813	317,427,221	315,000,520	310,511,687	318,096,223
Business-Type Activities					
Invested in Capital Assets, Net of Related Debt Restricted	268,152,473	285,012,294	298,087,580	305,496,572	312,958,242
Unrestricted	8,037,590	8,017,156	9,237,606	8,890,371	8,890,371
	17,726,838	21,545,227	14,462,481	12,254,737	13,956,855
Total Business-Type Activities Net Assets	293,916,901	314,574,677	321,787,667	326,641,680	335,805,468
Primary Government					
Invested in Capital Assets, Net of Related Debt Restricted	598,557,177	607,495,811	641,025,368	653,049,596	667,869,672
Unrestricted	45,577,737	47,727,842	49,556,760	314,697,246	314,697,246
	(19,090,200)	(23,221,755)	(53,793,941)	(330,593,475)	(328,665,227)
Total Primary Government Net Assets	\$ 625,044,714	\$ 632,001,898	\$ 636,788,187	\$ 637,153,367	\$ 653,901,691
Governmental Activities					
Invested in Capital Assets, Net of Related Debt Restricted	\$ 343,894,860	\$ 350,900,710	\$ 352,615,832	\$ 325,085,939	\$ 320,611,400
Unrestricted	154,998,029	136,131,553	67,956,219	46,034,221	76,133,681
	(162,608,235)	(122,216,128)	(59,811,038)	(32,116,320)	(63,841,247)
Total Governmental Activities Net Assets	336,284,654	364,816,135	360,761,013	339,003,840	332,903,834
Business-Type Activities					
Invested in Capital Assets, Net of Related Debt Restricted	319,708,498	331,088,686	361,078,967	364,052,481	368,334,039
Unrestricted	9,762,791	9,603,496	14,242,721	11,601,001	11,955,748
	13,310,341	8,684,965	(6,359,846)	(534,594)	5,913,913
Total Business-Type Activities Net Assets	342,781,630	349,377,147	368,961,842	375,118,888	386,203,700
Primary Government					
Invested in Capital Assets, Net of Related Debt Restricted	663,603,358	681,989,396	713,694,799	689,138,420	688,945,439
Unrestricted	164,760,820	145,735,049	82,198,940	57,635,222	88,089,429
	(149,297,894)	(113,531,163)	(66,170,884)	(32,650,914)	(57,927,334)
Total Primary Government Net Assets	\$ 679,066,284	\$ 714,193,282	\$ 729,722,855	\$ 714,122,728	\$ 719,107,534

Source: City of Akron, Ohio Finance Department

City of Akron, Ohio
Changes in Net Assets
Last Ten Fiscal Years
(accrual basis of accounting)

Schedule 2

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Program Revenues										
Governmental Activities										
Charges for Services:										
General Government	\$ 13,063,377	\$ 9,724,962	\$ 10,538,403	\$ 10,199,944	\$ 8,768,534	\$ 10,203,648	\$ 11,187,070	\$ 10,125,125	\$ 9,480,148	\$ 13,878,801
Public Service	15,521,690	12,758,526	12,047,537	13,685,910	24,515,742	1,221,943	28,739,656	25,837,733	23,701,124	33,856,324
Public Safety	1,856,550	1,530,128	2,088,567	4,661,113	1,079,551	634,517	1,499,758	1,178,463	916,609	1,286,320
Community Environment	223,243	109,080	195,500	276,244	64,412	27,488,539	13,466	12,583	19,165	13,934
Public Health	2,506,311	4,051,080	5,459,085	3,302,809	583,033	27,244	674,598	559,903	575,124	623,919
Recreation and Parks	557,324	570,920	660,897	600,501	339,674	387,161	363,552	313,784	331,715	414,527
Operating Grants and Contributions	18,173,638	16,280,190	18,489,411	18,798,602	20,085,504	20,085,504	21,939,297	23,163,116	21,601,120	38,518,668
Capital Grants and Contributions	24,937,475	24,865,553	28,011,341	26,959,413	19,497,224	22,023,997	24,822,927	22,905,722	26,257,174	38,467,858
Total Governmental Activities Program Revenues	76,839,608	69,891,162	77,510,741	78,484,536	75,584,799	82,072,553	89,240,324	84,096,429	82,882,179	127,060,351
Business-Type Activities										
Charges for Services:										
Water	32,222,070	33,641,151	26,531,458	33,897,438	32,677,553	34,203,720	33,313,008	32,650,800	32,702,521	34,365,128
Sewer	32,297,145	35,249,456	32,592,485	34,489,974	36,365,900	35,658,036	36,113,694	35,355,134	35,817,311	44,879,526
Oil & Gas	11,168	4,126	3,938	-	-	1,136	18,544	-	269,720	371,137
Parking Facilities	4,139,961	4,252,628	4,187,879	4,109,336	4,921,793	4,921,561	4,982,704	4,995,719	4,684,648	4,798,580
Golf Course	815,239	792,900	866,188	889,957	878,878	903,859	891,709	864,188	885,577	926,633
Airport	143,747	156,507	144,498	180,169	193,369	162,557	143,520	188,253	149,172	65,186
Capital Grants and Contributions	17,586,440	8,379,210	15,866,870	11,952,537	6,356,588	4,537,330	5,918,599	14,089,131	6,601,474	5,838,213
Total Business-Type Activities Program Revenues	87,215,770	82,475,978	80,193,316	85,519,411	81,394,081	80,388,199	81,381,778	88,143,225	81,110,423	91,244,403
Total Primary Government Program Revenues	\$ 164,055,378	\$ 152,367,140	\$ 157,704,057	\$ 164,003,947	\$ 156,978,880	\$ 162,460,752	\$ 170,622,102	\$ 172,239,654	\$ 163,992,602	\$ 218,304,754
Expenses										
Governmental Activities										
General Government	\$ 38,768,317	\$ 35,442,919	\$ 41,985,779	\$ 33,154,330	\$ 53,063,391	\$ 38,206,653	\$ 40,750,017	\$ 38,873,128	\$ 43,879,396	\$ 57,324,570
Public Service	55,687,143	55,103,262	56,239,734	57,321,381	54,923,173	64,832,236	63,895,682	73,262,623	80,172,670	104,776,341
Public Safety	93,139,875	102,587,713	101,498,621	106,914,744	104,848,506	109,812,346	114,350,511	117,038,957	123,812,322	112,983,694
Community Environment	16,738,817	15,284,636	17,365,752	25,985,445	21,514,112	94,412,587	50,882,056	42,181,020	35,724,084	34,804,208
Public Health	14,907,272	16,170,030	17,534,327	16,556,343	15,832,640	17,204,170	17,588,811	16,288,130	16,833,245	16,584,773
Recreation and Parks	4,859,938	5,370,393	4,895,539	5,035,419	7,603,460	2,552,319	5,800,662	5,621,234	6,270,738	5,704,548
Interest	14,205,615	15,452,328	17,723,691	27,403,295	27,077,616	26,808,875	27,325,682	28,172,429	24,194,932	27,012,002
Unallocated Depreciation	8,330,330	8,987,929	9,607,943	10,476,870	11,389,516	12,069,428	12,818,481	13,654,482	14,158,196	14,740,666
Total Governmental Activities Expenses	246,637,307	254,599,210	266,851,386	282,847,827	296,252,414	365,898,614	333,391,902	335,092,003	345,045,583	373,930,802
Business-Type Activities										
Water	30,038,479	30,783,062	35,835,251	37,959,261	30,733,296	33,312,219	33,459,745	29,839,906	33,622,159	34,399,758
Sewer	30,546,848	34,227,439	32,068,358	37,797,875	37,224,648	33,322,391	35,287,533	35,843,446	34,847,213	39,299,082
Oil & Gas	322,762	289,546	224,349	286,140	284,733	179,995	204,153	933,312	123,292	479,640
Parking Facilities	4,222,739	4,297,816	5,126,582	5,637,623	5,966,776	5,702,299	1,317,386	4,431,405	6,797,185	7,248,743
Golf Course	859,773	908,845	1,302,587	1,366,476	1,353,376	1,347,611	786,711	1,327,158	1,327,158	1,270,474
Airport	619,396	696,180	576,004	712,909	764,876	679,883	5,974,113	985,551	695,864	686,012
Total Business-Type Activities Expenses	66,609,997	71,202,888	75,133,131	83,760,284	76,355,948	74,550,163	77,029,641	73,381,055	77,412,871	83,383,709
Total Primary Government Expenses	\$ 313,247,304	\$ 325,802,098	\$ 341,984,517	\$ 366,608,111	\$ 372,608,362	\$ 440,448,777	\$ 410,421,543	\$ 408,473,058	\$ 422,458,454	\$ 457,314,511

City of Akron, Ohio
Changes in Net Assets
Last Ten Fiscal Years
(accrual basis of accounting)
(continued)

Schedule 2

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Net (Expense)/Revenue										
Governmental Activities	\$ (169,797,699)	\$ (184,708,048)	\$ (189,340,645)	\$ (204,363,291)	\$ (220,667,615)	\$ (283,826,061)	\$ (244,151,578)	\$ (250,995,574)	\$ (262,163,404)	\$ (246,870,451)
Business-Type Activities	20,605,773	11,273,090	5,060,185	1,759,127	5,038,133	5,838,036	4,352,137	14,762,170	3,697,552	7,860,694
Total Primary Government Net Expense	\$ (149,191,926)	\$ (173,434,958)	\$ (184,280,460)	\$ (202,604,164)	\$ (215,629,482)	\$ (277,988,025)	\$ (239,799,441)	\$ (236,233,404)	\$ (258,465,852)	\$ (239,009,757)
General Revenue and Other Changes in Net Assets										
Governmental Activities:										
Taxes:										
Income Taxes	\$ 97,365,573	\$ 97,066,959	\$ 101,802,168	\$ 114,352,078	\$ 126,766,520	\$ 121,875,043	\$ 144,647,307	\$ 130,610,516	\$ 120,914,118	\$ 119,257,796
Property Taxes	26,511,099	31,443,342	30,374,275	28,193,761	27,850,829	37,242,477	30,154,104	33,326,060	28,160,321	29,013,731
JEDD Revenues	14,772,847	13,945,913	12,084,490	13,607,119	13,946,982	16,550,254	16,551,588	17,831,880	15,603,044	15,190,788
Investment Earnings	3,835,238	1,625,475	1,032,073	2,620,285	6,195,543	6,546,494	4,820,973	3,557,435	2,411,286	534,263
Unrestricted Shared Revenues	29,654,718	27,289,295	31,105,413	32,235,453	45,169,402	106,744,240	65,033,815	51,291,763	60,374,803	57,043,369
Miscellaneous	8,540,740	7,112,663	11,109,869	9,186,760	7,662,219	12,787,733	10,899,487	9,964,899	13,832,819	20,122,026
Gain (loss) on Sale of Capital Assets	(239,961)	884,970	-	(107,274)	1,659,116	-	223,635	-	-	1,539
Transfers	791,379	(8,361,161)	(594,344)	(213,724)	(998,460)	268,251	352,150	357,899	(890,160)	(393,067)
Total Governmental Activities	\$ 174,981,633	\$ 171,007,456	\$ 186,913,944	\$ 199,874,458	\$ 228,252,151	\$ 302,014,492	\$ 272,683,059	\$ 246,940,452	\$ 240,406,231	\$ 240,770,445
Business-Type Activities:										
Investment Earnings	\$ 379,423	\$ 153,364	\$ 93,242	\$ 108,993	\$ 280,566	\$ 460,615	\$ 504,738	\$ 204,914	\$ 11,377	\$ 6,945
Miscellaneous	818,560	875,069	1,409,184	2,767,615	2,833,804	945,762	2,090,792	4,975,510	1,557,957	2,824,106
Gain (loss) on Sale of Capital Assets	(14,468)	(4,908)	56,035	4,554	12,825	-	-	-	-	-
Transfers	(791,379)	8,361,161	594,344	213,724	998,460	(268,251)	(352,150)	(357,899)	890,160	393,067
Total Business-Type Activities	\$ 392,136	\$ 9,384,686	\$ 2,152,805	\$ 3,094,886	\$ 4,125,655	\$ 1,138,126	\$ 2,243,380	\$ 4,822,525	\$ 2,459,494	\$ 3,224,118
Total Primary Government	\$ 175,373,769	\$ 180,392,142	\$ 189,066,749	\$ 202,969,344	\$ 232,377,806	\$ 303,152,618	\$ 274,926,439	\$ 251,762,977	\$ 242,865,725	\$ 243,994,563
Change in Net Assets										
Governmental Activities	\$ 5,183,934	\$ (13,700,592)	\$ (2,426,701)	\$ (4,488,833)	\$ 7,584,536	\$ 18,188,431	\$ 28,531,481	\$ (4,055,122)	\$ (21,757,173)	\$ (6,100,006)
Business-Type Activities	20,997,909	20,657,776	7,212,990	4,854,013	9,163,788	6,976,162	6,595,517	19,584,695	6,157,046	11,084,812
Total Primary Government Change in Net Assets	\$ 26,181,843	\$ 6,957,184	\$ 4,786,289	\$ 365,180	\$ 16,748,324	\$ 25,164,593	\$ 35,126,998	\$ 15,529,573	\$ (15,600,127)	\$ 4,984,806

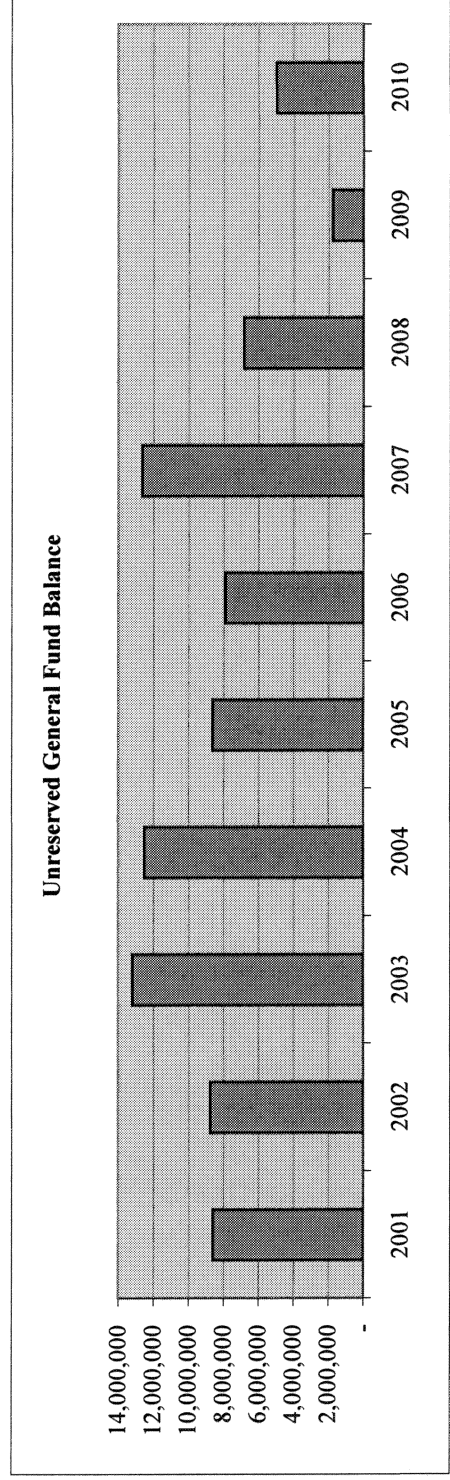
Source: City of Akron, Ohio Finance Department

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City of Akron, Ohio
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

Schedule 3

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
General Fund										
Reserved	\$ 2,320,635	\$ 3,053,854	\$ 1,233,303	\$ 1,680,684	\$ 2,403,155	\$ 2,014,480	\$ 963,366	\$ 2,386,705	\$ 2,177,149	\$ 1,122,215
Unreserved	8,596,094	8,753,973	13,198,625	12,516,302	8,608,934	7,885,122	12,649,039	6,827,641	1,768,399	4,967,367
Total General Fund	10,916,729	11,807,827	14,431,928	14,196,986	11,012,089	9,899,602	13,612,405	9,214,346	3,945,548	6,089,582
All Other Governmental Funds										
Reserved	41,873,934	53,376,063	41,592,028	35,591,716	35,336,754	32,654,441	34,820,649	36,305,482	41,808,901	42,689,767
Unreserved, Reported in:										
Special Revenue funds	26,756,707	28,104,809	23,238,226	148,315,752	155,814,840	105,278,827	98,975,199	92,806,560	86,496,275	79,439,815
Debt Service funds	12,793,227	15,386,870	14,290,672	89,894,236	84,744,936	128,340,399	107,977,695	81,470,862	21,195,871	42,601,924
Capital Projects funds	(36,831,939)	(54,266,570)	(53,474,079)	(65,862,884)	(35,950,447)	(38,860,992)	(30,530,366)	(58,810,627)	(62,640,775)	(30,112,902)
Total All Other Governmental Funds	44,591,929	42,601,172	25,646,847	207,938,820	239,946,083	227,412,675	211,243,177	151,772,277	86,860,272	134,618,604
Total Governmental Funds	\$ 55,508,658	\$ 54,408,999	\$ 40,078,775	\$ 222,135,806	\$ 250,958,172	\$ 237,312,277	\$ 224,855,582	\$ 160,986,623	\$ 90,805,820	\$ 140,708,186



Source: City of Akron, Ohio Finance Department

City of Akron, Ohio
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

Schedule 4

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Revenues										
Income Taxes	\$ 95,960,631	\$ 97,066,581	\$ 100,774,470	\$ 112,668,881	\$ 124,572,314	\$ 127,928,669	\$ 142,933,003	\$ 133,917,849	\$ 120,606,323	\$ 119,438,082
Property Taxes	26,511,099	31,443,342	30,374,275	28,193,761	27,896,871	32,427,784	29,786,617	34,008,937	27,917,658	28,070,162
JEDD Revenues	14,682,526	13,780,721	12,532,059	13,332,783	14,057,613	16,861,380	17,829,829	16,020,928	15,476,781	15,462,316
Special Assessments	14,919,707	11,783,730	12,786,836	13,924,427	13,236,631	12,754,375	13,778,724	14,412,033	15,567,437	14,675,422
Grants and Subsidies:										
Community Development	9,553,122	10,953,866	11,589,020	14,274,362	12,861,997	11,605,228	12,478,212	11,604,598	6,006,871	11,853,749
Other	18,668,284	18,208,147	22,567,077	17,559,226	13,843,621	17,604,596	20,183,088	19,177,807	21,556,728	45,241,004
Investment Earnings	4,050,994	1,933,869	1,384,938	2,921,080	7,267,257	7,389,680	5,234,435	2,383,263	2,709,994	821,213
Shared Revenues	30,606,210	26,812,007	33,095,237	32,461,563	46,266,621	105,766,818	65,507,619	52,410,270	60,312,501	56,132,211
Licenses, Fees and Fines	8,832,984	8,591,874	8,473,148	8,358,074	10,642,221	9,623,800	10,142,722	9,901,876	7,456,839	8,422,362
Charges for Services	21,896,781	20,130,987	21,913,831	23,544,847	24,283,315	28,670,461	28,800,007	27,410,285	29,564,397	24,678,776
Miscellaneous	8,701,161	8,730,850	11,904,151	11,503,832	10,681,121	12,655,993	12,752,168	11,104,742	15,331,816	20,073,582
Total Revenues	\$254,383,499	\$249,435,974	\$267,395,042	\$278,742,836	\$305,609,582	\$383,288,784	\$359,426,424	\$332,352,588	\$322,507,345	\$344,868,879
Expenditures										
Current:										
General Government	32,930,527	\$ 30,884,220	\$ 34,653,886	\$ 33,314,886	\$ 38,532,903	\$ 41,985,087	\$ 40,124,206	\$ 36,852,582	\$ 40,365,547	\$ 39,428,651
Public Service	49,245,754	63,233,069	75,365,244	69,852,895	87,267,701	106,364,245	103,565,149	116,321,398	103,175,779	112,534,126
Public Safety	95,298,619	99,840,890	96,926,410	102,644,931	104,460,027	108,252,675	110,120,643	117,083,540	110,995,872	110,080,622
Community Environment	15,130,825	14,283,130	14,248,628	28,624,126	23,995,474	112,504,139	81,741,762	66,515,907	70,119,083	67,764,332
Public Health	14,860,177	15,579,230	17,088,441	16,249,087	15,753,502	16,571,533	16,916,380	15,932,988	16,670,607	16,808,854
Recreation and Parks	4,892,662	5,523,417	4,907,828	4,746,079	7,580,781	2,420,510	5,567,820	5,615,714	6,281,860	5,448,715
Capital Outlay	57,248,672	43,234,027	41,238,897	16,986,611	192,958	3,022,789	220,829	1,433,944	192,751	34,536
Debt service:										
Principal Retirement	19,164,096	21,823,043	22,808,733	29,645,607	33,847,273	24,356,115	29,352,928	30,849,415	32,699,777	55,294,176
Interest	14,177,895	15,791,971	17,116,598	26,951,543	19,064,159	27,795,926	28,311,670	28,876,343	25,125,146	27,824,674
Bond Issuance Expenditures	571,774	734,940	453,922	1,441,316	2,215,424	413,476	1,096,121	-	306,768	2,331,621
Total Expenditures	\$303,521,001	\$310,927,937	\$324,808,587	\$330,457,081	\$332,910,202	\$443,686,495	\$417,017,508	\$419,481,831	\$405,933,190	\$437,550,307
Excess of Revenues Under Expenditures	\$ (49,137,502)	\$ (61,491,963)	\$ (57,413,545)	\$ (51,714,245)	\$ (27,300,620)	\$ (60,397,711)	\$ (57,591,084)	\$ (87,129,243)	\$ (83,425,845)	\$ (92,681,428)

City of Akron, Ohio
 Changes in Fund Balances, Governmental Funds
 Last Ten Fiscal Years
 (modified accrual basis of accounting)
 (continued)

Schedule 4

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Other Financing Sources (Uses)										
Issuance of General Obligation Bond	\$ 23,714,000	\$ 61,285,000	\$ 41,000,540	\$ 219,049,460	\$ 52,735,419	\$ 43,250,000	\$ 39,759,106	\$ 20,150,000	\$ 12,884,092	\$ 127,285,840
Issuance of General Obligation Notes	6,494,940	3,428,300	1,871,200	3,418,530	1,115,300	2,072,575	1,831,645	-	-	-
Issuance of Special Assessment Notes	-	-	-	-	-	-	-	2,752,385	-	-
Issuance of Loans	-	-	-	-	-	-	2,285,818	-	574,903	239,569
Issuance of COP's	-	-	-	-	-	-	1,470,894	-	-	13,200,000
Proceeds of Refunding Bonds	28,185,000	-	-	-	-	-	-	-	-	-
Proceeds of Refunding Bonds Premium	1,591,482	-	-	-	-	-	-	-	-	-
Loan Proceeds	-	-	-	3,041,694	-	1,241,581	-	-	-	-
Premium on G.O. Debt	-	1,824,130	1,011,980	8,475,316	7,289,095	456,909	419,776	-	676,207	2,601,452
Proceeds of Refund Obligations	-	-	-	-	95,235,000	-	-	-	-	-
Payment for Refunding Obligations	-	-	-	-	(96,873,368)	-	-	-	-	-
Advance Refunding Escrow	(28,737,105)	-	-	-	-	-	-	-	-	-
Special Item - Loss on Debt Forgiveness	(6,250,000)	-	-	-	-	-	-	-	-	-
Issuance of Capital Lease	-	-	-	-	-	9,050,203	-	-	-	-
Lease - Financed Capital Assets	-	-	-	-	-	(9,050,203)	-	-	-	-
Transfers-in	38,409,368	54,033,835	2,806,868	5,756,980	16,040,091	3,231,801	5,329,997	3,580,999	31,868,200	43,172,287
Transfers-out	(35,463,472)	(60,178,961)	(3,607,267)	(5,970,704)	(19,418,551)	(3,501,050)	(5,962,847)	(3,223,100)	(32,758,360)	(43,915,354)
Total Other Financing Sources (Uses)	\$ 27,944,213	\$ 60,392,304	\$ 43,083,321	\$ 233,771,276	\$ 56,122,986	\$ 46,751,816	\$ 45,134,389	\$ 23,260,284	\$ 13,245,042	\$ 142,583,794
Net Change in Fund Balance	\$ (21,193,289)	\$ (1,099,659)	\$ (14,330,224)	\$ 182,057,031	\$ 28,822,366	\$ (13,645,895)	\$ (12,456,695)	\$ (63,868,959)	\$ (70,180,803)	\$ 49,902,366
Debt Service as a Percentage of Noncapital Expenditures	13.56%	15.07%	15.59%	19.95%	18.77%	14.54%	17.42%	17.74%	17.37%	23.54%

Source: City of Akron, Ohio Finance Department

Schedule 5

City of Akron, Ohio
 Assessed Value and Estimated Actual Value of Taxable Property
 Last Ten Fiscal Years
 (in thousands of dollars)

Tax Collection Year	Real Property		Personal Property		Public Utilities		Total		Percent of Total Assessed Value to Total Estimated Actual Value	
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Total Direct Rate	Actual Value
2002	\$2,368,179	\$6,766,226	\$438,484	\$1,753,936	\$122,332	\$139,013	\$2,928,995	\$8,659,176	9.09	33.83 %
2003	2,743,691	7,839,117	391,104	1,564,416	126,710	506,100	3,261,505	9,909,633	9.09	32.91
2004	2,725,682	7,787,663	323,378	1,293,512	126,329	504,569	3,175,389	9,585,744	9.09	33.13
2005	2,751,773	7,862,209	321,452	1,285,808	128,371	512,763	3,201,596	9,660,780	10.30	33.14
2006	3,004,852	8,585,291	234,182	936,728	116,085	463,549	3,355,119	9,985,568	10.30	33.60
2007	3,006,951	8,591,289	160,595	642,380	112,615	450,190	3,280,161	9,683,859	10.30	33.87
2008	2,991,842	8,548,120	80,493	321,972	97,027	387,821	3,169,362	9,257,913	10.30	34.23
2009	2,921,073	8,345,923	-	-	96,579	386,009	3,017,652	8,731,932	10.30	34.56
2010	2,911,817	8,319,477	-	-	93,107	274,050	3,004,924	8,593,527	10.30	34.97
2011	2,928,343	8,366,694	-	-	88,008	251,451	3,016,351	8,618,145	10.30	35.00

Source: City of Akron, Ohio Finance Department

Note: For real property, the estimated actual value is derived by dividing the assessed value by 35%; for personal property, divide the assessed value by 25%. The assessed value estimated actual value for public utilities is the combination of two figures.

City of Akron, Ohio
 Direct and Overlapping Property Tax Rates
 Last Ten Fiscal Years
(rate per \$1,000 of assessed value)

Tax Collection Year	City Direct Rates						Overlapping Rates			
	Operating	Police Pension	Fire Pension	Debt Retirement	Total Direct Rate	Akron City School District	Summit County	Akron Metro Parks		
2002	8.15	0.30	0.30	0.34	9.09	63.76	13.57	0.85		
2003	8.15	0.30	0.30	0.34	9.09	63.76	13.81	0.85		
2004	8.15	0.30	0.30	0.34	9.09	63.76	13.00	0.85		
2005	9.15	0.30	0.30	0.55	10.30	63.76	14.36	0.85		
2006	9.28	0.30	0.30	0.42	10.30	63.76	14.26	0.85		
2007	9.28	0.30	0.30	0.42	10.30	71.66	15.14	1.46		
2008	9.28	0.30	0.30	0.42	10.30	71.66	14.87	1.46		
2009	9.28	0.30	0.30	0.42	10.30	71.66	14.78	1.46		
2010	9.28	0.30	0.30	0.42	10.30	71.66	14.80	1.46		
2011	9.28	0.30	0.30	0.42	10.30	71.66	14.80	1.46		

Source: City of Akron, Ohio Finance Department

City of Akron, Ohio
Principal Property Tax Payers
12/31/2010 and 12/31/2001
(in thousands of dollars)

	December 31, 2010		December 31, 2001	
Taxpayer	Taxable Assessed Value	Percentage of Taxable Assessed Value	Taxable Assessed Value	Percentage of Taxable Assessed Value
First Energy	\$ 76,713	2.54 %	\$ 121,481	4.15 %
University of Akron	17,085	0.57	41,864	1.43
Albrecht Incorporated	14,044	0.47	36,951	1.26
Children's Hospital Medical Center	12,530	0.42	25,590	0.87
Bernard D. Busson	12,387	0.41	25,066	0.86
American Transmission	11,380	0.38	18,553	0.63
Dominion East Ohio Gas	9,798	0.32	16,958	0.58
HCRI Akron Properties, LLC	7,175	0.24	14,687	0.50
Akron Management Corp	6,393	0.21	11,844	0.40
Plaza Chapel Hill Co.	5,757	0.19	9,962	0.34
	<u>\$ 173,262</u>	<u>5.75 %</u>	<u>\$ 322,956</u>	<u>11.02 %</u>

Source: City of Akron, Ohio Finance Department

City of Akron, Ohio
 Property Tax Levies and Collections
 Last Ten Fiscal Years

Fiscal Year Ending 12/31	Tax Levied For The Fiscal Year	Collected within the Fiscal Year of the Levy		Delinquent Tax Collections	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2001	22,651,092	21,172,023	93.5	1,048,160	22,220,183	98.1
2002	22,638,225	21,266,447	93.9	1,205,346	22,471,793	99.3
2003	26,092,082	23,970,195	91.9	1,423,773	25,393,968	97.3
2004	25,924,487	24,300,721	93.7	1,565,564	25,866,285	99.8
2005	29,665,733	27,657,423	93.2	1,528,312	29,185,735	98.4
2006	32,145,893	29,413,676	91.5	1,829,441	31,243,117	97.2
2007	32,131,608	29,150,861	90.7	1,590,480	30,741,341	95.7
2008	31,706,811	29,288,188	92.4	1,930,460	31,218,648	98.5
2009	30,939,477	28,423,391	91.9	1,653,009	30,099,260	97.3
2010	30,874,452	28,383,628	91.9	1,701,324	30,084,952	97.4

Source: City of Akron, Ohio Finance Department

City of Akron, Ohio
 Income Tax Collections by Annual Collection Amount (Withholding and Direct Accounts)
 Fiscal Years 2009 and 2010

Fiscal Year 2009				
Collection Level	Number of Accounts	Percentage of Total	Total Income Tax Collections	Percentage of Total
\$1,000 and under	30,236	83.29 %	\$ 5,496,214	4.55 %
\$1,001 - \$2,500	2,752	7.58	4,343,742	3.59
\$2,501 - \$5,000	1,304	3.59	4,629,675	3.83
\$5,001 - \$10,000	834	2.30	5,857,611	4.84
\$10,001 - \$50,000	902	2.48	18,813,427	15.55
\$50,001 - \$100,000	138	0.38	9,675,908	8.00
\$100,001 - \$250,000	89	0.25	12,933,972	10.69
\$250,001 - \$1,000,000	33	0.09	14,107,408	11.66
Over \$1,000,001	14	0.04	45,109,763	37.29
	36,302	100.00 %	120,967,720	100.00 %
Fiscal Year 2010				
Collection Level	Number of Accounts	Percentage of Total	Total Income Tax Collections	Percentage of Total
\$1,000 and under	29,061	83.02 %	\$ 5,234,809	4.36 %
\$1,001 - \$2,500	2,709	7.74	4,280,669	3.56
\$2,501 - \$5,000	1,248	3.57	4,392,500	3.66
\$5,001 - \$10,000	820	2.34	5,791,188	4.82
\$10,001 - \$50,000	902	2.58	19,103,556	15.90
\$50,001 - \$100,000	118	0.34	8,147,247	6.78
\$100,001 - \$250,000	95	0.27	13,502,277	11.24
\$250,001 - \$1,000,000	35	0.10	14,492,491	12.06
Over \$1,000,001	14	0.04	45,176,414	37.61
	35,002	100.00 %	\$ 120,121,151	100.00 %

Source: City of Akron, Ohio Finance Department

Note: Due to confidentiality issues, the names of the ten largest revenue payers are not available. The categories presented are intended to provide alternative information regarding the sources of the City's revenue.

City of Akron, Ohio
Ratios of Outstanding Debt and Capital Leases by Type
Last Ten Fiscal Years

Schedule 10

Fiscal Year	Governmental Activities										Internal Service General Obligation
	General Obligation	OPWC Loan	Ohio Depart. of Development Loans	Non-Tax Revenue	Income Tax Revenue	Special Revenue	Special Assessment	Capital Leases	SIB Loans	Percentage of Personal Income ^a	
2001	\$ 152,905,041	\$ 5,475,764	\$ 565,793	\$ 31,585,000	\$ 9,450,000	\$ 27,285,000	\$ 11,796,009	\$ 25,923,095	\$ -	11.39 %	\$ 8,593,232
2002	173,398,605	5,201,518	517,467	30,350,000	9,185,000	51,945,000	11,473,873	24,809,589	-	12.27	6,343,299
2003	198,325,413	5,797,627	978,212	29,065,000	8,910,000	50,260,000	11,924,332	23,666,965	-	12.73	4,032,034
2004	184,235,042	5,336,703	1,416,362	27,725,000	220,625,000	48,325,000	15,807,918	23,378,407	7,758,500	18.31	2,739,522
2005	194,652,842	8,232,378	1,363,491	26,325,000	217,585,000	46,315,000	15,582,562	59,023,039	9,955,500	20.10	233,610
2006	207,077,924	9,931,118	1,309,013	44,360,000	214,130,000	44,240,000	14,586,695	69,784,688	9,955,500	20.13	201,629
2007	215,894,886	10,361,148	1,252,877	42,330,000	210,160,000	42,090,000	13,506,503	84,418,159	9,358,258	19.48	168,214
2008	202,790,378	12,290,973	1,140,066	60,350,000	205,660,000	39,855,000	11,185,513	79,186,932	7,253,784	18.82	133,129
2009	202,648,923	11,654,067	995,219	58,145,000	200,655,000	37,535,000	8,780,422	75,051,348	6,756,297	N/A	123,488
2010	248,558,640	10,750,755	845,086	55,795,000	240,105,000	35,115,000	8,382,097	68,759,067	5,782,826	N/A	-

Business-Type Activities

Fiscal Year	General Obligation	Mortgage Revenue		Revenue	OWDA	OPWC	Capital Leases		Total Government	Per Capita ^a	Percentage of Personal Income ^a
		Revenue	Revenue				Leases	Leases			
2001	\$ 5,528,796	\$ 57,095,000	\$ 47,840,000	\$ 47,615,793	\$ 3,545,533	\$ -	2,005	\$ 435,204,056	2,005	11.39 %	
2002	4,661,456	53,830,000	45,690,000	47,009,590	3,376,903	893,688	2,159	468,685,988	2,159	12.27	
2003	3,763,196	59,045,000	43,465,000	43,091,983	3,229,272	711,163	2,240	486,265,197	2,240	12.73	
2004	2,856,881	54,035,000	41,135,000	60,518,215	3,059,266	510,157	3,222	699,461,973	3,222	18.31	
2005	1,339,672	49,205,000	42,485,000	56,302,243	3,141,885	309,151	3,372	732,051,373	3,372	19.17	
2006	922,222	57,565,000	39,665,000	50,996,798	2,852,601	180,539	3,537	767,758,727	3,537	20.10	
2007	800,792	51,845,000	37,380,000	46,142,221	2,651,087	515,964	3,542	768,875,109	3,542	20.13	
2008	673,927	45,845,000	34,425,000	40,586,608	2,449,574	330,456	3,428	744,156,340	3,428	19.48	
2009	638,680	47,375,000	30,910,000	34,769,136	2,348,817	426,430	3,311	718,812,827	3,311	18.82	
2010	632,925	43,925,000	27,260,000	34,216,816	2,147,303	515,999	3,931	782,791,514	3,931	N/A	

Source: City of Akron, Finance Department

^a See Schedule 16 for population and personal income data.

City of Akron, Ohio
 Legal Debt Margin Information
 Unvoted Debt Limit (5 1/2%)
 Last Ten Fiscal Years

Schedule 11

	2001	2002	2003	2004	2005
Debt limit	\$ 161,094,725	\$ 179,382,775	\$ 174,646,395	\$ 176,087,780	\$ 184,531,545
Total net debt applicable to limit	<u>96,745,413</u>	<u>104,342,094</u>	<u>127,795,447</u>	<u>148,161,046</u>	<u>134,204,723</u>
Legal debt margin	<u>\$ 64,349,312</u>	<u>\$ 75,040,681</u>	<u>\$ 46,850,948</u>	<u>\$ 27,926,734</u>	<u>\$ 50,326,822</u>
Total net debt applicable to limit as a percentage of debt limit	60.05%	58.17%	73.17%	84.14%	72.73%
Total unvoted net debt as a percentage of total assessed value of all property	3.30%	3.20%	4.00%	4.60%	3.90%
	2006	2007	2008	2009	2010
Debt limit	\$ 180,408,855	\$ 174,314,910	\$ 165,970,886	\$ 165,270,819	\$ 165,899,335
Total net debt applicable to limit	<u>149,035,885</u>	<u>157,065,630</u>	<u>153,258,194</u>	<u>145,155,121</u>	<u>122,132,898</u>
Legal debt margin	<u>\$ 31,372,970</u>	<u>\$ 17,249,280</u>	<u>\$ 12,712,692</u>	<u>\$ 20,115,698</u>	<u>\$ 43,766,437</u>
Total net debt applicable to limit as a percentage of debt limit	82.61%	90.10%	92.34%	87.83%	73.62%
Total unvoted net debt as a percentage of total assessed value of all property	4.50%	4.95%	5.08%	4.83%	4.05%

Source: City of Akron, Ohio Finance Department

City of Akron, Ohio
 Legal Debt Margin Information
 Total Debt Limit (10 1/2%)
 Last Ten Fiscal Years

Schedule 12

	2001	2002	2003	2004	2005
Debt limit	\$ 307,544,475	\$ 342,458,025	\$ 333,415,845	\$ 336,167,580	\$ 352,287,495
Total net debt applicable to limit	<u>99,345,413</u>	<u>105,942,094</u>	<u>128,795,447</u>	<u>148,561,046</u>	<u>134,204,723</u>
Legal debt margin	<u>\$ 208,199,062</u>	<u>\$ 236,515,931</u>	<u>\$ 204,620,398</u>	<u>\$ 187,606,534</u>	<u>\$ 218,082,772</u>
Total net debt applicable to limit as a percentage of debt limit	32.30%	30.94%	38.63%	44.19%	38.10%
Total net debt as a percentage of total assessed value of all property	3.40%	3.20%	4.10%	4.60%	3.90%
	2006	2007	2008	2009	2010
Debt limit	\$ 344,416,905	\$ 332,783,010	\$ 316,853,509	\$ 315,517,018	\$ 316,716,912
Total net debt applicable to limit	<u>149,035,885</u>	<u>157,065,630</u>	<u>153,258,194</u>	<u>145,155,119</u>	<u>122,132,898</u>
Legal debt margin	<u>\$ 195,381,020</u>	<u>\$ 175,717,380</u>	<u>\$ 163,595,315</u>	<u>\$ 170,361,899</u>	<u>\$ 194,584,014</u>
Total net debt applicable to limit as a percentage of debt limit	43.27%	47.20%	48.37%	46.01%	38.56%
Total net debt as a percentage of total assessed value of all property	4.50%	4.95%	5.08%	4.83%	4.05%

Source: City of Akron, Ohio Finance Department

City of Akron, Ohio
 Computation of Direct and Overlapping Debt
 As of December 31, 2010

Political Subdivision	Amount of Debt	Percent Applicable to City	City's Share
Summit County	\$ 61,133,161	24.07 %	\$ 14,714,752
Copley-Fairlawn City School District	2,650,000	3.10	82,150
Revere Local School District	6,754,880	3.19	215,481
Akron Metro Regional Transit Authority	395,000	24.07	95,077
Woodridge Local School District	11,200,000	30.82	3,451,840
Summit County Library District	44,065,000	35.50	15,643,075
Overlapping debt			<u>\$ 34,202,374</u>
City direct debt	\$ 281,471,862 *	100.00	\$ 281,471,862
Total overlapping and direct debt			<u><u>\$ 315,674,237</u></u>

* Includes the following, all of which are secured by the City's ability to levy ad valorem property taxes:

General Obligation Bonds	\$ 257,573,662
General Obligation Notes	<u>23,898,200</u>
	<u><u>\$ 281,471,862</u></u>

Source: City of Akron, Ohio Finance Department

City of Akron, Ohio
 Ratios of General Bonded Debt Outstanding
 Last Ten Fiscal Years
(in thousands of dollars, except per capita amount)

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt		Total	Percentage of Estimated Actual Taxable		Per Capita ²
		Service Fund			Value ¹ of Property		
2001	\$ 178,233	\$ 3,906	\$ 174,327	2.01	\$ 803		
2002	195,624	4,777	190,847	1.93	879		
2003	217,948	3,458	214,490	2.24	988		
2004	205,570	2,401	203,169	2.10	936		
2005	211,768	2,552	209,216	2.10	964		
2006	222,777	3,383	219,394	2.27	1,011		
2007	230,369	2,526	227,843	2.48	1,050		
2008	214,783	2,121	212,662	2.44	980		
2009	212,192	2,790	209,402	2.44	965		
2010	257,574	2,367	255,207	2.96	1,281		

Source: City of Akron, Ohio Finance Department

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

¹ See Schedule 5, Assessed Value and Estimated Actual Value of Taxable Property, for property value data.

² See Schedule 16, Demographics and Economic Statistics, for population data.

City of Akron, Ohio
Pledged-Revenue Coverage
Last Ten Fiscal Years
(in thousands of dollars)

Schedule 15

Fiscal Year	Sewer Revenue Bonds, OPWC and OWDA Loans						JEDD Bonds		
	Sewer Gross Revenue	Less: Operating Expenses ¹	Net Available Revenue	Debt Service		Coverage	JEDD Gross Revenue	Debt Service	
				Principal	Interest			Principal	Interest
2001	\$ 32,400	\$ 19,348	\$ 13,052	\$ 2,095	\$ 2,642	\$ 14,683	\$ 365	\$ 1,988	6.24
2002	35,296	22,458	12,838	2,150	2,549	13,781	890	1,429	5.94
2003	32,774	22,497	10,277	2,225	2,450	12,532	1,685	2,613	2.92
2004	34,696	26,318	8,378	2,330	2,344	13,333	1,935	2,365	3.10
2005	37,499	25,466	12,033	2,440	2,231	14,058	2,010	2,300	3.26
2006	35,800	22,730	13,070	2,820	1,922	16,861	2,075	2,231	3.92
2007	36,772	24,194	12,578	2,285	1,767	17,830	2,150	2,156	4.14
2008	38,507	25,477	13,030	2,995	1,674	16,021	2,235	2,074	3.72
2009	35,831	24,671	11,160	3,515	1,565	15,477	2,320	1,985	3.60
2010	45,948	28,956	16,992	8,397	2,521	15,462	2,420	1,884	3.59

Fiscal Year	Water Revenue Bonds, OPWC and OWDA Loans						Non-Tax Revenue Bonds		
	Water Gross Revenue	Less: Operating Expenses ¹	Net Available Revenue	Debt Service		Coverage	Non-Tax Collections	Debt Service	
				Principal	Interest			Principal	Interest
2001	\$ 33,115	\$ 22,907	\$ 10,208	\$ 2,970	\$ 3,011	\$ 74,088	\$ 1,185	\$ 1,653	26.11
2002	34,192	23,470	10,722	3,265	2,871	66,200	1,235	1,603	23.33
2003	29,444	27,616	1,828	3,425	2,141	76,771	1,285	1,550	27.08
2004	35,616	30,151	5,465	5,010	2,530	78,790	1,340	1,494	27.80
2005	33,682	22,679	11,003	4,830	2,186	99,140	1,400	1,435	34.97
2006	34,720	25,276	9,444	4,980	2,034	164,107	1,465	1,372	57.85
2007	34,036	24,254	9,782	5,720	2,431	122,437	2,030	2,318	28.16
2008	33,652	22,486	11,166	6,000	2,164	103,210	2,130	2,563	21.99
2009	33,890	18,493	15,397	6,220	1,916	115,375	2,205	3,644	19.73
2010	35,496	26,745	8,751	4,707	2,398	111,323	2,350	3,521	18.96

City of Akron, Ohio
Pledged-Revenue Coverage
Last Ten Fiscal Years
(in thousands of dollars)
(continued)

Schedule 15

Fiscal Year	CLC Bonds				Income Tax Revenue Bonds			
	CLC Collections	Debt Service Principal	Debt Service Interest	Coverage	Income Tax Collections	Debt Service Principal	Debt Service Interest	Coverage
2001	\$ -	\$ -	\$ -	0.00	\$ 95,961	\$ 4,008	\$ 2,065	15.80
2002	-	-	-	0.00	97,067	4,150	2,138	15.44
2003	-	-	-	0.00	100,774	4,710	2,427	14.12
2004	9,820	3,000	9,434	0.79	102,849	5,077	2,617	13.37
2005	12,433	2,745	10,232	0.96	112,139	5,062	2,608	14.62
2006	13,671	3,150	10,067	1.03	114,258	4,573	2,356	16.49
2007	13,074	3,650	9,878	0.97	129,859	4,933	2,541	17.37
2008	14,915	4,165	9,801	1.07	119,003	5,054	2,604	15.54
2009	12,425	4,660	9,697	0.87	108,181	4,954	2,508	14.50
2010	12,806	5,190	10,401	0.82	113,294	4,930	2,865	14.53

Source: City of Akron, Ohio Finance Department

¹Net of Depreciation

City of Akron, Ohio
Demographic and Economic Statistics
Last Ten Fiscal Years

Year	Population (1)	Personal Income (1)	Per Capita Personal Income (1)	Median Household Income (1)	Median Age (1)	Education - Bachelor's Degree or Higher (1)	School Enrollment (1)	Unemployment Rate (2)
2010*	199,110	N/A	N/A	N/A	N/A	20 %	56,760	9.5
2009	217,074	\$ 3,819,634,104	\$ 17,596	\$ 31,835	34.2	18	59,258	11.4
2008	217,074	3,819,634,104	17,596	31,835	34.2	18	59,258	6.7
2007	217,074	3,819,634,104	17,596	31,835	34.2	18	59,258	5.9
2006	217,074	3,819,634,104	17,596	31,835	34.2	18	59,258	5.9
2005	217,074	3,819,634,104	17,596	31,835	34.2	18	59,258	6.6
2004	217,074	3,819,634,104	17,596	31,835	34.2	18	59,258	6.9
2003	217,074	3,819,634,104	17,596	31,835	34.2	18	59,258	8.2
2002	217,074	3,819,634,104	17,596	31,835	34.2	18	59,258	8.1
2001	217,074	3,819,634,104	17,596	31,835	34.2	18	59,258	6.7

Source: (1) U. S. Census Bureau

(2) Ohio Department of Job and Family Services

* The U.S. Census Bureau has not released all of the 2010 census information yet.

City of Akron, Ohio
Principal Employers
6/1/2010 and 12/31/2001

	June 1, 2010				December 31, 2001			
Employer	Full-Time Employees	Rank	Percentage of Total City Employment	Employer	Full-Time Employees	Rank	Percentage of Total City Employment	
Summa Health System	5,729	1	5.99 %	FirstEnergy Corporation	121,481	1	4.15 %	
Akron General Health System	4,277	2	4.47	Ameritech	41,864	2	1.43	
County of Summit	3,468	3	3.63	Goodyear Tire & Rubber Company	36,951	3	1.26	
Akron City School District	3,095	4	3.24	Aircraft Braking Systems	25,590	4	0.87	
Goodyear Tire & Rubber Company	3,000	5	3.14	Dominion East Ohio	25,066	5	0.86	
The University of Akron	2,845	6	2.98	Bridgestone/Firestone	18,553	6	0.63	
Akron General Medical System	2,820	7	2.95	Lockhead Martin Tactical Systems	16,958	7	0.58	
FirstEnergy Corporation	2,708	8	2.83	F. W. Albrecht Co.	14,687	8	0.50	
FirstMerit Corporation	2,695	9	2.82	Chapel Hill Mall, Ltd.	11,844	9	0.40	
Akron Children's Hospital	2,681	10	2.80	Beacon Journal Publishing	9,962	10	0.34	
	<u>33,318</u>		34.85 %		<u>322,956</u>		11.02 %	

Source: City of Akron, Ohio Finance Department

City of Akron, Ohio
 Full-Time Equivalent City Government Employees by Function/Program
 Last Ten Fiscal Years

Schedule 18

Function/Program	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
General Government:										
City Council	4	4	4	3	3	2	2	2	3	3
Courts	96	93	94	91	91	92	95	95	89	88
Mayor's Office - Administration	2	2	1	1	1	1	1	1	-	-
Elected and Appointed Officials	47	49	47	51	51	51	52	54	45	45
Economic Development	12	11	11	11	10	9	8	8	4	5
Labor Relations	3	3	3	2	2	2	1	1	-	-
Human Relations	3	3	3	2	-	-	-	-	-	-
Finance Department	102	98	97	96	94	105	102	98	80	78
Civil/Criminal	13	11	12	12	13	11	10	10	8	8
Personnel Department	23	22	22	22	19	14	15	13	11	10
Planning Department	-	1	-	-	-	1	1	1	-	-
Police Department	1	1	1	-	-	-	-	-	-	-
Engineering Bureau	-	-	-	-	-	-	-	1	-	1
Public Safety:										
Elected and Appointed Officials	1	1	1	-	-	-	-	1	-	-
Finance Department	2	2	2	2	2	1	1	1	-	-
Health Department	2.5	2.5	2.5	2	2	2	2	2	1	1
Building Inspection	23	21	21	22	20	19	20	12	-	-
Communications	19	19	19	18	19	20	19	20	17	17
Weights & Measures	4	4	4	4	3	1	-	-	-	-
Safety Communications	67	69	68	62	64	63	64	61	55	54
Fire Department	404	388	391	385	401	389	379	408	331	363
Police Department	506	542	528	521	511	494	517	514	503	488
Traffic Engineering	34	34	32	31	32	30	30	29	23	22
Customer Service	-	-	-	-	-	2	-	-	-	-
Engineering Bureau	-	-	-	-	-	-	1	1	-	-
Public Health:										
Health Department	178.5	177.5	177.5	166	158	156	154	152	137	110

City of Akron, Ohio
Full-Time Equivalent City Government Employees by Function/Program
Last Ten Years
(continued)

Schedule 18

Function/Program	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Public Service:										
City Council	-	-	-	1	1	1	-	-	-	-
Elected and Appointed Officials	5	5	5	5	5	4	4	4	3	4
Building Inspection	-	-	-	-	-	-	1	-	-	-
Planning Department	-	1	-	-	-	-	-	-	-	-
Fire Department	-	-	-	-	-	-	-	-	11	10
Public Service Administration	4	4	4	4	4	4	4	4	2	2
Customer Service	13	12	16	14	12	10	8	7	8	19
Plans and Permits Center	5	5	4	4	4	4	3	3	2	2
Customer Service Response	-	-	-	13	12	12	13	11	9	9
Engineering Bureau	78	81	79	71	68	66	60	59	53	46
Airport	6	6	6	6	5	5	5	5	4	2
Building Maintenance	37	32	30	30	27	27	32	32	28	28
Motor Equipment	45	47	44	38	39	36	35	36	31	31
Golf Course	4	4	5	6	6	6	6	5	4	3
Public Utilities Administration	3	3	4	3	3	3	3	3	2	1
Utilities Services	68	67	74	67	62	58	56	54	52	50
Water Department	229	220	272	270	260	246	251	226	198	200
Sewer Maintenance	61	67	-	-	-	-	-	-	-	-
Public Works Administration	6	6	7	7	7	7	9	9	8	6
Highway Maintenance	85	84	80	74	68	64	70	67	62	59
Sanitation Services	66	68	65	66	65	63	45	43	38	38
Street Cleaning	40	39	38	37	37	34	37	39	37	37
Parks Maintenance	34	33	30	30	30	28	29	28	26	25
Engineering Services	8	7	7	7	7	6	6	5	6	6
Community Environment:										
Elected and Appointed Officials	2	2	2	2	2	2	2	-	1	1
Economic Development	-	1	1	-	-	1	1	1	-	-
Planning Department	86	82	81	76	70	67	66	65	54	58
Recreation Bureau	21	22	23	24	24	23	23	23	20	21
Totals:	2,453	2,456	2,418	2,359	2,314	2,242	2,243	2,214	1,966	1,951

Source: City of Akron, Ohio Finance Department

City of Akron, Ohio
Operating Indicators by Function/Program
Last Ten Fiscal Years

Function/Program	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
General Government										
*Building Department:										
Commercial & Right Away Plan Review	699	717	695	701	710	876	1,229	1,001	-	-
New House Permits	202	187	137	295	300	111	114	100	-	-
Zoning Complaint Investigation	N/A	N/A	260	347	350	377	576	435	-	-
Total Number of Permits Issued	2,852	2,533	2,570	2,257	2,202	2,165	6,031	2,406	-	-
City Council Ordinances Passed	689	603	687	670	664	621	649	557	549	414
Fire										
Emergency Responses	29,859	30,274	30,945	31,373	31,112	31,533	32,422	32,941	32,044	32,754
Fire/Rescue	7,874	7,805	7,700	7,601	7,884	7,280	7,930	7,500	6,912	6,346
Police										
Calls for Service	254,768	254,367	264,008	260,113	257,085	246,202	255,135	281,489	271,080	248,011
Civil Division Cases Filed	12,030	12,807	13,602	13,651	14,846	15,088	15,435	15,582	12,474	11,742
Criminal/Traffic Division Cases Filed	46,461	44,424	45,666	43,157	42,114	40,690	38,880	39,274	40,170	36,227
Parking Division Cases Filed	25,803	20,731	20,958	22,815	26,645	23,636	20,201	15,656	21,878	34,402
Parks and Recreation										
Good Park Golf Course Attendance	39,144	38,034	34,438	31,219	33,100	32,931	31,681	31,096	32,561	36,690
**Mud Run Golf Course Attendance	-	-	6,577	9,302	9,350	10,913	10,661	10,742	11,282	12,332
Sewer										
Sewer Accounts	82,089	81,892	81,859	81,346	81,035	80,909	79,721	79,835	78,745	78,985
Sewer Amounts Billed (in thousands)	\$ 33,803	\$ 34,484	\$ 32,663	\$ 33,328	\$ 34,481	\$ 32,074	\$ 37,120	\$ 37,416	\$ 36,303	\$ 37,723
Water										
Water Accounts	82,827	82,939	83,134	82,955	82,448	82,944	84,037	83,765	82,516	84,348
Water Amounts Billed (in thousands)	\$ 28,609	\$ 30,627	\$ 27,633	\$ 27,508	\$ 30,060	\$ 29,022	\$ 28,316	\$ 28,751	\$ 27,077	\$ 31,579

* The City of Akron Building Department merged with the County of Summit at the beginning of 2009.

**Mud Run Golf Course was not completed until 2003.

Source: City of Akron, Ohio Finance Department

City of Akron, Ohio
 Capital Asset Statistics by Function/Program
 Last Ten Fiscal Years

Function/Program	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Police										
Number of Uniformed Police Officers	461	499	484	477	468	451	474	470	457	443
Number of Districts	23	23	11	12	12	12	12	12	12	12
Fire										
Number of Firefighters and Officers	13	363	366	359	375	359	353	382	317	350
Number of Stations		13	13	13	13	13	13	13	13	13
Parks and Recreation										
City Park System (in acres)	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100
City Owned/Operated Golf Courses	1	1	1	2	2	2	2	2	2	2
Water										
Miles of Pipe	1,097	1,097	1213	1,213	1,215	1,213	1,213	1,221	1,223	1,223
Average Daily Pumpage (in millions of gallons)	41	40	41	38	37	35	38	37	34	34
Distribution-Storage Reservoirs	15	15	15	15	15	15	15	15	15	15
Sewer										
Sanitary Sewers (miles)	833	834	835	837	649	701	649	649	649	649
Storm Sewers (miles)	258	260	262	268	269	382	382	382	382	382
Storm and Combined Sewer Inlets (miles)	95	95	96	97	286	309	309	309	309	309
Pump Stations	33	33	33	33	33	33	33	33	33	33
Other Public Works										
Oil Wells	14	14	14	13	13	13	13	13	13	13
Parking Decks	8	8	8	10	10	10	10	10	10	10

Source: City of Akron, Ohio Finance Department

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Dave Yost • Auditor of State

CITY OF AKRON

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
OCTOBER 5, 2011