



**CITY OF AKRON, OHIO**

**Single Audit Report  
Year Ended December 31, 1998**

**CITY OF AKRON, OHIO**

**Single Audit Report  
Year Ended December 31, 1998**

**Deloitte &  
Touche**

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**CITY OF AKRON, OHIO**

**Single Audit Report  
Year Ended December 31, 1998**

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**Deloitte Touche  
Tohmatsu**

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# CITY OF AKRON, OHIO

## TABLE OF CONTENTS

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	Page
INDEPENDENT AUDITORS' REPORT	1-2
SUPPLEMENTAL SCHEDULE:	
Supplemental Schedule of Expenditures of Federal Awards	3-5
Notes to Supplemental Schedule of Expenditures of Federal Awards	6
REPORTS ON COMPLIANCE AND INTERNAL CONTROL:	
Independent Auditors' Report on Compliance and on Internal Control Over Financial Reporting Based on the Audit Performed in Accordance with <i>Government Auditing Standards</i>	7
Independent Auditors' Report on Compliance and Internal Control Over Compliance Applicable to Each Major Federal Award Program	8-9
SCHEDULE OF FINDINGS AND QUESTIONED COSTS	10-12
SCHEDULE OF PRIOR AUDIT FINDINGS	13
CORRECTIVE ACTION PLAN	14-16
ATTACHMENTS REQUIRED BY THE OHIO BUREAU OF EMPLOYMENT SERVICES:	
Attachment A - Schedule of Expenditures of Federal Awards	
Attachment B-1 - Analysis of Cost Limitations and Budget to Actual Title IIA 77%	
Attachment B-2 - Analysis of Cost Limitations and Budget to Actual Title IIA 5%	
Attachment B-3 - Analysis of Cost Limitations and Budget to Actual title IIA 5% Technical Assistance	
Attachment B-4 - Analysis of Cost Limitations and Budget to Actual Title IIA 8%	
Attachment B-5 - Analysis of Cost Limitations and Budget to Actual Title IIB	
Attachment B-6 - Analysis of Cost Limitations and Budget to Actual Title IIC	
Attachment B-7 - Analysis of Cost Limitations and Budget to Actual Title III	
Attachment B-8 - Analysis of Cost Limitations and Budget to Actual Title III Governor Reserve	
Attachment B-9 - Analysis of Cost Limitations and Budget to Actual Title IIB	
Attachment C - Schedule of Standing-In Costs	
Attachment D - Schedule of Program Income	
Attachment E - Schedule of Variances	



## INDEPENDENT AUDITORS' REPORT

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

We have audited the general purpose financial statements of the City of Akron, Ohio, as of December 31, 1998 and for the year then ended included on pages 21 through 78 of the City of Akron, Ohio's Comprehensive Annual Financial Report for the year ended December 31, 1998, which is incorporated herein by reference. These general purpose financial statements are the responsibility of the management of the City of Akron, Ohio. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

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

In our opinion, such general purpose financial statements present fairly, in all material respects, the financial position of the City of Akron, Ohio, as of December 31, 1998, and the results of its operations and the cash flows of its proprietary fund types for the year then ended in conformity with generally accepted accounting principles.

As described in Note 1(N) to the general purpose financial statements, the City changed its method of accounting for its deposits in deferred compensation programs during 1998 to comply with the provisions of Statement No. 32 of the Governmental Accounting Standards Board.

The year 2000 supplementary information on page 218 of the City of Akron, Ohio's Comprehensive Annual Financial Report for the year ended December 31, 1998, is not a required part of the general purpose financial statements, but is supplementary information required by the Governmental Accounting Standards Board, and we did not audit and do not express an opinion on such information. Further, we were unable to apply to the information certain procedures prescribed by professional standards because of the unprecedented nature of the year 2000 issue and its effects, and the fact that authoritative measurement criteria regarding the status of remediation efforts have not been established. In addition, we do not provide assurance that the City is or will become year 2000 compliant, that the City's year 2000 remediation efforts will be successful in whole or in part, or that parties with which the City does business are or will become year 2000 compliant.

Our audit was performed for the purpose of forming an opinion on the general purpose financial statements of the City of Akron, Ohio, taken as a whole. The accompanying supplemental schedule of expenditures of federal awards is presented for the purpose of additional analysis as required by 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 general purpose financial statements. This schedule is the responsibility of the management of the City of Akron, Ohio. Such information has been subjected to the auditing procedures applied in our audit of the general purpose financial statements and, in our opinion, is fairly stated in all material respects when considered in relation to the general purpose financial statements taken as a whole.

The accompanying attachments A through E are presented for the purpose of additional analysis as required by The Ohio Bureau of Employment Services, the State of Ohio agency responsible for oversight of Job Training Partnership Act grants (CFDA Nos. 17.246 and 17.250), and are not a required part of the general purpose financial statements or the accompanying supplemental schedule of expenditures of federal awards. These attachments are the responsibility of the management of the City of Akron, Ohio. Such information has been subjected to the auditing procedures applied in our audit of the general purpose financial statements and, in our opinion, are fairly stated in all material respects when considered in relation to the general purpose financial statements taken as a whole.

In accordance with *Government Auditing Standards*, we have also issued a report dated June 25, 1999, on our consideration of the City of Akron, Ohio's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

*Deloitte + Touche LLP*

June 25, 1999

**CITY OF AKRON, OHIO**

**SUPPLEMENTAL SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED DECEMBER 31, 1998**

<b>Federal Grantor/ Pass-Through Grantor/Program Title</b>	<b>Federal CFDA No.</b>	<b>Federal Expenditures</b>
<b>DEPARTMENT OF AGRICULTURE</b>		
From the Ohio Department of Health:		
Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)	10.557	\$ 1,384,837
Child Nutrition Cluster:		
Summer Food Service Program for Children	10.559	82,948
Total Department of Agriculture		<u>1,467,785</u>
<b>ENVIRONMENTAL PROTECTION AGENCY</b>		
From the Ohio E.P.A.:		
Air Pollution Control Program Support	66.001	<u>968,731</u>
<b>DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>		
From the Ohio Department of Health:		
Childhood Lead Poisoning Prevention Projects	93.197	64,042
Hepatitis B Immunization	93.268	170
Immunization Action Plan	93.268	152,434
Total CFDA No. 93.268		<u>152,604</u>
Ryan White Planning/Evaluation	93.917	10,920
Community Based Care Grant	93.917	61,352
Total CFDA No. 93.917		<u>72,272</u>
Cooperative Agreements for State-Based Comprehensive Breast and Cervical Cancer Early Detection Programs	93.919	334,557
HIV Prevention Activities - Health Department Based	93.940	308,388
Preventive Health Services - Sexually Transmitted Diseases	93.977	42,136
Refugee Health Screening	93.987	25,254
Cardiovascular Disease Risk Reduction	93.991	42,824
TB Screening	93.991	24,280
Total CFDA No. 93.991		<u>67,104</u>
Education and Outpatient	93.992	164,448
Child and Family Health Services	93.994	423,568
Dental Sealant Program	93.994	39,139
Total CFDA No. 93.994		<u>462,707</u>
Total Department of Health and Human Services		<u>1,693,512</u>
<b>DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>		
Direct Programs:		
CDBG - Entitlement and (HUD-Administered) Small Cities Cluster:		
Community Development Block Grants/Entitlement Grants	14.218	12,458,293
Emergency Shelter Grants Program	14.231	288,973
Home Investment Partnership Program	14.239	3,528,753
Lead-Based Paint Hazard Control in Privately Owned Housing	14.900	480,550
From the Ohio Department of Human Services:		
Enterprise Community Grant	14.244	821,042
Total Department of Housing and Urban Development		<u>17,577,611</u>

**CITY OF AKRON, OHIO**

**SUPPLEMENTAL SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED DECEMBER 31, 1998**

<b>Federal Grantor/ Pass-Through Grantor/Program Title</b>	<b>Federal CFDA No.</b>	<b>Federal Expenditures</b>
<b>DEPARTMENT OF JUSTICE</b>		
Direct Programs:		
Local Law Enforcement Block Grants Program	16.592	\$ 494,908
Public Safety Partnership and Community Policing Grants:		
Domestic Violence	16.710	124,093
Cops More Grant	16.710	451,688
Cops Ahead Grant	16.710	745,972
Police Supplemental Hiring Grant	16.710	26,410
Total CFDA No. 16.710		<u>1,348,163</u>
From the Governor's Office of Criminal Justice Services:		
Juvenile Justice and Delinquency Prevention Allocation to States	16.540	26,316
Executive Office for Weed and Seed	16.595	76,778
Juvenile Mentoring Program	16.726	121,780
Total Department of Justice		<u>2,067,945</u>
<b>DEPARTMENT OF LABOR</b>		
From the Ohio Bureau of Employment Services:		
Employment and Training Assistance -		
Dislocated Workers JTPA - Title III 1997	17.246	554,268
Employment and Training Assistance -		
Dislocated Workers JTPA - Title III 1998	17.246	224,870
Employment and Training Assistance -		
Dislocated Workers JTPA - Title III Gov Reserve 97	17.246	3,620
Employment and Training Assistance -		
Dislocated Workers JTPA - Title III Rapid Reserve 97	17.246	50,000
Total CFDA No. 17.246		<u>832,758</u>
Job Training Partnership Act - Title IIA - 5% 1997	17.250	49,884
Job Training Partnership Act - Title IIA - 5% 1998	17.250	40,125
Job Training Partnership Act - Title IIA - 77% 1996	17.250	160,311
Job Training Partnership Act - Title IIA - 77% 1997	17.250	1,021,265
Job Training Partnership Act - Title IIA - 77% 1998	17.250	304,973
Job Training Partnership Act - Title IIB 1997	17.250	247,864
Job Training Partnership Act - Title IIB 1998	17.250	1,367,333
Job Training Partnership Act - Title IIC 1995	17.250	20,000
Job Training Partnership Act - Title IIC 1997	17.250	228,862
Job Training Partnership Act - Title IIC 1998	17.250	74,547
From the Ohio Department of Education:		
Job Training Partnership Act Cluster:		
Job Training Partnership Act - Title IIA - 8% 1996	17.250	5,582
Job Training Partnership Act - Title IIA - 8% 1997	17.250	102,382
Total CFDA No. 17.250		<u>3,623,128</u>
Total Department of Labor and Job Training Partnership Act Cluster		<u>4,455,886</u>



**CITY OF AKRON, OHIO**

**SUPPLEMENTAL SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED DECEMBER 31, 1998**

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<b>Federal Grantor/ Pass-Through Grantor/Program Title</b>	<b>Federal CFDA No.</b>	<b>Federal Expenditures</b>
<b>DEPARTMENT OF TRANSPORTATION</b>		
From the Ohio Department of Highway Safety:		
Direct Programs:		
Airport Improvement Program	20.106	\$ 67,000
Highway Safety Cluster:		
Dare II	20.600	19,585
Cops in Shops	20.600	14,519
Total CFDA No. 20.600		<u>34,104</u>
Total Department of Transportation		<u>101,104</u>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>		<b><u>\$28,332,574</u></b>

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, 1998

### 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 accrual basis of accounting in accordance with generally accepted accounting principles. 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 general purpose 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	10.557	\$ 477,314
Immunization Action Plan	93.268	101,122
Ryan White Planning/Evaluation	93.917	10,920
Community Based Care Grant	93.917	32,289
HIV Prevention Activities - Health Department Based	93.940	210,803
Child and Family Health Services	93.994	200,606
CDBG- Entitlement and (HUD-Administered) Small Cities Cluster - Community Development Block Grant/Entitlement Grants	14.218	913,488
Emergency Shelter Grants Program	14.231	243,693
Home Investment Partnership Program	14.239	357,000
Enterprise Community Grant	14.244	396,258
Lead-Based Paint Hazard Control in Privately Owned Housing	14.900	352,991
Job Training Partnership Act Cluster	17.246 & 17.250	<u>3,581,565</u>
Total		<u>\$6,878,049</u>

### 3. LOANS OUTSTANDING

The City of Akron, Ohio, had the following loan balances outstanding at December 31, 1998 which had continuing compliance requirements. These loan balances outstanding are also included in the federal expenditures presented in the schedule.

Program Title	Federal CFDA No.	Balance Outstanding
Enterprise Community Grant	14.244	\$ 250,000
Home Investment Partnership Program	14.239	357,000

The City of Akron, Ohio, has additional loans outstanding that are not listed above because they were expended in prior years and therefore are not included in the federal expenditures presented in this schedule. There are no continuing compliance requirements for these additional loans other than repayment.

\* \* \* \* \*



## INDEPENDENT AUDITORS' REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON THE AUDIT PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

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

We have audited the general purpose financial statements of the City of Akron, Ohio (the "City"), as of and for the year ended December 31, 1998, and have issued our report thereon dated June 25, 1999, which included an explanatory paragraph that discussed the City's implementation of Statement No. 32 of the Governmental Accounting Standards Board. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

### Compliance

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*. However, we noted certain immaterial instances of noncompliance that we have reported to management of the City in a separate letter dated June 25, 1999 as well as in Findings 98-1, 98-2 and 98-3 in the accompanying Schedule of Findings and Questioned Costs.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that we have reported to management of the City in a separate letter dated June 25, 1999.

This report is intended for the information of City management, federal awarding agencies and pass-through entities and is not intended to be, and should not be, used by anyone other than these specified parties.

*Deloitte & Touche LLP*

June 25, 1999



## **INDEPENDENT AUDITORS' REPORT ON COMPLIANCE AND INTERNAL CONTROL OVER COMPLIANCE APPLICABLE TO EACH MAJOR FEDERAL AWARD PROGRAM**

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

### **Compliance**

We have audited the compliance of the City of Akron, 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 are applicable to its major federal programs for the year ended December 31, 1998. The City's major federal programs are identified in the summary of auditors' results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal programs is the responsibility of the City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; 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 obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered *necessary in the circumstances*. We believe that 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.

As described in items 98-1 and 98-3 in the accompanying Schedule of Findings and Questioned Costs, the City did not comply with requirements regarding Reporting and Cash Management that are applicable to its Local Law Enforcement Block Grants Program and its Public Safety Partnership and Community Policing Grants - COPS Ahead Grant. Compliance with such requirements is necessary, in our opinion, for the City to comply with requirements applicable to that program.

In our opinion, except for the noncompliance described in the preceding paragraph, the City complied, in all material respects, with the requirements referred to above that are applicable to its major federal programs for the year ended December 31, 1998.

## Internal Control Over Compliance

The management of the City is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the City's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order 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.

We noted certain matters involving the internal control over compliance and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over compliance that, in our judgment, could adversely affect the City's ability to administer a major federal program in accordance with applicable requirements of laws, regulations, contracts, and grants. The reportable condition is described in the accompanying Schedule of Findings and Questioned Costs as Finding 98-2.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe that the reportable conditions described above are not material weaknesses.

This report is intended for the information of City management, federal awarding agencies and pass-through entities and is not intended to be, and should not be, used by anyone other than these specified parties.

*Deloitte + Touche LLP*

June 25, 1999

# CITY OF AKRON, OHIO

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS YEAR ENDED DECEMBER 31, 1998

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### PART I - SUMMARY OF AUDITORS' RESULTS

- Type of Report Issued on the Financial Statements as of and for the Year Ended December 31, 1998 - Unqualified
- Reportable Conditions in Internal Control Disclosed by the Audit of the Financial Statements - N/A
- Noncompliance Noted that is Material to the Financial Statements of the City - None
- Reportable Conditions in Internal Control Over Major Federal Financial Assistance Programs Disclosed by the Audit of the Financial Statements, Not Considered a Material Weakness - See Finding 98-2
- Type of Report Issued on Compliance for Major Federal Financial Assistance Programs - Qualified
- The audit disclosed three audit findings which are required to be reported by OMB Circular A-133.
- Major Federal Financial Assistance Programs Identified for the Year Ended December 31, 1998 are:

Program Name	CFDA No.
Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)	10.557
Public Safety Partnership and Community Policing Grants	16.710
Local Law Enforcement Block Grants Program	16.592
Job Training Partnership Act Cluster:	
Employment and Training Assistance - Dislocated Workers JTPA - Title III	17.246
Job Training Partnership Act - Title II	17.250

- Dollar Threshold Used to Distinguish Between Type A and Type B Programs as those terms are defined in OMB Circular A-133 - \$849,977.

### PART II - FINANCIAL STATEMENT FINDINGS SECTION

None

# CITY OF AKRON, OHIO

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS YEAR ENDED DECEMBER 31, 1998

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### PART III - FEDERAL AWARD FINDINGS AND QUESTIONED COST SECTION

#### DEPARTMENT OF JUSTICE

**Finding:** 98-1

**Program Name:** Local Law Enforcement Block Grants Program

**CFDA No.** 16.592

#### **Compliance - Reporting**

*Criteria:* The provisions of the Local Law Enforcement Block Grants Program require that reports be prepared at the end of each quarter which detail the actual expenditures (federal & local) of the Local Law Enforcement Block Grants Program funds.

*Condition:* The required quarterly reports have been filed with inaccurate data throughout the life of the grant. Our testing revealed that the Quarterly Financial Status reports did not accurately report the actual program expenditures from the grant.

*Effect:* The City is not in compliance with Federal reporting requirements for this program.

*Cause:* Individuals responsible for the management of this grant were not adequately trained in the requirements of the grant.

*Recommendation:* Individuals who are responsible for management of the grant should obtain training on the requirements of the grant. In addition, the City should implement a procedure to reconcile quarterly reports to the financial accounting system and add a supervisory review of such reports. An effort should be made to amend previously filed inaccurate reports.

*Questioned Costs:* None

**Finding:** 98-2

**Program Names:** Local Law Enforcement Block Grants Program  
Public Safety Partnership and Community Policing Grants - COPS Ahead Grant

**CFDA No.** 16.592 and 16.710

#### **Internal Controls**

*Criteria:* OMB Circular A-133 requires City management to establish an effective system of internal controls over its federally funded programs that is sufficient to ensure compliance with the requirements of the Circular that are direct and material to the grant program.

*Condition:* The City has not maintained effective internal controls over the activities of the Local Law Enforcement Block Grant and COPS Ahead Grant to monitor compliance with the requirements of OMB Circular A-133.

# CITY OF AKRON, OHIO

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS YEAR ENDED DECEMBER 31, 1998

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*Effect:* The City is not in compliance with OMB Circular A-133 requirements. The lack of controls could cause non-compliance issues applicable to the grant programs.

*Cause:* Individuals responsible for the management of the grant are not knowledgeable of the Federal requirements.

*Recommendation:* Internal control procedures should be implemented to effectively monitor the activity of the Local Law Enforcement Block Grants and Public Safety Partnership and Community Policing Grants programs and related funding.

*Questioned Costs:* None

**Finding:** 98-3

Program Name: Public Safety Partnership and Community Policing Grants - COPS Ahead Grant

CFDA No. 16.710

### **Compliance – Reporting and Cash Management**

*Criteria:* Federal guidance requires the preparation of quarterly reports detailing the actual expenditures (federal & local) of the COPS Ahead/Universal Hiring I funds. This report also acts as a federal drawdown request form from which federal reimbursements to the program are received. Federal guidance also requires that federal funds be managed in a manner that minimizes the length of time between the initial receipt and final expenditure.

*Condition:* The required quarterly reports have been filed with inaccurate data throughout the life of the grant. Our testing revealed that the Quarterly Financial Status reports, which are also used as drawdown request forms, did not report the actual expenditures from the grant. Furthermore, in the case of the fourth quarter 1998 report/drawdown, the local matching portion was mistakenly reported as federal expenses. This not only caused an overdrawing of federal funds for the quarter, but it also caused the entire amount drawn down against the grant to exceed the federal award allowed by \$31,740.

*Effect:* The City is not in compliance with Federal Guidelines for the program or the requirements of OMB Circular A-133.

*Cause:* Individuals responsible for the management of this grant were not adequately trained in the requirements of the grant.

*Recommendation:* Individuals who are responsible for management of the grant should obtain training on the requirements of the grant. In addition, the City should implement a procedure to reconcile quarterly reports to the financial accounting system and add a supervisory review of such reports. An effort should be made to amend previously filed inaccurate reports.

*Questioned Costs:* \$31,740



# CITY OF AKRON, OHIO

## SCHEDULE OF PRIOR AUDIT FINDINGS YEAR ENDED DECEMBER 31, 1998

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*Prior year comment (97-1)* - Expenditures were improperly coded and entered into the City of Akron, Ohio's financial system, which resulted in WIC program funds being spent on unallowable costs.

*Current year status* - The above finding related to a one time accounting system conversion when non-health department personnel incorrectly coded purchase requisitions in the new system during conversion. Under the new system, only WIC personnel can enter purchase requisitions and direct payment requests. In addition, these requests must be approved by Health Department management. No unallowable costs were noted during the current year. The City has not been contacted by the federal grantor or the pass-through grantor regarding this finding.

# CITY OF AKRON, OHIO

## CORRECTIVE ACTION PLAN YEAR ENDED DECEMBER 31, 1998

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**Finding: 98-1**

- A. Name of Contact Person: Steve Libby
- B. Corrective Action Plan:
  - 1. The Police Department realizes that training the individuals who are responsible for grant management on the requirements of the grant is essential and fully supports continuous training. The Department has made great strides in the past year and has identified specific individuals to work on all the grants within the Police Department. Previously the Police Department had decentralized grant management, but has centralized this function and assigned individuals to work in the Planning and Research Unit under the supervision of one employee.
  - 2. These individuals are responsible for preparing the quarterly financial status reports (FSR). They are currently using the City's financial accounting system to prepare the FSR. The detail supporting the FSR's are printed and kept as backup for the reports. The City implemented a new on-line financial accounting system that has many features that enhance the accessibility to the financial information.
- C. Proposed Completion Date:
  - 1. The individuals responsible for the Police Department's grants attended training in June of 1999. They will actively search for and attend training that will be beneficial to their grant management.
  - 2. The FSRs for the second quarter of 1999 reflected the expenses for that quarter based on the City's financial accounting system.

# CITY OF AKRON, OHIO

## CORRECTIVE ACTION PLAN YEAR ENDED DECEMBER 31, 1998

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**Finding: 98-2**

- A. Name of Contact Person: Steve Libby
- B. Corrective Action Plan:
  - 1. The Police Department has made great strides in the past year and has identified specific individuals to work on all the grants within the Police Department. Previously the Police Department had decentralized grant management, but has centralized this function and assigned individuals to work in the Planning and Research Unit under the supervision of one employee. These individuals are familiar with the grant requirements and are responsible for monitoring and reporting on the grants. The City will establish an effective system of internal controls through the modification of the existing approval queues.
- C. Proposed Completion Date:
  - 1. The City will address this issue by the end of 1999.

# CITY OF AKRON, OHIO

## CORRECTIVE ACTION PLAN YEAR ENDED DECEMBER 31, 1998

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**Finding: 98-3**

A. Name of Contact Person: Steve Libby

B. Corrective Action Plan:

1. The Police Department realizes that training the individuals who are responsible for grant management on the requirements of the grant is essential and fully supports continuous training. The Department has made great strides in the past year and has identified specific individuals to work on all the grants within the Police Department. Previously the Police Department had decentralized grant management but has centralized this function and assigned individuals to work in the Planning and Research Unit under the supervision of one employee.
2. These individuals are responsible for preparing the quarterly financial status reports (FSR). They are currently using the City's financial accounting system to prepare the FSR's and draws, but the error occurred prior to extensive training on the City's financial accounting system.
3. The City has researched the grant and is in agreement that there was an overdrawing of federal funds relating to a particular program, but the federal award amount is for the Cops Ahead program and the grant itself was not overdrawn. The City has contacted the awarding agency and has been instructed to apply the program overdraw to another program within the COPS Grant. The City will consider the feasibility of amending the prior FSR's.

C. Proposed Completion Date:

1. The individuals responsible for the Police Department's grants attended training in June of 1999. They will actively search for and attend training that will be beneficial to their grant management.
2. The individuals continue to obtain additional training on the City's financial accounting system and are now more proficient.
3. The City will address this issue by the end of 1999.

Private Industry Council  
Akron, Ohio  
**Schedule of Expenditures of Federal Awards**  
For the period ending December 31, 1998

Federal Grantor/Pass Through Grantor Program Titles	Grant Period	CFDA Number	Allocation	Transfers	Revenue	Expenditures	Unexpended Allocation
<b>United States Department of Labor Ohio Bureau of Employment Services</b>							
<b>JTPA Title II</b>							
0-96-22-00-01	07/01/96 - 12/31/98	17.250	160,311	0	\$160,311	\$160,311	\$0
0-97-22-00-00	07/01/97 - 12/31/98	17.250	1,052,078	0	1,021,265	1,021,265	30,813
0-98-22-00-00	07/01/98 - 12/31/98	17.250	1,216,883	(121,688)	304,973	304,973	790,222
1-97-22-00-00	07/01/97 - 12/31/98	17.250	49,884	0	49,884	49,884	0
1-98-22-00-00	07/01/98 - 12/31/98	17.250	77,147	0	40,125	40,125	37,022
Y-97-22-00-00	07/01/97 - 12/31/98	17.250	228,862	0	228,862	228,862	0
Y-98-22-00-00	07/01/98 - 12/31/98	17.250	178,844	33,200	74,547	74,547	137,497
Z-95-22-00-01 T.A.	07/01/96 - 12/31/98	17.250	20,000	0	20,000	20,000	0
5-97-22-00-01	10/01/96 - 12/31/98	17.250	247,864	0	247,864	247,864	0
5-98-22-00-00	10/01/97 - 12/31/98	17.250	1,428,297	88,488	1,367,333	1,367,333	149,452
ONE STOP GRANT NO.	02/01/97 - 12/31/98	17.250	403,000	0	0	0	403,000
<b>Total CFDA #17.250</b>			<b>\$5,063,170</b>	<b>\$0</b>	<b>\$3,515,164</b>	<b>\$3,515,164</b>	<b>\$1,548,006</b>
<b>JTPA Title III</b>							
A-97-22-00-00	07/01/97 - 12/31/98	17.246	\$554,268	\$0	\$554,268	\$554,268	\$0
A-98-22-00-01	07/01/98 - 12/31/98	17.246	807,138	0	224,870	224,870	582,268
B-97-22-00-01	07/01/97 - 12/31/98	17.246	50,000	0	50,000	50,000	0
B-P7-22-00-02	07/01/97 - 12/31/98	17.246	3,620	0	3,620	3,620	0
B-P8-22-00-00	07/01/98 - 12/31/98	17.246	156,319	0	0	0	156,319
<b>Total CFDA #17.246</b>			<b>\$1,571,345</b>	<b>\$0</b>	<b>\$832,758</b>	<b>\$832,758</b>	<b>\$738,587</b>
<b>Total Pass Through Ohio Bureau of Employment Services</b>			<b>\$6,634,515</b>	<b>\$0</b>	<b>\$4,347,922</b>	<b>\$4,347,922</b>	<b>\$2,286,593</b>
<b>Ohio Department of Education</b>							
<b>JTPA Title IIA 8%</b>							
4-P6-22-00-01	07/01/96 - 12/31/98	17.250	\$5,582	\$0	\$5,582	\$5,582	\$0
4-P7-22-00-00	07/01/97 - 12/31/98	17.250	107,110	0	102,382	102,382	4,728
4-P8-22-00-00	07/01/98 - 12/31/98	17.250	115,091	0	0	0	115,091
<b>Total CFDA #17.250</b>			<b>\$227,783</b>	<b>\$0</b>	<b>\$107,964</b>	<b>\$107,964</b>	<b>\$119,819</b>
<b>Total Pass Through Ohio Department of Education</b>			<b>\$227,783</b>	<b>\$0</b>	<b>\$107,964</b>	<b>\$107,964</b>	<b>\$119,819</b>
<b>Total Expenditure of Federal Award</b>			<b>\$6,862,298</b>	<b>\$0</b>	<b>\$4,455,886</b>	<b>\$4,455,886</b>	<b>\$2,406,412</b>

Private Industry Council, Inc.  
Akron, Ohio  
**Analysis of Cost Limitations and Budget to Actual Title IIA 77%**  
For the Period ending December 31, 1998

	Totals	Administration	Direct Training
<b>0-96-22-00-01</b>			
<b>Allocation</b>			
Allocation Amount	\$1,089,484	\$217,897	\$871,587
Transfer From IIC	0	0	0
<b>Total Allocation</b>	<b>1,089,484</b>	<b>217,897</b>	<b>871,587</b>
<b>Expenditures</b>			
Expenditures 01/01/96-12/31/96	274,140	72,045	202,095
Expenditures 01/01/97-12/31/97	655,033	201,016	454,017
Expenditures 01/01/98-12/31/98	160,311	(28,459)	188,770
<b>Total Expenditure</b>	<b>1,089,484</b>	<b>244,602</b>	<b>844,882</b>
Unexpended Funds	\$0	(\$26,705)	\$26,705
Percentage of Allocation	100.00%	22.45%	77.55%
<b>Budget</b>			
PY97 Budget	\$160,311	(\$28,459)	\$188,770
Percentage Achieved	100.00%	0.00%	100.00%

<b>0-97-22-00-00</b>			
<b>Allocation</b>			
Allocation Amount	\$1,127,078	\$225,415	\$901,663
Transfer From IIC	(75,000)	0	(75,000)
<b>Total Allocation</b>	<b>1,052,078</b>	<b>225,415</b>	<b>826,663</b>
<b>Expenditures</b>			
Expenditures 07/01/97-12/31/97	0	0	0
Expenditures 01/01/98-12/31/98	1,021,265	196,104	825,161
<b>Total Expenditure</b>	<b>1,021,265</b>	<b>196,104</b>	<b>825,161</b>
Unexpended Funds	\$30,813	\$29,311	\$1,502
Percentage of Allocation	97.07%	18.64%	78.43%
<b>Budget</b>			
PY97 Budget	\$0	\$0	\$0
Percentage Achieved	0.00%	0.00%	0.00%

<b>0-98-22-00-00</b>			
<b>Allocation</b>			
Allocation Amount	\$1,216,883	\$243,377	\$973,506
Transfer From IIC	(121,688)	(24,338)	(97,350)
<b>Total Allocation</b>	<b>1,095,195</b>	<b>219,039</b>	<b>876,156</b>
<b>Expenditures</b>			
Expenditures 01/01/98-12/31/98	304,973	42,335	262,638
<b>Total Expenditure</b>	<b>304,973</b>	<b>42,335</b>	<b>262,638</b>
Unexpended Funds	\$790,222	\$176,704	\$613,518
Percentage of Allocation	27.85%	3.87%	23.98%
<b>Budget</b>			
PY97 Budget	\$304,973	\$42,335	\$262,638
Percentage Achieved	100.00%	100.00%	100.00%

**85% Analysis**

Expenditures	\$304,973
Obligations	0
<b>Total</b>	<b>\$304,973</b>
Percentage Achieved	28.99%

Private Industry Council, Inc.  
Akron, Ohio  
**Analysis of Cost Limitations and Budget to Actual Title IIA 5%**  
For the Period ending December 31, 1998

	Totals	Administration	Direct Training
<b>1-97-22-00-00</b>			
<b>Allocation</b>			
Allocation Amount	\$71,364	\$14,273	\$57,091
Transfer From IIC	0	0	0
Total Allocation	71,364	14,273	57,091
<b>Expenditures</b>			
Expenditures 07/01/97-12/31/97	21,480	7,722	13,758
Expenditures 07/01/98-12/31/98	49,884	9,358	40,526
Total Expenditure	71,364	17,080	54,284
Unexpended Funds	\$0	(\$2,807)	\$2,807
Percentage of Allocation	100.00%	23.93%	76.07%
<b>Budget</b>			
PY'97 Budget	\$49,884	\$6,551	\$43,333
Percentage Achieved	100.00%	142.85%	93.52%
<b>1-98-22-00-00</b>			
<b>Allocation</b>			
Allocation Amount	\$77,147	\$15,429	\$61,718
Transfer From IIC	0	0	0
Total Allocation	77,147	15,429	61,718
<b>Expenditures</b>			
Expenditures 07/01/98-12/31/98	40,125	5,400	34,725
Total Expenditure	40,125	5,400	34,725
Unexpended Funds	\$37,022	\$10,029	\$26,993
Percentage of Allocation	52.01%	7.00%	45.01%
<b>Budget</b>			
PY'97 Budget	\$40,125	\$5,400	\$34,725
Percentage Achieved	100.00%	100.00%	100.00%
<b>85% Analysis</b>			
Expenditures	\$40,125		
Obligations	0		
Total	\$40,125		
Percentage Achieved	52.01%		

Private Industry Council, Inc.  
Akron, Ohio  
**Analysis of Cost Limitations and Budget to Actual Title IIA 5% Technical Assistance**  
For the Period ending December 31, 1998

<b>Z-P5-22-00-01</b>	<b>Totals</b>	<b>Administration</b>	<b>Program Cost</b>
<b>Allocation</b>			
Allocation Amount	\$25,000	\$25,000	\$0
Transfer From IIC	0	0	0
Total Allocation	25,000	25,000	0
<b>Expenditures</b>			
Expenditures 07/01/94-12/31/95	0	0	0
Expenditures 01/01/97-12/31/97	5,000	5,000	0
Expenditures 01/01/98-12/31/98	20,000	20,000	0
Total Expenditure	25,000	25,000	0
Unexpended Funds	\$0	\$0	\$0
Percentage of Allocation	100.00%	100.00%	0.00%
<b>Budget</b>			
PY'97 Budget	\$20,000	\$20,000	\$0
Percentage Achieved	100.00%	100.00%	0.00%



Private Industry Council, Inc.  
Akron, Ohio  
**Analysis of Cost Limitations and Budget to Actual Title IIA 8%**  
For the Period ending December 31, 1998

<b>4-P6-22-00-01</b>	<b>Totals</b>	<b>Administration</b>	<b>Program Cost</b>
<b>Allocation</b>			
Allocation Amount	\$104,202	\$20,840	\$83,362
Transfer	0	0	0
<b>Total Allocation</b>	<b>104,202</b>	<b>20,840</b>	<b>83,362</b>
<b>Expenditures</b>			
Expenditures 07/01/96-12/31/96	44,889	10,917	33,972
Expenditures 01/01/97-12/31/97	53,731	11,093	42,638
Expenditures 01/01/98-12/31/98	5,582	386	5,196
<b>Total Expenditure</b>	<b>104,202</b>	<b>22,396</b>	<b>81,806</b>
Unexpended Funds	\$0	(\$1,556)	\$1,556
Percentage of Allocation	100.00%	21.49%	78.51%
<b>Budget</b>			
PY97 Budget	\$5,582	\$386	\$5,196
Percentage Achieved	100.00%	100.00%	100.00%
<b>4-97-22-00-00</b>			
<b>Allocation</b>			
Allocation Amount	\$107,110	\$21,422	\$85,688
Transfer	0	0	0
<b>Total Allocation</b>	<b>107,110</b>	<b>21,422</b>	<b>85,688</b>
<b>Expenditures</b>			
Expenditures 01/01/97-12/31/97	0	0	0
Expenditures 01/01/98-12/31/98	102,382	16,966	85,416
<b>Total Expenditure</b>	<b>102,382</b>	<b>16,966</b>	<b>85,416</b>
Unexpended Funds	\$4,728	\$4,456	\$272
Percentage of Allocation	95.59%	15.84%	79.75%
<b>Budget</b>			
PY97 Budget	\$107,110	\$21,422	\$85,688
Percentage Achieved	95.59%	79.20%	99.68%
<b>4-98-22-00-00</b>			
<b>Allocation</b>			
Allocation Amount	\$115,091	\$23,018	\$92,073
Transfer	0	0	0
<b>Total Allocation</b>	<b>115,091</b>	<b>23,018</b>	<b>92,073</b>
<b>Expenditures</b>			
Expenditures 01/01/98-12/31/98	0	0	0
<b>Total Expenditure</b>	<b>0</b>	<b>0</b>	<b>0</b>
Unexpended Funds	\$115,091	\$23,018	\$92,073
Percentage of Allocation	0.00%	0.00%	0.00%
<b>Budget</b>			
PY97 Budget	\$0	\$0	\$0
Percentage Achieved	0.00%	0.00%	0.00%
<b>85% Analysis</b>			
Expenditures	\$0		
Obligations	35,928		
<b>Total</b>	<b>35,928</b>		
Percentage Achieved	31.22%		

Private Industry Council, Inc.

Akron, Ohio

**Analysis of Cost Limitations and Budget to Actual Title IIB**  
For the Period ending December 31, 1998

<b>5-97-22-00-01</b>	<b>Totals</b>	<b>Administration Maximum 15%</b>	<b>Training &amp; Supportive Services Minimum 85%</b>
<b>Allocation</b>			
Allocation Amount	\$1,411,319	\$211,698	\$1,199,621
Transfer From/(To) IIC	0	0	0
<b>Total Allocation</b>	<b>1,411,319</b>	<b>211,698</b>	<b>1,199,621</b>
<b>Expenditures</b>			
Expenditures 10/01/96-12/31/96	0	0	0
Expenditures 01/01/97-12/31/97	1,163,455	149,870	1,013,585
Expenditures 01/01/98-12/31/98	247,864	99,830	148,034
<b>Total Expenditure</b>	<b>1,411,319</b>	<b>249,700</b>	<b>1,161,619</b>
Unexpended Funds	\$0	(\$38,002)	\$38,002
Percentage of Allocation	100.00%	17.69%	82.31%
<b>Budget</b>			
PY'97 Budget	\$247,864	\$61,828	\$186,036
Percentage Achieved	100.00%	161.46%	79.57%
<b>5-98-22-00-00</b>			
<b>Allocation</b>			
Allocation Amount	\$1,428,297	\$214,245	\$1,214,052
Transfer From/(To) IIC	88,488	13,273	75,215
<b>Total Allocation</b>	<b>1,516,785</b>	<b>227,518</b>	<b>1,289,267</b>
<b>Expenditures</b>			
Expenditures 01/01/97-12/31/97	0	0	0
Expenditures 01/01/98-12/31/98	1,367,333	170,409	1,196,924
<b>Total Expenditure</b>	<b>1,367,333</b>	<b>170,409</b>	<b>1,196,924</b>
Unexpended Funds	\$149,452	\$57,109	\$92,343
Percentage of Allocation	90.15%	11.23%	78.91%
<b>Budget</b>			
PY'97 Budget	\$1,338,256	\$141,538	\$1,196,718
Percentage Achieved	102.17%	120.40%	100.02%
<b>85% Analysis</b>			
Expenditures	\$1,367,333		
Obligations	0		
<b>Total</b>	<b>\$1,367,333</b>		
Percentage Achieved	90.15%		

Private Industry Council, Inc.  
Akron, Ohio  
**Analysis of Cost Limitations and Budget to Actual Title IIC**  
For the Period ending December 31, 1998

Y-97-22-00-00	Totals	Administration	Program Cost
<b>Allocation</b>			
Allocation Amount	\$174,540	\$34,908	\$139,632
Transfer From IIC	75,000	0	75,000
Total Allocation	249,540	34,908	214,632
<b>Expenditures</b>			
Expenditures 01/01/97-12/31/97	20,678	8,176	12,502
Expenditures 01/01/98-12/31/98	228,862	38,776	190,086
Total Expenditure	249,540	46,952	202,588
Unexpended Funds	\$0	(\$12,044)	\$12,044
Percentage of Allocation	100.00%	18.82%	81.18%
<b>Budget</b>			
PY'97 Budget	\$228,862	\$26,732	\$202,130
Percentage Achieved	100.00%	145.05%	94.04%
<b>Y-98-22-00-00</b>			
<b>Allocation</b>			
Allocation Amount	\$178,844	\$35,769	\$143,075
Transfer From IIC	33,200	6,640	26,560
Total Allocation	212,044	42,409	169,635
<b>Expenditures</b>			
Expenditures 01/01/98-12/31/98	74,547	8,525	66,022
Total Expenditure	74,547	8,525	66,022
Unexpended Funds	\$137,497	\$33,884	\$103,613
Percentage of Allocation	35.16%	4.02%	31.14%
<b>Budget</b>			
PY'97 Budget	\$74,547	\$8,525	\$66,022
Percentage Achieved	100.00%	100.00%	100.00%
<b>85% Analysis</b>			
Expenditures	\$74,547		
Obligations	0		
Total	\$74,547		
Percentage Achieved	35.16%		

Private Industry Council, Inc.  
Akron, Ohio  
**Analysis of Cost Limitations and Budget to Actual Title III**  
For the Period ending December 31, 1998

A-97-22-00-00	Totals	Administration	Program Cost
<b>Allocation</b>			
Allocation Amount	\$908,929	\$136,340	\$772,589
Transfer	0	0	0
Total Allocation	908,929	136,340	772,589
<b>Expenditures</b>			
Expenditures 07/01/97-12/31/97	354,661	62,538	292,123
Expenditures 01/01/98-12/31/98	554,268	85,163	469,105
Total Expenditure	908,929	147,701	761,228
Unexpended Funds	\$0	(\$11,361)	\$11,361
Percentage of Allocation	100.00%	16.25%	83.75%
<b>Budget</b>			
PY'97 Budget	\$554,268	\$85,163	\$469,105
Percentage Achieved	100.00%	100.00%	100.00%

A-98-22-00-01	Totals	Administration	Program Cost
<b>Allocation</b>			
Allocation Amount	\$807,138	\$121,071	\$686,067
Transfer	0	0	0
Total Allocation	807,138	121,071	686,067
<b>Expenditures</b>			
Expenditures 01/01/98-12/31/98	224,870	16,888	207,982
Total Expenditure	224,870	16,888	207,982
Unexpended Funds	\$582,268	\$104,183	\$478,085
Percentage of Allocation	27.86%	2.09%	25.77%
<b>Budget</b>			
PY'97 Budget	\$224,870	\$16,888	\$207,982
Percentage Achieved	100.00%	100.00%	100.00%
<b>85% Analysis</b>			
Expenditures	\$224,870		
Obligations	0		
Total	\$224,870		
Percentage Achieved	27.86%		

Private Industry Council, Inc.  
Akron, Ohio  
Analysis of Cost Limitations and Budget to Actual Title III Governor Reserve  
For the Period ending December 31, 1998

	Totals	Administration Maximum 15%	Retraining Minimum 50%
<b>B-97-22-00-01</b>			
<b>Allocation</b>			
Allocation Amount	\$50,000	\$0	\$50,000
Transfer	0	0	0
Total Allocation	50,000	0	50,000
<b>Expenditures</b>			
Expenditures 07/01/97-12/31/97	0	0	0
Expenditures 07/01/98-12/31/98	50,000	0	50,000
Total Expenditure	50,000	0	50,000
Unexpended Funds	\$0	\$0	\$0
Percentage of Allocation	100.00%	0.00%	100.00%
<b>Budget</b>			
PY'97 Budget	\$50,000	\$0	\$50,000
Percentage Achieved	100.00%	0.00%	100.00%
<b>B-97-22-00-02</b>			
<b>Allocation</b>			
Allocation Amount	\$32,620	\$3,262	\$29,358
Transfer	- 0	0	0
Total Allocation	32,620	3,262	29,358
<b>Expenditures</b>			
Expenditures 07/01/97-12/31/97	29,000	0	29,000
Expenditures 07/01/98-12/31/98	3,620	3,262	358
Total Expenditure	32,620	3,262	29,358
Unexpended Funds	\$0	\$0	\$0
Percentage of Allocation	100.00%	10.00%	90.00%
<b>Budget</b>			
PY'97 Budget	\$32,620	\$3,262	\$29,358
Percentage Achieved	88.90%	0.00%	98.78%
<b>B-98-22-00-00</b>			
<b>Allocation</b>			
Allocation Amount	\$156,319	\$15,632	\$140,687
Transfer	0	0	0
Total Allocation	156,319	15,632	140,687
<b>Expenditures</b>			
Expenditures 07/01/98-12/31/98	0	0	0
Total Expenditure	0	0	0
Unexpended Funds	\$156,319	\$15,632	\$140,687
Percentage of Allocation	0.00%	0.00%	0.00%
<b>Budget</b>			
PY'97 Budget	\$0	\$0	\$0
Percentage Achieved	0.00%	0.00%	0.00%

Private Industry Council, Inc.  
Akron, Ohio  
**Analysis of Cost Limitations and Budget to Actual Title IIB**  
For the Period ending September 30, 1998

5-P5-22-00-01	Totals	Administration Maximum 15%	Training & Supportive Services Minimum 85%
<b>Allocation</b>			
Allocation Amount	\$1,030,151	\$154,523	\$875,628
Transfer From/(To) IIC	0	0	0
<b>Total Allocation</b>	<b>1,030,151</b>	<b>154,523</b>	<b>875,628</b>
<b>Expenditures</b>			
Expenditures 10/01/95-09/30/96	947,518	154,523	792,993
Expenditures 10/01/96-09/30/97	82,635	0	82,635
Expenditures 10/01/97-09/30/98	0	0	0
<b>Total Expenditure</b>	<b>1,030,151</b>	<b>154,523</b>	<b>875,628</b>
Unexpended Funds	\$0	\$0	\$0
Percentage of Allocation	100.00%	15.00%	85.00%
<b>Budget</b>			
PY'97 Budget	\$0	\$0	\$0
Percentage Achieved	0.00%	0.00%	0.00%
<b>5-97-22-00-01</b>			
<b>Allocation</b>			
Allocation Amount	\$1,411,319	\$211,698	\$1,199,621
Transfer From/(To) IIC	0	0	0
<b>Total Allocation</b>	<b>1,411,319</b>	<b>211,698</b>	<b>1,199,621</b>
<b>Expenditures</b>			
Expenditures 10/01/96-09/30/97	1,160,338	149,750	1,010,588
Expenditures 10/01/97-09/30/98	250,981	99,950	151,031
<b>Total Expenditure</b>	<b>1,411,319</b>	<b>249,700</b>	<b>1,161,619</b>
Unexpended Funds	\$0	(\$38,002)	\$38,002
Percentage of Allocation	100.00%	17.69%	82.31%
<b>Budget</b>			
PY'97 Budget	\$1,411,319	\$211,698	\$1,199,621
Percentage Achieved	82.22%	70.74%	84.24%
<b>5-98-22-00-00</b>			
<b>Allocation</b>			
Allocation Amount	\$1,428,297	\$214,245	\$1,214,052
Transfer From/(To) IIC	88,488	13,273	75,215
<b>Total Allocation</b>	<b>1,516,785</b>	<b>227,518</b>	<b>1,289,267</b>
<b>Expenditures</b>			
Expenditures 10/01/97-09/30/98	1,320,996	140,485	1,180,501
<b>Total Expenditure</b>	<b>1,320,996</b>	<b>140,485</b>	<b>1,180,501</b>
Unexpended Funds	\$195,789	\$87,023	\$108,766
Percentage of Allocation	87.09%	9.26%	77.83%
<b>Budget</b>			
PY'97 Budget	\$1,320,996	\$140,495	\$1,180,501
Percentage Achieved	87.09%	61.75%	91.56%
<b>85% Analysis</b>			
Expenditures	\$1,320,996		
Obligations	0		
<b>Total</b>	<b>\$1,320,996</b>		
Percentage Achieved	87.09%		

Private Industry Council  
Akron, Ohio

**Schedule of Standing-In Costs**  
For The Period Ending December 31, 1998

Title II	Administration	Direct Training	Support	Total
0-96-22-00-01	\$2,021.42	\$0.00	\$0.00	\$2,021.42
0-97-22-00-00	2,659.07	0.00	0.00	2,659.07
0-98-22-00-00	0.00	0.00	0.00	0.00
1-97-22-00-00	593.81	0.00	0.00	593.81
1-98-22-00-00	0.00	0.00	0.00	0.00
Y-97-22-00-00	1,087.79	0.00	0.00	1,087.79
Y-98-22-00-00	0.00	0.00	0.00	0.00
Z-95-22-00-01 T.A.	427.76	0.00	0.00	427.76
5-97-22-00-01	1,659.62	0.00	0.00	1,659.62
5-98-22-00-00	0.00	0.00	0.00	0.00
ONE STOP GRANT NO.	0.00	0.00	0.00	0.00
4-P6-22-00-01	0.00	0.00	0.00	0.00
4-97-22-00-00	0.00	0.00	0.00	0.00
4-98-22-00-00	0.00	0.00	0.00	0.00
<b>Total CFDA # 17.250</b>	<b>\$8,449.47</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$8,449.47</b>
<b>Title III</b>				
A-97-22-00-00	\$3,700.31	\$0.00	\$0.00	3,700.31
A-98-22-00-01	0.00	0.00	0.00	0.00
B-97-22-00-01	150.86	0.00	0.00	150.86
B-97-22-00-02	0.00	0.00	0.00	0.00
B-98-22-00-00	0.00	0.00	0.00	0.00
<b>Total CFDA # 17.246</b>	<b>\$3,851.17</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$3,851.17</b>

Private Industry Council  
Akron, Ohio

**Schedule of Program Income**  
For The Period Ending December 31, 1998

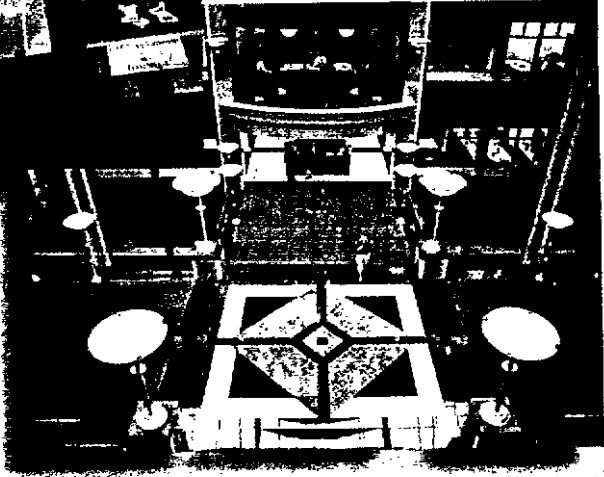
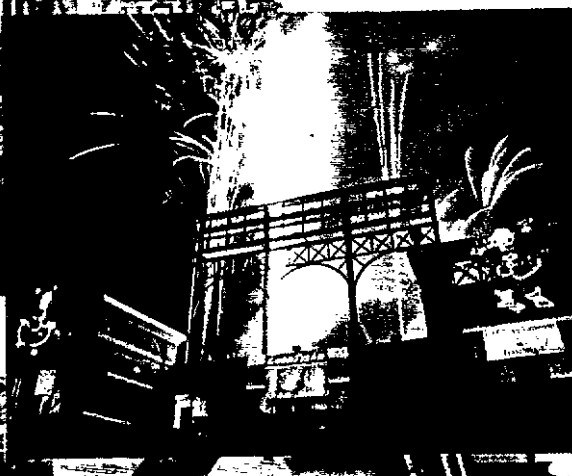
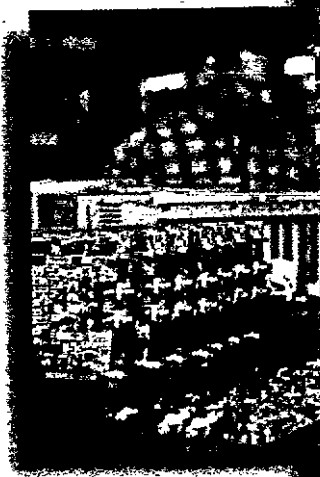
Title	Eamed			Expended			Balance
	Direct		Support	Direct		Support	
	Administration	Training		Administration	Training		
	\$0	\$0	\$0	\$0	\$0	\$0	\$0
0-96-22-00-01	0	0	0	0	0	0	0
0-97-22-00-00	0	0	0	0	0	0	0
0-98-22-00-00	0	0	0	0	0	0	0
1-97-22-00-00	0	0	0	0	0	0	0
1-98-22-00-00	0	0	0	0	0	0	0
Y-97-22-00-00	0	0	0	0	0	0	0
Y-98-22-00-00	0	0	0	0	0	0	0
Z-95-22-00-01 T.A.	0	0	0	0	0	0	0
5-97-22-00-01	0	0	0	0	0	0	0
5-98-22-00-00	0	0	0	0	0	0	0
ONE STOP GRANT NO.	0	0	0	0	0	0	0
4-P6-22-00-01	0	0	0	0	0	0	0
4-97-22-00-00	0	0	0	0	0	0	0
4-98-22-00-00	0	0	0	0	0	0	0
A-97-22-00-00	0	0	0	0	0	0	0
A-98-22-00-01	0	0	0	0	0	0	0
B-97-22-00-01	0	0	0	0	0	0	0
B-97-22-00-02	0	0	0	0	0	0	0
B-98-22-00-00	0	0	0	0	0	0	0



Private Industry Council  
Akron, Ohio

**Schedule of Variances**  
For The Period Ending December 31, 1998

<u>Title II</u>	<u>POWER*Ohio</u>	<u>Audit Report</u>	<u>Variance</u>
0-96-22-00-01	\$160,311	\$160,311	\$0
0-97-22-00-00	1,021,265	1,021,265	0
0-98-22-00-00	304,973	304,973	0
1-97-22-00-00	49,884	49,884	0
1-98-22-00-00	40,125	40,125	0
Y-97-22-00-00	228,862	228,862	0
Y-98-22-00-00	74,547	74,547	0
Z-95-22-00-01 T.A.	20,000	20,000	0
5-97-22-00-01	247,864	247,864	0
5-98-22-00-00	1,367,333	1,367,333	0
ONE STOP GRANT NO.	0	0	0
4-96-22-00-01	5,582	5,582	0
4-97-22-00-00	102,382	102,382	0
4-98-22-00-00	0	0	0
Total CFDA #17.250	<u>\$3,623,128</u>	<u>\$3,623,128</u>	<u>\$0</u>
<u>Title III</u>			
A-97-22-00-00	\$554,268	\$554,268	\$0
A-98-22-00-01	224,870	224,870	0
B-97-22-00-01	50,000	50,000	0
B-P7-22-00-02	3,620	3,620	0
B-98-22-00-00	0	0	0
Total CFDA #17.246	<u>\$832,758</u>	<u>\$832,758</u>	<u>\$0</u>



# Comprehensive Annual Financial Report

For Fiscal Year Ended December 31, 1998

City of Akron, Ohio  
Donald L. Plusquellic, Mayor

**CITY OF AKRON, OHIO**

**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT**



**For Fiscal Year Ended December 31, 1998**

**Donald L. Plusquellic, Mayor**

Issued by The Department of Finance

**Catherine G. Watson, Director**

**Diane L. Miller-Dawson, Deputy Director**

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# Introductory Section



## ELECTED AND APPOINTED OFFICIALS

### MAYOR

Donald L. Plusquellic

### COUNCIL MEMBERS

Mike Parsons	1st Ward
Donald Mittiga	2nd Ward
Marco S. Sommerville, President	3rd Ward
Renee L. Greene	4th Ward
David Portis	5th Ward
John R. Otterman, Vice President	6th Ward
Mary Ellen McAvoy	7th Ward
Bob Keith	8th Ward
John R. Conti, President Pro-Tem	9th Ward
Bruce Kilby	10th Ward
Michael D. Williams	Councilman-at-Large
Robert J. Otterman	Councilman-at-Large
John Valle	Councilman-at-Large

### CABINET OF THE MAYOR

Catherine G. Watson	Director of Finance
Diane L. Miller-Dawson	Deputy Director of Finance
Max Rothal	Director of Law
James E. Payne	Deputy Director of Law
Joseph P. Kidder	Director of Public Service
Lunzy O. Armstrong	Deputy Director of Public Service
Jeff Fusco	Deputy Director of Public Service
Warren Woolford	Director of Planning and Urban Development
James W. Phelps	Deputy Mayor for Economic Development
Dorothy O. Jackson	Deputy Mayor for Intergovernmental Relations
George A. Romanoski	Deputy Mayor for Public Safety
Mathew L. Contessa	Deputy Mayor for Labor Relations
Joel D. Bailey	Deputy Mayor for Administration
Mark A. Williamson	Communications Director



CITY OF AKRON, OHIO

COMPREHENSIVE ANNUAL FINANCIAL REPORT

TABLE OF CONTENTS

	<u>Exhibit</u>	<u>Page</u>
<b><u>INTRODUCTORY SECTION:</u></b>		
List of Officials		1
Organization Chart		2
Table of Contents		3
Finance Director's Letter of Transmittal		7
Certificate of Achievement for Excellence in Financial Reporting		19
<b><u>FINANCIAL SECTION:</u></b>		
Independent Auditors' Report		21
<b><u>General Purpose Financial Statements</u></b>		
Combined Balance Sheet - All Fund Types, Account Groups and Discretely Presented Component Unit	1	24
Combined Statement of Revenues, Expenditures, and Changes in Fund Balances - All Governmental Fund Types, Expendable Trust Funds and Discretely Presented Component Unit	2	31
Combined Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - General, Special Revenue, and Debt Service Fund Types, Non-GAAP Budget Basis	3	32
Combined Statement of Revenues, Expenses, and Changes in Retained Earnings - All Proprietary Fund Types	4	35
Combined Statement of Cash Flows - All Proprietary Fund Types	5	36
Notes to Combined Financial Statements		
1. Summary of Significant Accounting Policies		39
2. Cash and Investments		44
3. Receivables		47
4. Due From/To Other Governments		47
5. Interfund Receivables and Payables		48
6. Fixed Assets		50
7. Oil and Gas Activities		52
8. Changes in General Long-Term Obligations Account Group		53
9. Accrued Vacation and Leave		53
10. Pension Plans		55
11. Deferred Compensation Plans		57
12. Notes Payable		57
13. Long-Term Debt		59



CITY OF AKRON, OHIO

COMPREHENSIVE ANNUAL FINANCIAL REPORT

TABLE OF CONTENTS  
(Continued)

	<u>Page</u>	
Notes to Combined Financial Statements (Continued)		
14. Obligation Under Capitalized Leases	69	
15. Self-Insurance Funds	69	
16. Deficit Fund Balances	71	
17. Income Taxes	72	
18. Property Taxes	72	
19. JEDD Revenue	73	
20. Segments of Enterprise Activities	74	
21. Contributed Capital	75	
22. Contingencies	75	
23. Budget Basis of Accounting	76	
24. Closure and Post-Closure Care Costs	77	
25. Subsequent Events	78	
	<u>Statement/ Schedule</u>	<u>Page</u>
<u>Combining Individual Fund and Account Group Statements and Schedules</u>		
General Fund:		79
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - General Fund, Non-GAAP Budget Basis	A-1	80
Special Revenue Funds:		89
Combining Balance Sheet - All Special Revenue Funds	B-1	90
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - All Special Revenue Funds	B-2	102
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Non-GAAP Budget Basis:		
Income Tax Collection Fund	B-3	114
Emergency Medical Service Fund	B-4	115
Special Assessment Fund	B-5	116
Police Pension Employer's Liability Fund	B-6	117
Fire Pension Employer's Liability Fund	B-7	118
C.I.P. Operating Fund	B-8	119
Street and Highway Maintenance Fund	B-9	120
Special Assessment Street Cleaning Fund	B-10	122
Special Assessment Street Lighting Fund	B-11	123
Community Development Fund	B-12	124
Air Pollution Control Fund	B-13	125
Akron Metro. Area Transportation Study Fund	B-14	126

CITY OF AKRON, OHIO

COMPREHENSIVE ANNUAL FINANCIAL REPORT

TABLE OF CONTENTS

(Continued)

	<u>Statement/ Schedule</u>	<u>Page</u>
Debt Service Funds:		127
Combining Balance Sheet - All Debt Service Funds	C-1	128
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - All Debt Service Funds	C-2	130
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - General Bond Payment Fund, Non-GAAP Budget Basis	C-3	132
Capital Project Funds:		133
Combining Balance Sheet - All Capital Project Funds	D-1	134
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - All Capital Project Funds	D-2	142
Enterprise Funds:		151
Combining Balance Sheet - All Enterprise Funds	E-1	152
Combining Statement of Revenues, Expenses, and Changes in Retained Earnings - All Enterprise Funds	E-2	154
Combining Statement of Cash Flows - All Enterprise Funds	E-3	156
Internal Service Funds:		161
Combining Balance Sheet - All Internal Service Funds	F-1	162
Combining Statement of Revenues, Expenses, and Changes in Retained Earnings - All Internal Service Funds	F-2	164
Combining Statement of Cash Flows - All Internal Service Funds	F-3	166
Expendable Trust and Agency Funds:		171
Combining Balance Sheet - All Expendable Trust and Agency Funds	G-1	172
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - All Expendable Trust Funds	G-2	181
Combining Statement of Changes in Assets and Liabilities - All Agency Funds	G-3	182
General Fixed Assets Account Group:		195
Schedule of General Fixed Assets by Source	H-1	196
Schedule of Changes in General Fixed Assets by Function and Activity	H-2	197
Schedule of General Fixed Assets by Function and Activity	H-3	198

CITY OF AKRON, OHIO

COMPREHENSIVE ANNUAL FINANCIAL REPORT

TABLE OF CONTENTS

(Continued)

	<u>Table</u>	<u>Page</u>
<b><u>STATISTICAL SECTION:</u></b>		
General Governmental Expenditures by Function Last Ten Fiscal Years	1	199
General Governmental Revenues by Source Last Ten Fiscal Years	2	200
General Governmental Revenues and Expenditures Last Ten Fiscal Years	Chart 1	201
Ad Valorem Property Tax Levies and Collections Last Ten Fiscal Years	3	202
Income Tax Collections Last Ten Fiscal Years	4	203
Assessed and Estimated Actual Value of Taxable Property Last Ten Fiscal Years	5	204
Property Tax Rates, Direct and Overlapping Governments Last Ten Fiscal Years	6	205
Special Assessment Collections Last Ten Fiscal Years	7	206
Ratio of Net General Bonded Debt to Assessed Value and Net Bonded Debt Per Capita Last Ten Fiscal Years	8	207
Computation of Legal Debt Margin, Unvoted Debt Limit (5 1/2%) as of December 31, 1997 and 1998	9	208
Computation of Legal Debt Margin, Total Debt Limit (10 1/2%) as of December 31, 1997 and 1998	10	209
Computation of Direct and Overlapping Debt - December 31, 1998	11	210
Ratio of Annual Debt Service Expenditures for General Bonded Debt to Total General Governmental Expenditures Last Ten Fiscal Years	12	211
Water Enterprise Bond Coverage Last Ten Fiscal Years	13	212
Sewer Enterprise Bond Coverage Last Ten Fiscal Years	14	213
Demographic Statistics - December 31, 1998	15	214
Property Values and Construction Activity Last Ten Fiscal Years	16	215
Ten Largest Property Taxpayers - December 31, 1998	17	216
Miscellaneous Statistical Data - December 31, 1998	18	217
Supplemental Schedule of Year 2000 Issues	19	218

Catherine G. Watson  
Director of Finance

Diane L. Miller-Dawson  
Deputy Director of Finance



Donna M. Urdiales  
Executive Assistant

Donald L. Plusquellic  
Mayor

## DEPARTMENT OF FINANCE

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

June 25, 1999

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, 1998. This report fully presents financial and operating information about the City's activities during 1998 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.

The department takes full responsibility for this report's content and accuracy. The Audit and Budget Division prepared all of the financial statements and assisted the external independent auditors in their performance of the annual audit. The Treasurer's Office of the Department of Finance drafted the statistical section.

The Comprehensive Annual Financial Report is composed of three distinct sections: the introductory section, which contains a listing of City officials, the organizational structure of the City of Akron, the table of contents, and this transmittal letter; the financial section, which consists of the independent auditors' report, general purpose financial statements, notes to the combined financial statements, and more detailed combining and individual statements; and the statistical section which contains pertinent financial and general information indicating trends for comparative fiscal periods.

The financial section of this report has been structured to represent a "reporting pyramid." The significance of the levels of the pyramid are as follows:

1. General Purpose Financial Statements - The combined financial statements reflect a complete summary of the financial activities of the City and encompass all fund types, account groups, and component unit. The result is a combined overview of the financial position, cash flows of proprietary funds, and operating results for the fiscal year. This reporting level includes the independent auditors' report, the combined financial statements, and notes to the combined financial statements.

2. Combining Financial Statements - The financial statement for each individual fund is grouped by fund type and shown in the combining financial statements. This reporting level presents more detailed information for those concerned about such details, the totals of which correspond with data presented in the combined financial statements.

### Reporting Entity

The financial reporting entity includes all of the funds and account groups of the primary government (the City of Akron, Ohio) as well as its component unit. Component units are legally separate entities for which the primary government is financially accountable.

The Private Industry Council (PIC) is a not-for-profit corporation serving the City of Akron and the Counties of Medina and Summit. The City is financially accountable for PIC through designation of management, authority to review and approve budgetary requests, and other aspects of fiscal control. The City has chosen the discrete method of presentation of PIC because it provides services to the citizens of the City and surrounding areas as opposed to only the primary government.

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 1990 Census population of 223,019. The City's land area is approximately 62 square miles and is located in the northeastern region of the state.

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, payroll and general accounting, investment and debt management, purchasing, local income tax administration, data processing systems, and internal auditing.

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

The City contributes to two state-administered retirement plans covering various groups of City employees. The financial statements of these state-mandated plans are not included in the City's financial report as the plans are outside of our control and are independent of our financial resources or influence.

### Economic Conditions and Outlook

The City of Akron continues to see strength in the local economy. Akron's average annual unemployment rate for 1998 dropped from 6.2 percent a year ago to 5.6 percent and is the lowest rate in over nine years. The strengths of the local economy are the growth of the financial and legal services industries. This is reflected in the tax collections from these sectors growing over 35 percent since 1993. In 1998, Akron also experienced growth in the construction and polymer manufacturing industries.

The number of building permits issued in 1998 increased 14 percent over the number of permits issued in 1997. Although the dollar value of these permits decreased in 1998, we anticipate large increases in permit valuations over the next several years due to the major capital projects planned by The University of Akron, The Goodyear Tire and Rubber Company, and the Akron-Summit County Public Library.

On a generally accepted accounting principles (GAAP) basis, the City is showing a 2.9 percent decrease in income taxes for 1998 compared to 1997. This is a result of reclassifying revenues received from our Joint Economic Development Districts (JEDDs) from income taxes to miscellaneous revenues. Removing the JEDD revenues from the 1997 income tax figure results in a true increase in Akron's income taxes of 4.7 percent. The City historically averages a 3 percent annual increase in income taxes. As of the end of May 1999, the increase in income taxes is 7 percent. While we do not anticipate that we will end 1999 with a 7 percent increase, we do believe that we will end the year with an amount higher than our budget of 3 percent.

Although on a GAAP basis an increase in property taxes is shown, property tax collections remained fairly level in 1998 compared to 1997. (The increase is a result of reclassifying revenue.) Every six years the County Auditor is required to reappraise and adjust the true value of taxable real property to reflect then current fair market values. This sexennial revaluation occurred in 1996. The County Auditor is also required to adjust taxable real property values triennially (without reappraisals) to reflect true values, and this will happen in 1999 for collections in the year 2000.

On a GAAP basis, the costs of general fund operations of the City increased by a modest 2.4 percent. Despite wage increases of 3.5 percent, a conservative policy on spending and the cooperation of department heads and division managers contributed to this great achievement. General fund revenues increased 4.2 percent. Two types of shared revenues--inheritance taxes and local government revenues received from the State--increased by a total of \$3.7 million in 1998 over 1997. As a result of the excess of revenues over expenditures, the City was able to end the year with a 33.9 percent increase in its general fund balance on a GAAP basis.

The financial outlook appears bright for the City of Akron. With employment up and new jobs coming into Akron, our income taxes are growing more than anticipated. Also, this year's Ohio Supreme Court ruling in our favor on the lawsuit challenging the constitutionality of the statute that authorizes Joint Economic Development Districts was a major victory. The City now has additional revenues to encourage and promote economic development.

#### Major Initiatives

We continue to focus most of our attention on neighborhoods and families. The designation of the City of Akron in December 1994 as an enterprise community by the federal government has generated additional federal funds to assist neighborhoods. The housing petition and H.O.M.E. programs, already part of the City's economic growth program, are very successful. Neighborhoods petition for special allocation of federal community development dollars, which assist homeowners in paying for home improvements and are used to reduce assessments for public improvements. In 1998, the City provided funding and contracted for the renovation of 400 homes, completed inspections on more than 1,000 homes, and brought nearly 700 homes into compliance with the housing code. The City also contracted for emergency home repairs for 120 low-income, elderly and/or disabled homeowners. It is anticipated that approximately 400 new homes and condominiums will be built in Akron in 1999. The City also created a neighborhood partnership program in 1997 for neighborhood groups to compete for grants to do neighborhood improvement projects. In 1998, 24 community organizations received funding to implement neighborhood-sponsored projects. The goal for 1999 is to expand this program.

The high quality of life in the City of Akron is evidenced through education, recreation, the arts and culture. The **Character Counts!** project began in 1997 and is a collaborative effort that brings our schools, businesses, community organizations, churches and government together in one mission: to teach

the importance of honesty, integrity and responsibility to children and adults. For 1998, we were able to enhance this program through the training of more community leaders. Also in 1998, the Akron Police Department began the "Do the Right Thing" program. Through this program, tee-shirts, plaques and certificates are given to students at a special ceremony held at city hall to recognize and honor those students within the community who are doing the right thing and whose behavior deserves special recognition. In 1998, 80 students received awards.

Our downtown is well on its way to undergoing a complete revitalization. The success of Canal Park Stadium has spurred growth of other small businesses downtown such as restaurants and entertainment clubs. In 1998, the downtown business district formed a Special Improvement District (SID) whose primary focus is to promote and enhance downtown development. The goal for 1999 is to continue to recreate downtown to make it a business-friendly, family-friendly entertainment destination. Plans for 1999 include the design and construction of an entertainment complex that will house a cinema complex and an IMAX theater. We are also working on the relocation of the Main Library into a state-of-the-art facility, and are forming plans for the future of the historic Civic Theatre.

Economic development is another major initiative in the City of Akron. Our economic development division is constantly working to attract new businesses to Akron and to assist existing ones in relocating for expansion purposes. One of the exciting things to happen to downtown in January 1999 was the relocation of the Roetzel and Andress law firm to the newly remodeled O'Neil's building. This building, a former department store, was remodeled in 1998 to house office, retail, restaurants and entertainment establishments and includes a new 525-car parking deck. Future plans for the facility include the development of the first floor into an entertainment and retail use. The City anticipates that up to four restaurants will open in that space by January 2000. These restaurants will employ up to 200 people.

The City is assisting with the renovation of the former BFGoodrich World Headquarters building for GOJO Industries. This project will result in the relocation of more than 200 employees from Cuyahoga Falls, Ohio to this site. The City has completed the environmental remediation, and GOJO expects to complete renovations, estimated to cost between \$7 and \$10 million, and move into the facility by the end of this year.

Akron looks to its industrial parks as a tool to create and retain jobs. The City is currently negotiating the purchase of an additional 68 acres in the Ascot Industrial Park. To date, 13 businesses are located on the existing 142-acre site representing a total of over 800 jobs. The Conrail site, located immediately south of downtown Akron, is currently in the planning stage. The Massillon Road Industrial Park is 165 acres and is currently being redeveloped for industrial and commercial use. Quality Mold has plans to construct a 78,000 square foot facility on 12.5 acres. This \$4 million development will result in 160 jobs.

Another initiative is a cooperative effort with the Small Business Administration (SBA) and local banks to secure a \$6 million pool of funds to be lent for small business start-up or expansion. This program provides SBA LowDoc (low documentation) loans up to \$100,000 for businesses within the enterprise community or those that will hire persons residing in the enterprise community. Thus far, the program has made 11 loans.

All of these initiatives taken together contribute to the strength and diversity of the City's economy and make Akron one of the best places to live in America.

#### Department Focus

Several departments deserve recognition in this 1998 transmittal letter based on their service efforts and accomplishments.

The year 1998 marked the first time the Public Works Bureau's Street Cleaning Division provided two complete rounds of leaf removal for the residents of Akron. This expansion of services represented a 22

percent improvement in productivity without any additional cost to the residents. These improvements were possible due to the adoption of the leaf removal task force recommendations by the Service Director's office. The leaf removal task force consisted of members of both management and labor. I would like to thank Joseph Asher, John Carney, Fred Fox, Keith Harpster, William Howell, Raymond Moore, and James Musgrave for their efforts and accomplishments in "doing more with less."

Representatives from the Finance Department and Personnel Department have devoted thousands of hours to implementing the new PeopleSoft human resources and payroll system. The new system provides more functionality than was currently in place and improves access to information. In 1998, the staff reviewed processes, identified gaps between the systems, and assisted in required modifications to the new system. In early 1999, they trained the payroll clerks and tested the system, which went live in April. An upgrade and other components to the software, such as applicant tracking, service ratings, succession planning, and workflow of job requisitions, will be phased in later this year. I would like to thank core team members Robert White, Mark McLeod and Pat Hogue for their dedication to this successful project.

Accounting System and Fund Description

The City has established various funds to comply with legal requirements for segregation of net assets and to better facilitate management control. The City's accounting policies and financial reporting practices, as used in the preparation of the accompanying financial statements, conform to generally accepted accounting principles as applicable to governmental units. However, on a day-to-day basis the City maintains its accounting system on the cash basis.

The various fund types of the City have been classified into fund categories as follows:

<u>Fund Category</u>	<u>Fund Type</u>
Governmental	General Special Revenue Debt Service Capital Projects
Proprietary	Enterprise Internal Service
Fiduciary	Expendable Trust Agency

The measurement focus for each of the above fund categories is explained below:

Governmental Funds - These funds are used to account for the City's expendable financial resources and related current liabilities, except those accounted for in proprietary funds. Governmental funds are essentially accounting segregations of financial resources and their measurement focus is based upon determination of financial position (sources, uses, and balances of resources) rather than upon net income determination. Basic financial statements necessary to fairly present financial position and operating results for these funds are the balance sheet and the statement of revenues, expenditures, and changes in fund balance.

Proprietary Funds - These funds are used to account for the City's ongoing activities which are similar to those found in the private sector, and financial activity is reported in essentially the same manner as in commercial accounting where net income and capital maintenance are measured. The measurement focus is upon determination of net income, financial position, and cash flows. The basic statements required for these funds are the balance sheet, the statement of revenues, expenses, and changes in retained earnings, and the statement of cash flows.



Fiduciary Funds - These funds are used to account for assets held by the City in a trustee capacity or as an agent for others. Each expendable trust and agency fund is classified for accounting measurement purposes as a governmental fund type. Expendable trust and agency funds are accounted for on the modified accrual basis.

In addition to the various fund types, a fourth classification of accounting categories, account groups, is used to establish accounting control and accountability for the City's general fixed assets and general long-term debt. The City's general fixed assets (all fixed assets except those accounted for in proprietary funds) are not financial resources available for expenditure. The unmatured principal of the City's general long-term debt (long-term liabilities not accounted for in proprietary funds) does not require uses of current financial resources to pay the debt service. Accordingly, these are not accounted for in the governmental funds but in self-balancing account groups.

#### Internal Accounting Control

The accuracy and reliability of the City's accounting system depend upon internal accounting controls. Internal accounting controls are designed to provide reasonable assurance regarding the safeguarding of assets against loss from unauthorized use or dispositions and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived, and the evaluation of costs and benefits requires estimates and judgments by management. All internal control evaluations occur within the above framework. The City's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

#### Budgetary Control

Formal budgetary control is maintained at the wages/benefits, other, and outlay levels within each department and fund. This control is achieved by encumbering purchase amounts prior to the release of purchase orders to vendors or the signing of contracts. Purchase orders or contracts that would result in an overrun of budgeted balances are not approved by the Department of Finance until additional funds are available and additional appropriations are authorized by City Council. Year-end outstanding encumbrances are reappropriated in the succeeding year.

General Governmental Operating Funds

Governmental funds are used to account for most City functions. Revenues for general, special revenue, debt service, and capital project funds, on a modified accrual basis, totaled \$240,528,279 in 1998, an increase of \$24,261,007 from 1997. The amount of revenue from major sources and the difference from the prior year are shown in the following table:

**GENERAL, SPECIAL REVENUE, DEBT SERVICE, AND CAPITAL PROJECT FUNDS - REVENUE**

Revenue Sources	Fiscal Year 1998	Percent of Total	Increase (Decrease) From 1997	Percent Increase (Decrease)
Income taxes	\$ 89,494,841	37.21	\$ (2,694,406)	(2.92)
Property taxes	27,235,930	11.32	2,126,760	8.47
Special assessments	14,210,390	5.91	1,382,247	10.78
Grants	22,728,197	9.45	890,907	4.08
Investment earnings	5,657,996	2.35	1,936,556	52.04
Shared revenues	30,693,421	12.76	6,469,361	26.71
Licenses, fees and fines	8,406,498	3.50	(430,624)	(4.87)
Charges for services	18,293,265	7.61	(2,490,480)	(11.98)
Miscellaneous	23,807,741	9.90	17,070,686	253.38
Total	<u>\$ 240,528,279</u>	<u>100.00</u>	<u>\$ 24,261,007</u>	<u>11.22</u>

The decrease in income tax revenue results because JEDD revenue that was recorded as income tax revenue in the previous year (\$6,672,285) has been reclassified this year as miscellaneous revenue. In actuality, there was an increase in Akron income taxes of 4.65%.

The increase in property taxes is due to additional collections and reclassifying revenues in the prior year from shared revenues to property taxes.

The increase in grant revenue is from community development grants.

Shared revenues increased due to increases in inheritance taxes and local government revenues in the General Fund. In capital project funds, revenues were received to reimburse the City for project costs.

The decrease in charges for services occurred mainly in the General Fund. In the AMATS fund, revenue previously classified as charge for services was changed to grant revenue this year.

The increase in miscellaneous revenue is from the sale of the landfill, reimbursement for stadium construction costs, and the reclassification of JEDD revenues.

Expenditures for general, special revenue, debt service and capital project funds on a modified accrual basis totaled \$276,254,720 in 1998, an increase of \$33,234,360 from 1997. The level of expenditures for major functions of the City and the difference from the prior year are shown in the following table:

**GENERAL, SPECIAL REVENUE, DEBT SERVICE, AND CAPITAL PROJECT FUNDS - EXPENDITURES**

<u>Expenditures by Function</u>	<u>Fiscal Year 1998</u>	<u>Percent of Total</u>	<u>Increase (Decrease) From 1997</u>	<u>Percent Increase (Decrease)</u>
General Government	\$ 23,756,725	8.60	\$ 2,819,134	13.46
Public Service	28,843,782	10.44	(4,127,726)	(12.52)
Public Safety	89,467,128	32.39	2,852,522	3.29
Community Environment	18,006,889	6.52	3,088,255	20.70
Public Health	12,589,478	4.56	766,742	6.49
Recreation and Parks	3,580,431	1.30	(39,418)	1.09
Capital Outlay	74,293,701	26.89	24,529,927	49.29
Debt Service	25,716,586	9.31	3,344,924	14.95
<b>Total</b>	<b>\$ 276,254,720</b>	<b>100.00</b>	<b>\$ 33,234,360</b>	<b>13.68</b>

The increase in general governmental expenditures occurred mainly in the general fund. In the JEDD fund, some expenditures were reclassified as general government for this year.

The decrease in public service expenditures was due to the mild winter. In the Streets fund, capital project fund expenditures previously classified as public service are shown as capital outlay for this year.

The increase in community environment expenditures occurred in the Community Development and H.O.M.E. Program funds.

The increase in capital outlay expenditures was due to reclassification of expenditures and increased street paving and resurfacing in the Streets fund. In the capital projects fund, the O'Neil's Building and GOJO Headquarters projects incurred substantial costs during the year.

### Enterprise Funds

These funds are used to account for services provided to the public where all or most of the operating expenses involved are recovered in the form of charges to the users of such services. To more fully evaluate enterprise operations, it is imperative to examine the operating revenues, changes in operating revenue, and the operating income (loss) for each of the City's nine enterprise funds as shown in the following table:

#### ENTERPRISE FUNDS - REVENUES AND OPERATING INCOME (LOSS)

Operations	Operating Revenues 1998	Operating Revenues 1997	Revenue Increase (Decrease) From 1997	Operating Income (Loss) 1998
Airport	\$ 323,196	\$ 120,615	\$ 202,581	\$ (427,663)
Firestone Stadium	-	-	-	(188)
Golf Course	832,469	948,009	(115,540)	51,223
Off-Street Parking	3,765,016	3,602,177	162,839	(234,232)
Oil and Gas	491,375	606,863	(115,488)	208,350
O'Neil's Building	-	35,546	(35,546)	(137,030)
RES	104,960	97,803	7,157	104,960
Sewer	33,862,063	36,342,889	(2,480,826)	4,819,345
Water	33,297,429	35,341,049	(2,043,620)	2,667,416
Total	<u>\$ 72,676,508</u>	<u>\$ 77,094,951</u>	<u>\$ (4,418,443)</u>	<u>\$ 7,052,181</u>

The decrease in sewer and water operating revenues is from decreased water usage. During 1998, sewer and water rates remained the same as 1997.

Internal Service Funds

These funds are used to account for the financing of goods or services provided by one division to other divisions of the City on a cost-reimbursement basis. The following table shows the operating revenues, changes in operating revenues, and operating income (loss) for each of the City's nine internal service funds:

**INTERNAL SERVICE FUNDS - REVENUES AND OPERATING INCOME (LOSS)**

	Operating Revenues 1998	Operating Revenues 1997	Revenue Increase (Decrease) From 1997	Operating Income (Loss) 1998
Operations				
Engineering Bureau	\$ 10,689,458	\$ 10,098,679	\$ 590,779	\$ 115,150
Graphics	331,052	300,245	30,807	(105,988)
Medical Self-Insurance	18,724,372	15,486,048	3,238,324	3,026,340
Management Information Systems	3,081,716	2,624,096	457,620	(2,459,645)
Motor Equipment	5,599,590	5,940,253	(340,663)	(290,219)
Self-Insurance Settlement	-	125,000	(125,000)	(95,835)
Storeroom	1,359,039	1,329,777	29,262	78,512
Telephone System	674,736	662,337	12,399	279,067
Worker's Compensation Reserve	3,174,299	4,100,041	(925,742)	(253,934)
Total	<u>\$ 43,634,262</u>	<u>\$ 40,666,476</u>	<u>\$ 2,967,786</u>	<u>\$ 293,448</u>

The increase in the Medical Self-Insurance fund operating revenue was due to additional charges to the divisional operating budgets during the year.

The operating loss in the Management Information Systems fund is due to increased costs in direct expenses, primarily for addressing Y2K issues and associated new system costs.

### Debt Administration

City debt is maintained at realistic levels in relation to the overall financial condition and to projected needs for public facilities and improvements. The ratio of net bonded debt to assessed valuation and the amount of bonded debt per capita, as shown below, are useful indicators of the City's debt position.

#### NET BONDED DEBT

Year	Net Bonded Debt Amount	Bonded Debt to Assessed Value	Net Bonded Debt per Capital
1998	\$ 152,657,877	5.68%	\$ 685

General obligation bonds are recorded in the general long-term obligation account group except those applicable to water, sewer, golf, off-street parking, motor equipment, self-insurance settlement, engineering bureau, and management information systems which are recorded in the applicable proprietary funds.

Outstanding general obligation bonds at December 31, 1998 totaled \$147,788,248. In addition, \$22,810,728 of special assessment bonds and notes were outstanding. Therefore, the City had a total of \$170,598,976 of long- and short-term general obligation debt at the end of 1998. The debt management plan of the City for 1998 involves the issuance of bonds to convert eligible bond anticipation notes and the continuation of the self-imposed limitation on new note and bond issuance to a level that can be retired with capital budget funds without compromising the five-year investment program.

### 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, as followed by 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 1998, investment interest income averaged a yield of 5.24%. The interest earnings are maximized by investing to projected payment dates on a competitive bid basis and by investing bank balances daily. This resulted in an average book balance investment of 108.46%.

### Risk Management

The City has been self-insured for liability coverage for non-auto related incidents since 1985. This program was well established in response to the dramatic rise in premiums in 1984-1985 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 proved to be the most cost-effective program for this type of coverage. 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.

The City also has in place reserve funds for workers' compensation and medical benefits, and our goal for 1998 was to establish a reserve for compensated absences (accrued vacation and leave liability). We were successful in creating that reserve fund in 1999 with a beginning balance of \$1 million.

#### Independent Annual Audit

In 1998, Deloitte & Touche LLP was contracted to perform the audit of the City of Akron for a period of five years. We appreciate the cooperation of State Auditor Jim Petro and Deloitte & Touche LLP in completing the City's audit in a timely and highly professional manner.

#### Certificate of Achievement for Excellence in Financial Reporting

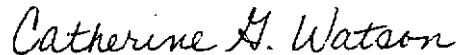
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Akron, Ohio, for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 1997. The Certificate of Achievement 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 a Certificate of Achievement for the last fourteen consecutive years (1984 through 1997). We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

#### Acknowledgments

The 1998 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 John R. Wheeler, CPA, Audit and Budget Manager, and his staff for the many hours of quality service they have provided to the City in the formulation of the 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 the needs of you and City Council for responsible financial planning and reporting.

Respectfully,



Catherine G. Watson  
Director of Finance

CGW/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, 1997

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.



*Douglas R. Ellaworth*  
President

*Jeffrey L. Esler*  
Executive Director



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# General Purpose Financial Statements



STATE OF OHIO  
OFFICE OF THE AUDITOR  
JIM PETRO, AUDITOR OF STATE

35 North Fourth Street, 1<sup>st</sup> Floor  
Columbus, Ohio 43215

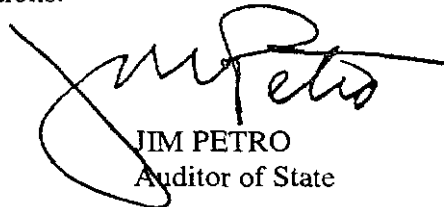
Telephone 614-466-4514  
800-282-0370

Facsimile 614-728-7398

To Honorable Mayor Donald L. Plusquellic  
and Members of the City Council  
the City of Akron, Ohio:

We have reviewed the Independent Auditor's Report of the City of Akron, Summit County, prepared by Deloitte & Touche LLP, for the audit period January 1, 1998 to December 31, 1998. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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



JIM PETRO  
Auditor of State

January 12, 2000

**INDEPENDENT AUDITORS' REPORT**

The Honorable Mayor and Members  
of the City Council  
City of Akron, Ohio:

We have audited the accompanying general purpose financial statements of the City of Akron, Ohio, as of December 31, 1998, and for the year then ended, as listed in the foregoing table of contents. These general purpose financial statements are the responsibility of the management of the City of Akron, Ohio. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

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

*In our opinion, such general purpose financial statements present fairly, in all material respects, the financial position of the City of Akron, Ohio at December 31, 1998, and the results of its operations and the cash flows of its proprietary fund types for the year then ended in conformity with generally accepted accounting principles.*

As described in Note 1(N) to the general purpose financial statements, the City changed its method of accounting for its deposits in deferred compensation programs during 1998 to comply with the provisions of Statement No. 32 of the Governmental Accounting Standards Board.

The year 2000 supplementary information on page 218 is not a required part of the general purpose financial statements, but is supplementary information required by the Governmental Accounting Standards Board, and we did not audit and do not express an opinion on such information. Further, we were unable to apply to the information certain procedures prescribed by professional standards because of the unprecedented nature of the year 2000 issue and its effects, and the fact that authoritative measurement criteria regarding the status of remediation efforts have not been established. In addition, we do not provide assurance that the City is or will become year 2000 compliant, that the City's year 2000 remediation efforts will be successful in whole or in part, or that parties with which the City does business are or will become year 2000 compliant.

Our audit was conducted for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining and individual fund and account group financial statements and schedules listed in the foregoing table of contents are presented for the purpose of additional analysis and are not a required part of the general purpose financial statements of the City of Akron, Ohio. These financial statements and schedules are also the responsibility of the management of the City of Akron, Ohio. Such additional information has been subjected to the auditing procedures applied in our audit of the general purpose financial statements and, in our opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.

The statistical data on pages 199-217 is presented for purposes of additional analysis and is not a required part of the general purpose financial statements of the City of Akron, Ohio. Such additional information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and, accordingly, we express no opinion on it.

*Deloitte + Touche LLP*

June 25, 1999

**GENERAL PURPOSE  
FINANCIAL STATEMENTS**

City of Akron, Ohio  
 Combined Balance Sheet  
 All Fund Types, Account Groups and Discretely Presented Component Unit  
 December 31, 1998

	Governmental Fund Types				Proprietary Fund Types	
	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service
<b>Assets</b>						
Cash and investments (Note 2)	\$ 6,342,851	\$ 16,285,313	\$ 302,818	\$ 9,061,224	\$ 20,935,952	\$ 18,535,124
Restricted cash and investments (Note 2)	-	4,028,405	8,325,518	-	9,481,905	3,421,183
Receivables, net of allowances for uncollectibles (Note 3)	25,398,755	11,951,770	29,221,696	411,689	8,269,341	43,715
Loans receivable	-	690,171	-	9,515,760	-	-
Due from other governments (Note 4)	7,157	3,044,413	-	526,526	2,046,494	-
Due from other funds (Note 5)	2,526,204	24,342,181	-	-	20,764	825,225
Due from component unit (Note 5)	23,620	-	-	-	-	847
Due from others	-	-	-	-	-	-
Inventories, at cost	-	-	-	-	4,753,167	966,233
Unamortized bond issue costs	-	-	-	-	1,283,827	-
Bond discount	-	-	-	-	367,142	-
Unamortized charge refunding bond	-	-	-	-	410,526	-
Property, plant and equipment, net of accumulated depreciation, where applicable (Note 6)	-	-	-	-	386,910,095	3,971,579
Amount available in debt service funds	-	-	-	-	-	-
Amount to be provided for retirement of general long-term obligations	-	-	-	-	-	-
<b>Total assets</b>	<b>\$ 34,298,587</b>	<b>\$ 60,342,253</b>	<b>\$ 37,850,032</b>	<b>\$ 19,515,199</b>	<b>\$ 434,479,213</b>	<b>\$ 27,763,906</b>

See accompanying notes to the combined financial statements.

Fiduciary Fund Types Expendable Trust and Agency	Account Groups		Totals Memorandum Only	Component Unit	Totals Memorandum Only
	General Fixed Assets	General Long-Term Obligations	Primary Government	Private Industry Council	Reporting Entity
\$ 4,567,151	\$ -	\$ -	\$ 76,030,433	\$ -	\$ 76,030,433
-	-	-	25,257,011	-	25,257,011
-	-	-	75,296,966	-	75,296,966
-	-	-	10,205,931	-	10,205,931
-	-	-	5,624,590	685,748	6,310,338
-	-	-	27,714,374	-	27,714,374
-	-	-	24,467	-	24,467
886,612	-	-	886,612	-	886,612
-	-	-	5,719,400	-	5,719,400
-	-	-	1,283,827	-	1,283,827
-	-	-	367,142	-	367,142
-	-	-	410,526	-	410,526
-	424,011,648	-	814,893,322	-	814,893,322
-	-	10,499,291	10,499,291	-	10,499,291
-	-	259,055,785	259,055,785	-	259,055,785
<u>\$ 5,453,763</u>	<u>\$ 424,011,648</u>	<u>\$ 269,555,076</u>	<u>\$ 1,313,269,677</u>	<u>\$ 685,748</u>	<u>\$ 1,313,955,425</u>



City of Akron, Ohio  
 Combined Balance Sheet  
 All Fund Types, Account Groups and Discretely Presented Component Unit  
 December 31, 1998  
 (continued)

	Governmental Fund Types				Proprietary Fund Types	
	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service
<b>Liabilities</b>						
Accounts payable	\$ 4,837,949	\$ 4,034,190	\$ 331	\$ 3,020,383	\$ 3,155,278	\$ 1,157,142
Customer deposits	-	-	-	-	391,902	-
Due to other governments (Note 4)	-	65,592	-	1,685,000	-	-
Due to other funds (Note 5)	259,319	4,021,056	507	19,201,947	1,958,691	423,978
Due to primary government (Note 5)	-	-	-	-	-	-
Due to others	-	-	-	-	-	-
Deferred grant revenue	5,523	1,956,416	-	-	-	-
Deferred revenue	13,723,631	6,443,767	27,115,808	-	-	-
Matured bonds payable	-	-	155,000	-	-	-
Matured interest payable	-	-	68,124	-	-	-
Accrued interest payable	-	-	-	-	3,017,260	53,473
Accrued liabilities (Notes 10 and 15)	-	435,919	-	2,967,532	1,603,502	3,190,367
Accrued wages	2,151,410	610,397	6,648	428	583,978	217,976
Accrued vacation and leave (Note 9)	620,918	139,119	1,162	-	5,918,644	1,901,650
Estimated liability for unpaid claims (Note 15)	-	-	-	-	-	12,523,214
Debt (Notes 12 and 13):						
Special assessment notes	-	3,835,000	-	-	-	-
General obligation bonds	-	-	-	-	7,601,880	14,031,702
Mortgage revenue bonds	-	-	-	-	65,655,000	-
Revenue bonds	-	-	-	-	53,985,000	-
OWDA loans	-	-	-	-	46,195,988	-
OPWC loans	-	-	-	-	3,401,108	-
Ohio Department of Development loan	-	-	-	-	-	-
Non-tax revenue bonds	-	-	-	-	-	-
Other special assessment obligations	-	-	-	-	-	-
Deferred loss on early retirement	-	-	-	-	(1,867,671)	-
Bond premium	-	-	-	-	152,768	-
Obligation under capitalized lease (Note 14)	-	-	-	-	-	-
<b>Total liabilities</b>	<b>\$ 21,598,750</b>	<b>\$ 21,541,456</b>	<b>\$ 27,347,580</b>	<b>\$ 26,875,290</b>	<b>\$ 191,753,328</b>	<b>\$ 33,499,502</b>

See accompanying notes to the combined financial statements.

Fiduciary Fund Types	Account Groups		Totals	Component	Totals
	General	General	Memorandum Only	Unit	Memorandum Only
Expendable Trust and Agency	Fixed Assets	Long-Term Obligations	Primary Government	Private Industry Council	Reporting Entity
\$ 513,297	\$ -	\$ -	\$ 16,718,570	\$ 213,061	\$ 16,931,631
325,011	-	-	716,913	-	716,913
972,793	-	-	2,723,385	-	2,723,385
1,848,876	-	-	27,714,374	-	27,714,374
-	-	-	-	24,467	24,467
1,388,209	-	-	1,388,209	-	1,388,209
-	-	-	-1,961,939	621,303	2,583,242
-	-	-	47,283,206	-	47,283,206
-	-	-	155,000	-	155,000
-	-	-	68,124	-	68,124
-	-	-	3,070,733	-	3,070,733
1,058,757	-	17,361,193	26,617,270	9,330	26,626,600
410	-	-	3,571,247	9,074	3,580,321
-	-	39,827,653	48,409,146	119,780	48,528,926
-	-	-	12,523,214	-	12,523,214
-	-	4,337,700	8,172,700	-	8,172,700
-	-	126,154,666	147,788,248	-	147,788,248
-	-	-	65,655,000	-	65,655,000
-	-	-	53,985,000	-	53,985,000
-	-	-	46,195,988	-	46,195,988
-	-	2,654,023	6,055,131	-	6,055,131
-	-	702,378	702,378	-	702,378
-	-	35,000,000	35,000,000	-	35,000,000
-	-	14,638,028	14,638,028	-	14,638,028
-	-	-	(1,867,671)	-	(1,867,671)
-	-	-	152,768	-	152,768
-	-	28,879,435	28,879,435	-	28,879,435
\$ 6,107,353	\$ -	\$ 269,555,076	\$ 598,278,335	\$ 997,015	\$ 599,275,350

City of Akron, Ohio  
 Combined Balance Sheet  
 All Fund Types, Account Groups and Discretely Presented Component Unit

December 31, 1998  
 (continued)

	Governmental Fund Types				Proprietary Fund Types	
	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service
<b>Fund equity and other credits</b>						
Contributed capital	\$ -	\$ -	\$ -	\$ -	\$ 175,416,809	\$ 1,189,106
Investment in general fixed assets	-	-	-	-	-	-
Retained earnings:						
Reserved for revenue bond retirement	-	-	-	-	8,317,379	-
Unreserved (deficit)	-	-	-	-	58,991,697	(6,924,702)
Fund balance:						
Reserved for encumbrances	2,808,584	13,390,315	3,161	11,421,031	-	-
Reserved for loans receivable	-	690,171	-	9,515,760	-	-
Unreserved designated for pre-encumbrances	347,780	119,570	-	159,009	-	-
Unreserved (deficit)	9,543,473	24,600,741	10,499,291	(28,455,891)	-	-
<b>Total retained earnings/fund balance (deficit)</b>	<b>12,699,837</b>	<b>38,800,797</b>	<b>10,502,452</b>	<b>(7,360,091)</b>	<b>67,309,076</b>	<b>(6,924,702)</b>
<b>Total fund equity (deficit) and other credits</b>	<b>12,699,837</b>	<b>38,800,797</b>	<b>10,502,452</b>	<b>(7,360,091)</b>	<b>242,725,885</b>	<b>(5,735,596)</b>
<b>Total liabilities, equity and other credits</b>	<b>\$ 34,298,587</b>	<b>\$ 60,342,253</b>	<b>\$ 37,850,032</b>	<b>\$ 19,515,199</b>	<b>\$ 434,479,213</b>	<b>\$ 27,763,906</b>

*See accompanying notes to the combined financial statements.*

Fiduciary Fund Types Expendable Trust and Agency	Account Groups		Totals Memorandum Only	Component Unit	Totals Memorandum Only
	General Fixed Assets	General Long-Term Obligations	Primary Government	Private Industry Council	Reporting Entity
\$ -	\$ -	\$ -	\$ 176,605,915	\$ -	\$ 176,605,915
-	424,011,648	-	424,011,648	-	424,011,648
-	-	-	8,317,379	-	8,317,379
-	-	-	52,066,995	-	52,066,995
73,131	-	-	27,696,222	1,295,818	28,992,040
-	-	-	10,205,931	-	10,205,931
-	-	-	626,359	16,631	642,990
(726,721)	-	-	15,460,893	(1,623,716)	13,837,177
(653,590)	-	-	114,373,779	(311,267)	114,062,512
(653,590)	424,011,648	-	714,991,342	(311,267)	714,680,075
\$ 5,453,763	\$ 424,011,648	\$ 269,555,076	\$ 1,313,269,677	\$ 685,748	\$ 1,313,955,425

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City of Akron, Ohio

Combined Statement of Revenues, Expenditures,  
and Changes in Fund Balances -  
All Governmental Fund Types, Expendable Trust Funds and Discretely Presented Component Unit

Year Ended December 31, 1998

	Governmental Fund Types				Fiduciary Fund Type	Totals Memorandum Only	Component Unit	Totals Memorandum Only
	General	Special Revenue	Debt Service	Capital Projects	Expendable Trust	Primary Government	Private Industry Council	Reporting Entity
<b>Revenues</b>								
Income taxes (Note 17)	\$ 61,903,512	\$ 8,573,102	\$ 13,317,706	\$ 5,700,521	\$ -	\$ 89,494,841	\$ -	\$ 89,494,841
Property taxes (Note 18)	15,839,133	8,061,702	1,610,811	1,724,284	-	27,235,930	-	27,235,930
Special assessments	30,305	3,428,462	9,470,175	1,281,448	-	14,210,390	-	14,210,390
Grants and subsidies:								
Community development	-	9,707,532	-	2,499,325	-	12,206,857	-	12,206,857
Other	51,108	7,146,727	-	3,323,505	-	10,521,340	4,242,209	14,763,549
Investment earnings	3,517,332	145,979	807,799	1,186,886	-	5,657,996	-	5,657,996
Shared revenues	18,978,536	5,736,628	-	5,978,257	-	30,693,421	-	30,693,421
Licenses, fees and fines	7,692,350	673,898	-	40,250	-	8,406,498	-	8,406,498
Charges for services	13,830,102	4,449,962	-	13,201	226,822	18,520,087	330	18,520,417
Miscellaneous	1,534,433	15,271,472	273,713	6,728,123	455,020	24,262,761	39,944	24,302,705
	<u>123,376,811</u>	<u>63,195,464</u>	<u>25,480,204</u>	<u>28,475,800</u>	<u>681,842</u>	<u>241,210,121</u>	<u>4,282,483</u>	<u>245,492,604</u>
<b>Expenditures</b>								
Current:								
General government	15,694,174	6,858,413	849,137	355,001	1,131,959	24,838,684	4,609,941	29,498,625
Public service	15,475,169	12,414,736	-	953,877	-	28,843,782	-	28,843,782
Public safety	75,540,172	11,588,223	-	2,338,733	-	89,467,128	-	89,467,128
Community environment	1,350,741	16,068,614	-	587,534	-	18,006,889	-	18,006,889
Public health	6,296,134	6,293,344	-	-	-	12,589,478	-	12,589,478
Recreation and parks	3,295,002	285,429	-	-	-	3,580,431	-	3,580,431
Capital outlay	-	15,611,379	-	58,682,322	-	74,293,701	-	74,293,701
Debt service:								
Principal retirement	-	-	15,483,845	-	-	15,483,845	-	15,483,845
Interest	-	181,756	9,963,328	87,657	-	10,232,741	-	10,232,741
	<u>117,651,392</u>	<u>69,301,894</u>	<u>26,296,310</u>	<u>63,005,124</u>	<u>1,131,959</u>	<u>277,386,679</u>	<u>4,609,941</u>	<u>281,996,620</u>
Excess (deficiency) of revenues over expenditures	5,725,419	(6,106,430)	(816,106)	(34,529,324)	(450,117)	(36,176,558)	(327,458)	(36,504,016)
<b>Other financing sources (uses)</b>								
Proceeds of general obligation bonds	-	9,985,000	2,600,000	4,410,000	-	16,995,000	-	16,995,000
Proceeds of general obligation notes	-	-	-	3,163,267	-	3,163,267	-	3,163,267
Operating transfers in	528,992	21,713,239	2,239,313	7,125,580	33,500	31,640,624	35,475	31,676,099
Operating transfers out	(3,041,147)	(6,912,432)	(4,429,349)	(6,727,547)	(147,964)	(21,258,439)	-	(21,258,439)
	<u>(2,512,155)</u>	<u>24,785,807</u>	<u>409,964</u>	<u>7,971,300</u>	<u>(114,464)</u>	<u>30,540,452</u>	<u>35,475</u>	<u>30,575,927</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	3,213,264	18,679,377	(406,142)	(26,558,024)	(564,581)	(5,636,106)	(291,983)	(5,928,089)
Fund balances (deficits), January 1, 1998	9,486,573	20,121,420	10,908,594	19,197,933	(89,009)	59,625,511	(19,284)	59,606,227
Fund balances (deficits), December 31, 1998	<u>\$ 12,699,837</u>	<u>\$ 38,800,797</u>	<u>\$ 10,502,452</u>	<u>\$ (7,360,091)</u>	<u>\$ (653,590)</u>	<u>\$ 53,989,405</u>	<u>\$ (311,267)</u>	<u>\$ 53,678,138</u>

See accompanying notes to the combined financial statements.

## City of Akron, Ohio

Combined Statement of Revenues, Expenditures, and  
Changes in Fund Balances - Budget and Actual - General,  
Special Revenue, and Debt Service Fund Types,  
Non-GAAP Budget Basis

Year Ended December 31, 1998

	General Fund			Special Revenue Funds		
	Revised Budget	Actual	Variance Favorable (Unfavorable)	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues and other sources</b>						
Revenues:						
Income taxes	\$ -	\$ -	\$ -	\$ 87,829,360	\$ 88,490,634	\$ 661,274
Property taxes	14,555,870	13,765,593	(790,277)	9,059,790	8,915,043	(144,747)
Special assessments	-	-	-	15,279,540	14,679,644	(599,896)
Grants and subsidies	-	-	-	5,209,210	4,017,545	(1,191,665)
Investment earnings	4,200,000	3,100,000	(1,100,000)	-	-	-
Shared revenues	16,627,160	18,927,347	2,300,187	5,210,370	5,240,097	29,727
Fines and forfeits	4,171,520	3,887,774	(283,746)	-	-	-
Licenses and service charges	13,674,980	12,443,193	(1,231,787)	2,757,430	3,202,945	445,515
Miscellaneous	7,513,670	6,523,582	(990,088)	273,600	164,732	(108,868)
	<u>60,743,200</u>	<u>58,647,489</u>	<u>(2,095,711)</u>	<u>125,619,300</u>	<u>124,710,640</u>	<u>(908,660)</u>
Other sources:						
Income tax transfers in	61,238,040	61,167,670	(70,370)	22,575,710	22,623,660	47,950
Other transfers in	1,687,140	1,558,280	(128,860)	2,000,000	1,666,690	(333,310)
Proceeds of notes	-	-	-	3,845,000	3,835,000	(10,000)
Previous year's encumbrances	4,214,311	4,214,311	-	1,207,801	1,207,801	-
	<u>67,139,491</u>	<u>66,940,261</u>	<u>(199,230)</u>	<u>29,628,511</u>	<u>29,333,151</u>	<u>(295,360)</u>
<b>Total revenues and other sources</b>	<u>127,882,691</u>	<u>125,587,750</u>	<u>(2,294,941)</u>	<u>155,247,811</u>	<u>154,043,791</u>	<u>(1,204,020)</u>
<b>Expenditures and other uses</b>						
Expenditures:						
Current:						
General government	18,818,860	17,674,356	1,144,504	6,120,355	3,123,522	2,996,833
Public service	22,528,354	21,240,095	1,288,259	15,397,226	12,533,120	2,864,106
Public safety	78,427,215	76,782,421	1,644,794	8,442,038	8,319,034	123,004
Community environment	1,243,512	1,150,342	93,170	6,168,441	5,794,280	374,161
Public health	6,714,496	6,547,447	167,049	1,505,426	1,391,087	114,339
	<u>127,732,437</u>	<u>123,394,661</u>	<u>4,337,776</u>	<u>37,633,486</u>	<u>31,161,043</u>	<u>6,472,443</u>
Other uses:						
Income tax transfers out	-	-	-	83,613,750	85,805,820	(2,192,070)
Other transfers out	2,017,590	2,002,590	15,000	35,117,000	34,451,819	665,181
	<u>2,017,590</u>	<u>2,002,590</u>	<u>15,000</u>	<u>118,730,750</u>	<u>120,257,639</u>	<u>(1,526,889)</u>
<b>Total expenditures and other uses</b>	<u>129,750,027</u>	<u>125,397,251</u>	<u>4,352,776</u>	<u>156,364,236</u>	<u>151,418,682</u>	<u>4,945,554</u>
<b>Excess (deficiency) of revenues and other sources over expenditures and other uses</b>	<u>(1,867,336)</u>	<u>190,499</u>	<u>2,057,835</u>	<u>(1,116,425)</u>	<u>2,625,109</u>	<u>3,741,534</u>
<b>Fund balances, January 1, 1998</b>	<u>1,657,392</u>	<u>1,657,392</u>	<u>-</u>	<u>4,074,255</u>	<u>4,074,255</u>	<u>-</u>
<b>Fund balances (deficits), December 31, 1998</b>	<u>\$ (209,944)</u>	<u>\$ 1,847,891</u>	<u>\$ 2,057,835</u>	<u>\$ 2,957,830</u>	<u>\$ 6,699,364</u>	<u>\$ 3,741,534</u>

See accompanying notes to the combined financial statements.

Debt Service Fund			Totals (Memorandum Only)		
Revised Budget	Actual	Variance Favorable (Unfavorable)	Revised Budget	Actual	Variance Favorable (Unfavorable)
\$ -	\$ -	\$ -	\$ 87,829,360	\$ 88,490,634	\$ 661,274
772,750	760,341	(12,409)	24,388,410	23,440,977	(947,433)
-	-	-	15,279,540	14,679,644	(599,896)
-	-	-	5,209,210	4,017,545	(1,191,665)
-	-	-	-4,200,000	3,100,000	(1,100,000)
-	-	-	21,837,530	24,167,444	2,329,914
-	-	-	4,171,520	3,887,774	(283,746)
-	-	-	16,432,410	15,646,138	(786,272)
-	-	-	7,787,270	6,688,314	(1,098,956)
772,750	760,341	(12,409)	187,135,250	184,118,470	(3,016,780)
-	-	-	-83,813,750	83,791,330	(22,420)
-	-	-	3,687,140	3,224,970	(462,170)
-	-	-	3,845,000	3,835,000	(10,000)
14,669	14,669	-	5,436,781	5,436,781	-
14,669	14,669	-	96,782,671	96,288,081	(494,590)
787,419	775,010	(12,409)	283,917,921	280,406,551	(3,511,370)
350,378	319,828	30,550	25,289,593	21,117,706	4,171,887
-	-	-	37,925,580	33,773,215	4,152,365
-	-	-	86,869,253	85,101,455	1,767,798
-	-	-	7,411,953	6,944,622	467,331
-	-	-	8,219,922	7,938,534	281,388
350,378	319,828	30,550	165,716,301	154,875,532	10,840,769
-	-	-	83,613,750	85,805,820	(2,192,070)
425,000	425,000	-	37,559,590	36,879,409	680,181
425,000	425,000	-	121,173,340	122,685,229	(1,511,889)
775,378	744,828	30,550	286,889,641	277,560,761	9,328,880
12,041	30,182	18,141	(2,971,720)	2,845,790	5,817,510
269,309	269,309	-	6,000,956	6,000,956	-
\$ 281,350	\$ 299,491	\$ 18,141	\$ 3,029,236	\$ 8,846,746	\$ 5,817,510



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## City of Akron, Ohio

Combined Statement of Revenues, Expenses, and  
Changes in Retained Earnings -  
All Proprietary Fund Types

Year Ended December 31, 1998

	<u>Proprietary Fund Types</u>		<u>Totals (Memorandum Only)</u>
	<u>Enterprise</u>	<u>Internal Service</u>	
<b>Operating revenues</b>			
Charges for services	\$ 71,667,015	\$ 40,868,604	\$ 112,535,619
Other	1,009,493	2,765,658	3,775,151
	<u>72,676,508</u>	<u>43,634,262</u>	<u>116,310,770</u>
<b>Operating expenses</b>			
Personal services	24,171,794	9,085,545	33,257,339
Direct expenses	24,435,020	17,343,945	41,778,965
Claims (Note 15)	-	16,137,557	16,137,557
Rentals and leases	318,498	63,890	382,388
Utilities	4,008,653	257,697	4,266,350
Insurance	262,010	19,183	281,193
Depreciation	12,087,313	432,997	12,520,310
Other	341,039	-	341,039
	<u>65,624,327</u>	<u>43,340,814</u>	<u>108,965,141</u>
Operating income	7,052,181	293,448	7,345,629
<b>Non-operating revenues (expenses)</b>			
Interest income	488,737	642,703	1,131,440
Interest expense	(9,778,635)	(440,425)	(10,219,060)
Loss on disposal of fixed assets	(7,260)	(19,366)	(26,626)
	<u>(9,297,158)</u>	<u>182,912</u>	<u>(9,114,246)</u>
Income (loss) before operating transfers	(2,244,977)	476,360	(1,768,617)
Operating transfers in	3,294,196	641,414	3,935,610
Operating transfers out	(13,437,289)	(915,981)	(14,353,270)
	<u>(10,143,093)</u>	<u>(274,567)</u>	<u>(10,417,660)</u>
Net income (loss)	(12,388,070)	201,793	(12,186,277)
Retained earnings (deficit), January 1, 1998	79,697,146	(7,126,495)	72,570,651
Retained earnings (deficit), December 31, 1998	<u>\$ 67,309,076</u>	<u>\$ (6,924,702)</u>	<u>\$ 60,384,374</u>

*See accompanying notes to the combined financial statements.*

## City of Akron, Ohio

Combined Statement of Cash Flows -  
All Proprietary Fund Types

Year Ended December 31, 1998

	Proprietary Fund Types		Total (Memorandum Only)
	Enterprise	Internal Service	
<b>Operating activities</b>			
Cash received from customers	\$ 74,082,617	\$ 40,687,233	\$ 114,769,850
Cash payments to suppliers for goods and services	(27,885,942)	(14,187,702)	(42,073,644)
Cash paid for salaries and employee benefits	(24,478,367)	(28,626,102)	(53,104,469)
Other revenues	873,828	2,765,658	3,639,486
Other expenses	(341,039)	-	(341,039)
Net cash provided by operating activities	22,251,097	639,087	22,890,184
<b>Non-capital financing activities</b>			
Operating transfers from other funds	3,294,196	641,414	3,935,610
Transfers in for negative cash balances	1,084,225	322,332	1,406,557
Transfers out for negative cash balances	(785,096)	(794,228)	(1,579,324)
Principal paid on bonds and loans	-	(135,000)	(135,000)
Interest paid on bonds and loans	-	(189,965)	(189,965)
Operating transfers to other funds	(13,437,289)	(915,981)	(14,353,270)
Net cash used for non-capital financing activities	(9,843,964)	(1,071,428)	(10,915,392)
<b>Capital and related financing activities</b>			
Proceeds from bonds and loans	36,974,387	5,535,000	42,509,387
Principal paid on bonds and loans	(22,433,570)	(14,643)	(22,448,213)
Interest paid on bonds and loans	(10,071,515)	(225,568)	(10,297,083)
Acquisition and construction of capital assets	(31,673,362)	(254,164)	(31,927,526)
Contributed capital	11,038,787	-	11,038,787
Net cash provided by (used for) capital and related financing activities	(16,165,273)	5,040,625	(11,124,648)
<b>Investing activities</b>			
Purchase of investment securities	(58,316,757)	-	(58,316,757)
Proceeds from sales and maturities of investment securities	58,316,757	-	58,316,757
Interest on investments	488,737	642,703	1,131,440
Net cash provided by investing activities	488,737	642,703	1,131,440
Net increase (decrease) in cash and cash equivalents	(3,269,403)	5,250,987	1,981,584
Cash and cash equivalents, January 1, 1998	33,687,260	16,705,320	50,392,580
Cash and cash equivalents, December 31, 1998	\$ 30,417,857	\$ 21,956,307	\$ 52,374,164

See accompanying notes to the combined financial statements.

City of Akron, Ohio  
 Combined Statement of Cash Flows -  
 All Proprietary Fund Types

Year Ended December 31, 1998  
 (continued)

	<u>Proprietary Fund Types</u>		Total (Memorandum Only)
	<u>Enterprise</u>	<u>Internal Service</u>	
Operating income	\$ 7,052,181	\$ 293,448	\$ 7,345,629
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation and non-cash expense	12,087,313	432,997	12,520,310
(Increase) decrease in operating assets:			
Receivables	1,908,524	(15,424)	1,893,100
Due from other funds	15,703	(165,947)	(150,244)
Due from other governments	295,410	-	295,410
Inventories	1,296,803	19,116	1,315,919
Increase (decrease) in operating liabilities:			
Accounts payable	(184,985)	484,152	299,167
Due to other funds	1,585	16,780	18,365
Accrued liabilities	(23,873)	11,719	(12,154)
Accrued wages	(245,642)	(91,916)	(337,558)
Accrued vacation and leave	(12,222)	(61,928)	(74,150)
Estimated liabilities for unpaid claims	-	(283,910)	(283,910)
Contributed capital	60,300	-	60,300
Net cash provided by operating activities	<u>\$ 22,251,097</u>	<u>\$ 639,087</u>	<u>\$ 22,890,184</u>
Non-cash capital and investing activities:			
Amortization bond issue, discount & premium	\$ 390,175	\$ -	\$ 390,175
Unamortized charge refunding bonds	410,526	-	410,526
Amortization deferred loss	(54,542)	-	(54,542)
Accounts payable for property, plant and equipment	233,259	21,231	254,490
Contract retainer	(93,481)	-	(93,481)

See accompanying notes to the combined financial statements.

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City of Akron, Ohio

Notes to Combined Financial Statements

Year Ended December 31, 1998

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 combined financial statements comply with the provisions of the Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, in that the financial statements include those activities and functions of the City (the primary government) and its component unit.

Component Unit – The Private Industry Council (PIC) is a not-for-profit corporation serving the City of Akron and Counties of Medina and Summit. The City is financially accountable for PIC through designation of management, authority to review and approve budgetary requests, and other aspects of fiscal control. The City has chosen the discrete method of presentation of PIC because it provides services to the citizens of the City and surrounding areas as opposed to only the primary government. The discrete method of presentation requires that component unit data be shown in a column to the right of the memorandum totals of the primary government. Separate financial statements are not published for PIC.

The accounting policies and financial reporting practices of the City followed during the preparation of the accompanying financial statements conform to generally accepted accounting principles as applicable to governmental units. Accordingly, as explained in paragraph B below, the accompanying financial statements are prepared on the modified accrual basis of accounting (except for Proprietary Fund Types, which are prepared on the accrual basis of accounting), whereas the City maintains its accounting system on the cash basis including encumbrances. The following is a summary of the more significant policies followed during the preparation of the accompanying financial statements:

- A. ***Basis of Presentation – Fund Accounting*** – The accounts of the City are organized on the basis of funds or account groups, each of which is considered a separate accounting entity. The operations of each fund and account group are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, and in the case of funds, fund equity, revenues, and expenditures or expenses, as appropriate. The various funds are grouped in the financial statements in this report into eight generic fund types and three broad categories as follows:

**Governmental Fund Types**

Governmental Funds are used to account for most governmental functions of the City. The acquisition, use, and balances of the City's expendable financial resources and the related liabilities (except those accounted for in Proprietary Funds) are accounted for through Governmental Funds. The measurement focus is upon determination of changes in financial position, rather than upon net income determination. The following are the City's Governmental Fund Types:

## 1. Summary of Significant Accounting Principles (Continued)

*General Fund* – The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in other funds.

*Special Revenue 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.

*Debt Service Funds* – 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.

*Capital Project Funds* – Capital Project Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds).

### Proprietary Fund Types

Proprietary Funds are used to account for the City's ongoing organizations and activities which are similar to those often found in the private sector. The measurement focus is upon determination of net income. The following are the City's Proprietary Fund Types:

*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.

*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.

### Fiduciary Fund Type

Fiduciary Funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds.

*Expendable Trust and Agency Funds* – Disbursements from Expendable Trust Funds are made in accordance with the applicable trust agreements. The measurement focus is upon determination of changes in financial position, rather than upon net income. Agency Funds include assets held for other funds or governments, largely for payroll taxes, court activity, and other employee withholdings. Agency Funds do not have a measurement focus; they are purely custodial (assets equal liabilities).

### Account Groups

Account Groups are used to establish accounting control and accountability for the City's general fixed assets and general long-term obligations. The following are the City's Account Groups:

*General Fixed Assets Account Group* – This account group is established to account for all fixed assets of the City other than those accounted for in the Proprietary Funds.

1. **Summary of Significant Accounting Policies (Continued)**

*General Long-Term Obligations Account Group* – This account group is established to account for all long-term debt of the City except that accounted for in the Proprietary Funds.

- B. ***Basis of Accounting*** – The Governmental Fund and Fiduciary Fund Types follow the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures, other than interest on long-term debt, are recorded when the fund liability is incurred.

In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of these revenues. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the City; therefore, revenues are recognized based upon the expenditures recorded. In the other, monies are granted for a specified purpose and are usually revocable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenues at the time of receipt or earlier if the susceptible to accrual criteria are met.

In accordance with GASB Statement No. 22, *Accounting for Taxpayer Assessed Tax Revenues in Governmental Funds*, City income taxes applicable to 1998 and received by the City within 60 days after year-end are determined to be both measurable and available. All other income taxes are recorded as revenues when received in cash because they are not measurable and available until actually received. Property taxes that were due at December 31 are accrued as a receivable and the amount collected by February 28 of the subsequent year is recorded as revenue and the remaining amount is recorded as deferred revenue. The major source of funds to pay the City's liabilities at December 31 is taxes received through February 28 of the subsequent year.

Licenses, fees and fines and miscellaneous revenues (except investment earnings) are recorded as revenues when received in cash because they generally are not measurable until actually received. Investment earnings are accrued and recorded as revenue since they are measurable and available.

Special assessment revenue is recognized to the extent that cash is received during the year and the first two months after the year-end. Special assessment receivables that are collected subsequent to February of the following year are recorded as deferred revenue.

The accrual basis of accounting is used by Proprietary Funds. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when incurred.

In accordance with GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that use Proprietary Fund Accounting*, the City applies the provisions of the Financial Accounting Standards Boards 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 applies all applicable pronouncements issued by the GASB.

- C. ***Budgetary Data*** – The City Council follows these procedures in establishing the budgetary data reflected in the financial statements (see Note 23):



1. **Summary of Significant Accounting Policies (Continued)**

- (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 1998, supplemental appropriations were passed by City Council. The effect 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 reported as reservations of fund balances and do not constitute expenditures or liabilities because the commitments will be reappropriated and honored during the subsequent year. Unencumbered appropriations lapse at year-end.
- D. **Investment Earnings** – Cash balances held by the City Treasurer are combined and invested to the extent available 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 respective funds.
- E. **Investments** – Investments are stated at fair market value. Adjustments to fair market value are made to securities held at year-end as well as to securities sold and redeemed during the year. The net effect of these adjustments is recorded as a component of investment earnings.
- 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. **General Fixed Assets** – General fixed assets have been acquired for general governmental purposes. Assets purchased are recorded as expenditures in the Governmental Funds and capitalized at historical or estimated historical cost in the General Fixed Assets Account Group. Contributed fixed assets are recorded in the General Fixed Assets Account Group at estimated fair market value at the date received.

During 1998, the City changed its method of accounting for infrastructure (i.e., fixed assets consisting of certain improvements such as roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, and lighting systems). Previously, such assets (also known as public domain) have not been capitalized. The City is now recording infrastructure in the General Fixed Assets Account Group at historical cost on a prospective basis beginning January 1, 1998.

1. **Summary of Significant Accounting Policies (Continued)**

Expenditures for maintenance and repairs are expensed when incurred. However, expenditures for repairs and upgrades that materially add to the value or life of an asset are capitalized at cost in the General Fixed Assets Account Group.

No depreciation is recorded in the General Fixed Assets Account Group.

- H. **Property, Plant, and Equipment – Enterprise and Internal Service Funds** – Property, plant and equipment owned by the Proprietary Funds are stated at cost, including interest capitalized during construction of such assets, or estimated fair market value at date of donation for donated assets (see Note 6). Depreciation is provided over the asset’s estimated useful life using the straight-line method, except for oil and gas equipment which is amortized by the units-of-production method over the estimated reserves in related wells. The estimated useful lives are as follows:

Buildings	50 years
Building Improvements, including sewer and water mains	40 years
Equipment	5-10 years

The costs of normal maintenance and repairs are charged to operations as incurred. Renewals and betterments are capitalized and depreciated over the remaining useful lives of related properties.

- I. **Basis of Retained Earnings/Fund Balances** – Retained earnings for the Proprietary Fund Types have been split between unreserved and a portion restricted under the terms of mortgage revenue bond agreements for the retirement of such bonds.

Fund balances for all funds other than the Proprietary Fund Types have been split among reserved for encumbrances, reserved for loans receivable, unreserved designated for pre-encumbrances, and unreserved. Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation, is employed in these funds. Open encumbrances are reported as reservations of fund balances since they do not constitute expenditures or liabilities. Loans receivable are reported as reservations of fund balances since they do not constitute amounts available to pay liabilities of the current period. Pre-encumbrances constitute purchase requisitions that have not yet been processed into purchase orders. Pre-encumbrances are reported as designations of fund balances since they do not constitute legal commitments.

- 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 financial statements for Governmental Fund Types and Enterprise Funds generally reflect such transactions as transfers. The Internal Service Funds record charges for services to City departments as operating revenue. All City funds record these payments to the Internal Service Funds as operating expenses.

- K. **Total Columns on Combined Financial Statements** – Total columns on the combined financial statements are captioned “Memorandum Only” to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, changes in financial position or cash flows in conformity with generally accepted accounting principles, nor is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

1. **Summary of Significant Accounting Policies (Continued)**

- L. **Post-Retirement Benefits** – In addition to the post-retirement benefits provided by the Police and Firemen’s Disability and Pension Fund of Ohio and the Public Employee’s Retirement System of Ohio (see Note 10), the City provides post-retirement health care and life insurance benefits, in accordance with union agreements and City Council ordinances, for retired employees. 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, 1,589 retirees meet those eligibility requirements. The City pays 100% of the cost of health care and life insurance benefits. The cost of retiree health care and life insurance benefits is recognized as expenditure/expense as claims are paid. For 1998, those costs totaled \$3,213,959.
- M. **Cash Equivalents** – 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.
- N. **Accounting Change for Deferred Compensation Plans** – In accordance with Governmental Accounting Standards Board (GASB) Statement No. 2, *Financial Reporting of Deferred Compensation Plans Adopted Under the Provisions of Internal Revenue Code Section 457*, the City used an agency fund to account for monies deposited by its employees in deferred compensation plans prior to 1998 (see Note 11) because the monies were the property of the City (until paid or made available to the employee or beneficiary) subject to the claims of the City’s general creditors. Internal Revenue Code Section 457 was amended during 1996 requiring deferred compensation plans to transfer all of their deposits into a newly established trust for the exclusive benefit of plan participants and their beneficiaries by January 1, 1999. During 1998, the Ohio Public Employees’ Deferred Compensation Program and the ITT Hartford (the plans) were amended to establish such a trust and all of the assets were deposited into the trust. Accordingly, during 1998, the City applied the provisions of GASB Statement No. 32, *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*, and has excluded the amounts deposited in the Plan by City employees from the accompanying balance sheet as of December 31, 1998.

2. **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 type’s portion of these funds is displayed on the combined balance sheet as “cash and investments.” Earnings on these investments are allocated to the various funds based on City statutes, grant agreements and various bond agreement requirements. Investments are also held separately by the Debt Service, Enterprise, Internal Service, and Agency 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.

At December 31, 1998, the carrying amount of the City’s deposits was \$6,259,928 and the bank balance was \$9,857,534. The difference in the carrying amount and bank balance was items in-transit. Of the bank balance, \$674,044 was covered by federal depository insurance, \$6,683,110 was uninsured but collateralized with unregistered securities held by the pledging financial institution’s trust department in the City’s name, and \$2,500,380 was uninsured and uncollateralized (securities are pledged with the pledging financial institution’s trust department or agent, but not in the City’s name).

2. **Cash and Investments (Continued)**

*Investments:*

The City records all of its investments at fair market 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*. The fair market value of the City's investments exceeded carrying value by \$279,147 and \$107,013 at December 31, 1998 and 1997, respectively. Carrying value is based on the original cost of the securities for the purpose of determining the net increase or decrease in the fair market value of investments.

Under the fair market 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 market value or their purchase price, when purchased during the current fiscal year. The net effect of these realized and unrealized gains and losses is reflected in the investment income on the operating statement of the appropriate fund. The City of Akron's net change in fair market value of investments is summarized as follows:

Fair Market Value at December 31, 1998	\$44,470,790
Add:	
Proceeds of Investments Matured during 1998	66,863,417
Proceeds of Investments Sold during 1998	-
Less:	
Cost of Investments Purchased during 1998	(69,678,161)
Fair Market Value at January 1, 1998	<u>(41,003,567)</u>
Net Increase in Fair Market Value of Investments	<u>\$652,479</u>

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.

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, 1998.

The City's investments are categorized to give an indication of the level of credit risk assumed by the City at year-end. Category 1 includes investments that are insured or registered or for which the securities are held by the City or its agent in the City's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the counterparty's trust department or agent in the City's name. Category 3 includes uninsured or unregistered investments for which the securities are held by the counterparty's trust department or agent but not in the City's name.

2. **Cash and Investments (Continued)**

	Category			Carrying/ Market Value
	1	2	3	
U.S. government securities	\$ 44,470,790	\$ -	\$ -	\$ 44,470,790
Repurchase agreements	13,565,000	-	135,000	13,700,000
City of Akron bonds and notes	11,631,508	-	-	11,631,508
Investments held by bond trustees (primarily U.S. government securities)	<u>15,853,034</u>	<u>-</u>	<u>-</u>	<u>15,853,034</u>
	<u>\$ 85,520,332</u>	<u>\$ -</u>	<u>\$ 135,000</u>	<u>85,655,332</u>
Noncategorized investments:				
STAROhio				<u>9,372,185</u>
Total investments				<u>\$ 95,027,517</u>

Investments in STAROhio are unclassified investments since they represent investment pools managed by other governmental units and are not evidenced by securities that exist in physical or book entry form.

At December 31, 1998, \$25,257,011 of cash and investments was restricted for the following purposes: \$4,028,405 was restricted for project costs for Canal Park Stadium; \$17,807,423 was restricted solely for the use in the retirement of City obligations; and the balance of the restricted cash, \$3,421,183, represents a deposit with an escrow agent as part of a loan guarantee for a developer (see Note 13).

The City is required by contractual agreement with its insurance administrator to maintain at a bank an imprest fund in the amount of \$285,000 which is included in the deposits of the City.

3. **Receivables**

Receivables at December 31, 1998 consist of the following:

Fund	Taxes	Customer Charges and Other Accounts	Accrued Interest	Gross Receivables	Allowance for Uncollectibles	Net
General	\$ 23,768,167	\$ 1,638,826	\$ 394,395	\$ 25,801,388	\$ (402,633)	\$ 25,398,755
Special Revenue	10,404,114	1,547,656	-	11,951,770	-	11,951,770
Debt Service	807,468	28,414,154	74	29,221,696	-	29,221,696
Capital Projects	221,870	189,819	-	411,689	-	411,689
Enterprise	-	13,139,578	-	13,139,578	(4,870,237)	8,269,341
Internal Service	-	43,715	-	43,715	-	43,715
	<u>\$ 35,201,619</u>	<u>\$ 44,973,748</u>	<u>\$ 394,469</u>	<u>\$ 80,569,836</u>	<u>\$ (5,272,870)</u>	<u>\$ 75,296,966</u>

Enterprise Fund accounts receivable includes unbilled charges for services of approximately \$2,788,056 at December 31, 1998.

4. **Due From/To Other Governments**

Amounts due from other governments at December 31, 1998 primarily represent amounts related to grant activity and consist of the following:

Fund Types	Federal	State	Total
General Fund	\$ -	\$ 7,157	\$ 7,157
Special Revenue	3,032,092	12,321	3,044,413
Capital Projects	-	526,526	526,526
Enterprise	-	2,046,494	2,046,494
	<u>3,032,092</u>	<u>2,592,498</u>	<u>5,624,590</u>
Component Unit - PIC	<u>685,748</u>	<u>-</u>	<u>685,748</u>
	<u>\$ 3,717,840</u>	<u>\$ 2,592,498</u>	<u>\$ 6,310,338</u>

Amounts due to other governments at December 31, 1998 consist of the following:

Fund Type	Federal	State	County	Local	Total
Special Revenue	\$ 65,592	\$ -	\$ -	\$ -	\$ 65,592
Capital Projects	1,685,000	-	-	-	1,685,000
Trust and Agency	2,181	367,627	-	602,985	972,793
	<u>\$ 1,752,773</u>	<u>\$ 367,627</u>	<u>\$ -</u>	<u>\$ 602,985</u>	<u>\$ 2,723,385</u>

## 5. Interfund Receivables and Payables

Interfund and component unit receivable and payable balances at December 31, 1998 consist of the following individual fund receivables and payables:

	<u>Primary Government</u>	
	Receivable	Payable
<b>General Fund</b>	\$ 2,526,204	\$ 259,319
<b>Special Revenue:</b>		
Income Tax Collection	157,579	4,621
Emergency Medical Service	-	5,452
Special Assessment	-	855
Income Tax Capital Improvement	9,662,189	49,970
C.I.P. Operating	-	8,833
Street and Highway Maintenance	2	84,115
Special Assessment Street Cleaning	-	46,888
Special Assessment Street Lighting	-	52
Law Enforcement	134,902	135,023
Drug Law Enforcement	32,671	34,483
Weed Control	-	101
Building Code Enforcement	-	238,917
Community Development	-	1,748,132
Air Pollution Control	-	2,084
Alcohol and Drug Abuse Counseling	-	25,252
Upgrade Staff Program	-	520
Supplemental Food Program	-	924
Akron Metro. Area Transportation Study	-	46,093
Child and Family Health Services	-	884
H.O.M.E. Program	-	472,956
Lead Poisoning Prevention	-	57,766
K.A.B. Litter Control	-	40,779
State/Federal Grants Diverse	-	362,023
Opportunity Park Tax Increment	-	50,953
C.B.D. Tax Equivalency	-	576
Industrial Incubator	-	153,405
Joint Economic Development Districts	14,338,847	36,370
Enterprise Community Grant	-	15
Neighborhood Housing Development	-	689
Police Grants	15,991	328,057
Various Domestic Violence	-	21
Health Grants	-	84,247
	<u>24,342,181</u>	<u>4,021,056</u>
<b>Debt Service:</b>		
General Bond Payment	-	507
	<u>-</u>	<u>507</u>
<b>Capital Projects:</b>		
Non-emergency City Radio System	-	90,005
Broadway Parking Structure	-	22,853
Convention Center	-	10,852
Non-appropriated Capital Projects	-	4,172,801
Road and Bridge Improvements	-	8,350
Streets	-	8,525,699
Exchange Street Redevelopment	-	118,399
Akron Square Urban Renewal Area	-	19,572
Citicenter Acquisition	-	2,541

## 5. Interfund Receivables and Payables (Continued)

	<u>Primary Government</u>	
	Receivable	Payable
<b>Capital Projects (continued):</b>		
Americans with Disabilities Act	\$ -	\$ 806
Market-High Renewal Project	-	979
Stadium Construction	-	2,938,980
Projects Funded by G.O. Bonds	-	1,010,124
Cascade Hotel Renovation	-	602
O'Neil's Building Renovation	-	1,192
Canal Redevelopment	-	509
Firestone Stadium Improvements	-	114,830
GoJo Headquarters Improvements	-	1,225,930
Tell Parking Expansion	-	852,808
Capital Projects with Private Funding	-	82,734
West Market Street Project	-	150
Traffic Management Program	-	1,231
	<hr/>	<hr/>
	-	19,201,947
 <b>Enterprise:</b>		
Water	117	374,424
Sewer	109	440,064
Oil and Gas	20,538	-
Golf	-	51,131
Airport	-	399,902
Off-Street Parking	-	50,160
O'Neil's Building	-	643,010
	<hr/>	<hr/>
	20,764	1,958,691
 <b>Internal Service:</b>		
Motor Equipment	348,528	331,048
Storeroom	-	503
Telephone System	85,556	213
Graphics	51,429	233
Engineering Bureau	339,712	64,663
Management Information Systems	-	27,318
	<hr/>	<hr/>
	825,225	423,978
 <b>Trust and Agency:</b>		
Miscellaneous Purpose Trust	-	428,708
Solid Waste Disposal	-	271,276
City Income Tax Withheld	-	157,579
Medicare Insurance	-	43,077
Akron Development Corporation Escrow	-	408,085
Furtherance of Justice	-	15,000
Investment Earnings	-	385,730
Utility Billing	-	139,421
	<hr/>	<hr/>
	-	1,848,876
 <b>Total Primary Government</b>	<hr/> <b>\$27,714,374</b>	<hr/> <b>\$27,714,374</b>



**5. Interfund Receivables and Payables (Continued)**

	<u>Primary Government/ Component Unit</u>	
	Receivable	Payable
General Fund	\$ 23,620	\$ -
Internal Service:		
Telephone System	622	-
Graphics	225	-
Component Unit:		
Private Industry Council	-	24,467
<b>Total Primary Government/ Component Unit</b>	<u>\$ 24,467</u>	<u>\$ 24,467</u>

**6. Fixed Assets**

A summary of changes in General Fixed Assets is as follows:

	<b>Balance January 1, 1998</b>	<b>Additions</b>	<b>Deletions</b>	<b>Balance December 31, 1998</b>
Land	\$ 119,858,350	\$ 5,186,585	\$ 5,978,586	\$ 119,066,349
Buildings	139,797,448	4,343,248	-	144,140,696
Building improvements	32,082,339	20,504,600	5,289	52,581,650
Equipment	58,218,458	4,990,959	2,472,196	60,737,221
Infrastructure	-	7,534,786	-	7,534,786
Construction in progress	32,921,612	13,690,039	6,660,705	39,950,946
	<u>\$ 382,878,207</u>	<u>\$ 56,250,217</u>	<u>\$ 15,116,776</u>	<u>\$ 424,011,648</u>

6. **Fixed Assets (Continued)**

A summary of Proprietary Fund Type property, plant and equipment at December 31, 1998 follows:

	Enterprise	Internal Service
Land	\$ 24,601,245	\$ 213,344
Buildings	120,732,611	997,726
Building Improvements	416,853,110	412,699
Equipment	24,193,511	8,652,265
Construction in progress	<u>36,932,633</u>	<u>168,679</u>
	623,313,110	10,444,713
Less accumulated depreciation	<u>(236,403,015)</u>	<u>(6,473,134)</u>
	<u>\$ 386,910,095</u>	<u>\$ 3,971,579</u>

Construction in progress and remaining capital commitments (including capitalized interest of \$922,307, of which \$573,115 was capitalized in 1998) is comprised of the following:

	Project Authorization	Expended to December 31, 1998	Committed
Enterprise:			
Water	\$ 21,237,447	\$ 13,616,760	\$ 7,620,687
Sewer	28,053,431	12,681,086	15,372,345
Golf	889,647	60,395	829,252
Airport	105,971	105,971	-
Off-Street Parking	11,383,028	10,468,421	914,607
Internal Service:			
Motor Equipment	151,306	145,353	5,953
Telephone System	45,401	23,326	22,075
General Fixed Assets	<u>43,452,673</u>	<u>39,950,946</u>	<u>3,501,727</u>
	<u>\$ 105,318,904</u>	<u>\$ 77,052,258</u>	<u>\$ 28,266,646</u>

7. **Oil and Gas Activities**

During 1998, the City had fifteen oil and gas wells in production. These activities are accounted for in the Oil and Gas Enterprise Fund.

The Oil and Gas Enterprise Fund provides gas to various departments, recognizing interfund revenues at prevailing market rates, and also sells oil and gas to customers independent of the City.

The City follows the full-cost method of accounting, which results in capitalizing all costs associated with the development of oil and gas wells, including related internal overhead and development period interest costs. These costs are amortized by the units-of-production method over the estimated reserves.

The City's oil and gas revenues and expenses are as follows for 1998:

	<b>Year Ended</b> <b>December 31, 1998</b>
<b>Revenues:</b>	
Other revenue	<u>\$ 491,375</u>
<b>Expenses:</b>	
Personal services	\$ 77,637
Direct expenses	174,648
Rentals and leases	4,000
Utilities	9,617
Depreciation, depletion, amortization	15,054
Other	<u>2,069</u>
<b>Total expenses</b>	<u>\$ 283,025</u>

**8. Changes in General Long-Term Obligations Account Group**

During the year ended December 31, 1998, the following changes occurred in liabilities reported in the general long-term obligations account group:

	Balance at January 1, 1998	Net Additions (Deletions)	Balance at December 31, 1998
Pension obligations	\$ 17,424,499	\$ (63,306)	\$ 17,361,193
Compensated absences	38,537,212	1,290,441	39,827,653
Landfill closure liability	12,901,056	(12,901,056)	-
General obligation debt	120,797,994	5,356,672	126,154,666
Special assessment debt	19,628,979	(653,251)	18,975,728
OPWC loans	1,026,791	1,627,232	2,654,023
Ohio Department of Development loan	745,245	(42,867)	702,378
Non-tax revenue bonds	35,000,000	-	35,000,000
Obligations under capitalized lease	28,879,435	-	28,879,435
	<u>\$ 274,941,211</u>	<u>\$ (5,386,135)</u>	<u>\$ 269,555,076</u>
Total	<u>\$ 274,941,211</u>	<u>\$ (5,386,135)</u>	<u>\$ 269,555,076</u>

**9. 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.

Vacation, paid leave, sick leave and compensatory time accumulated by Governmental Fund Type employees have been recorded as liabilities in the governmental funds to the extent currently available resources will pay such liabilities. The balance has been recorded in the General Long-Term Obligations Account Group. Vacation, paid leave, sick leave and compensatory time for Proprietary Fund Type employees are expensed when earned, and recorded as liabilities in the Proprietary Fund Types.

Sick leave is earned by substantially all employees in both Governmental and Proprietary Fund Types. 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, 1998, and expected to vest in the future, has been accrued in the Proprietary Fund Types for employees of the City's enterprise and internal service operations and has been included in the General Long-Term Obligations Account Group for Governmental Fund Type employees.

As of December 31, 1998, the accrued vacation, paid leave, sick leave and compensatory time by fund type (excluding current amounts recorded in the Governmental Fund types), is as follows:

**9. Accrued Vacation and Leave (Continued)**

	Vacation	Paid Leave	Sick Leave	Compensatory Time	Total
Recorded in General Long-Term Obligations Account Group:					
General	\$ 3,717,260	\$ 8,969,418	\$ 11,753,558	\$ 7,421,500	\$ 31,861,736
Special Revenue	1,068,362	1,602,778	4,080,037	1,107,752	7,858,929
Debt Service	4,620	66,007	30,312	1,963	102,902
Trust and Agency	1,784	-	-	2,302	4,086
	<u>\$ 4,792,026</u>	<u>\$ 10,638,203</u>	<u>\$ 15,863,907</u>	<u>\$ 8,533,517</u>	<u>\$ 39,827,653</u>
Recorded in Proprietary Funds:					
Enterprise	<u>\$ 869,482</u>	<u>\$ 1,973,217</u>	<u>\$ 2,930,453</u>	<u>\$ 145,492</u>	<u>\$ 5,918,644</u>
Internal Service	<u>\$ 231,602</u>	<u>\$ 905,403</u>	<u>\$ 657,731</u>	<u>\$ 106,914</u>	<u>\$ 1,901,650</u>
Recorded in Component Units:					
Private Industry Council	<u>\$ 15,458</u>	<u>\$ 36,343</u>	<u>\$ 60,341</u>	<u>\$ 7,638</u>	<u>\$ 119,780</u>

A summary of accrued vacation and leave transactions for the year ended December 31, 1998, follows:

	Balance January 1, 1998	Net Additions (Deletions)	Balance December 31, 1998
Recorded in General Long-Term Obligations Account Group:			
General	\$ 30,652,432	\$ 1,209,304	\$ 31,861,736
Special Revenue	7,799,397	59,532	7,858,929
Debt Service	82,186	20,716	102,902
Trust and Agency	3,197	889	4,086
	<u>\$ 38,537,212</u>	<u>\$ 1,290,441</u>	<u>\$ 39,827,653</u>
Recorded in Proprietary Funds:			
Enterprise	<u>\$ 5,930,866</u>	<u>\$ (12,222)</u>	<u>\$ 5,918,644</u>
Internal Service	<u>\$ 1,963,578</u>	<u>\$ (61,928)</u>	<u>\$ 1,901,650</u>
Recorded in Component Unit:			
Private Industry Council	<u>\$ 120,375</u>	<u>\$ (595)</u>	<u>\$ 119,780</u>

Additions and deletions of accrued vacation and leave are shown net since it is not practical for the City to determine these amounts separately.

## 10. Pension Plans

Police officers and firefighters participate in the statewide Police and Firemen's Disability and Pension Fund of Ohio (Police and Fire). Substantially all other City employees participate in the statewide Public Employees' Retirement System of Ohio (PERS). Both Police and Fire and PERS are cost-sharing, multi-employer defined benefit public employee retirement systems.

### PERS

PERS 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. PERS 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) 466-2085 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 8.5% of their covered payroll to PERS. The 1998 employer contribution rate for local government employer units was 13.55% of covered payroll including 4.2% that is used to fund post-retirement health care benefits. The City's total contributions to PERS for pension benefits (excluding the amount relating to post-retirement health care benefits) for the years ended December 31, 1998, 1997 and 1996 were \$5,671,677, \$5,560,739, and \$5,352,710, respectively, which were equal to 100% of the required employer contributions for each year.

In addition to the pension benefits, PERS provides post-retirement health care coverage to age and service retirees with 10 or more years of qualifying Ohio service credit and to primary survivor recipients of such retirees. Health care coverage for disability recipients is available. The health care coverage provided by the retirement system is considered to be an "other post-employment benefit" (OPEB) as described in GASB Statement No. 12. A portion of each employer's contribution to PERS is set aside for the funding of post-retirement health care. As noted above, the Ohio Revised Code provides statutory authority for employer contributions. During 1998 and 1997, \$3,433,600 and \$3,366,751, respectively, of the City's total contribution to PERS was used for post-retirement benefits.

OPEB are financed through employer contributions and investment earnings thereon. The contributions allocated to retiree health care, along with investment income on allocated assets and periodic adjustments in health care provisions, are expected to be sufficient to sustain the program indefinitely. PERS's expenditures for post-employment benefits during 1998 were \$440,596,663. As of December 31, 1998, the unaudited estimated net assets available for future post-employment benefits payments were \$9,447,325,318. The number of benefit recipients eligible for post-employment benefits at December 31, 1998, was 115,579.

During 1997, the PERS Retirement Board adopted a new calculation method for determining employer contributions applied to OPEB. Under the new method, effective January 1, 1998, employer contributions, equal to 4.2% of member-covered payroll, are used to fund health care expenses. Under the prior method, which was actuarially based, accrued liabilities and normal cost rates were computed to determine the amount of employer contributions necessary to fund OPEB.

## 10. Pension Plans (Continued)

### Police and Fire

Police and Fire 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. Police and Fire 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 Police and Fire at: 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 Police and Fire 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 post-retirement health care benefits) for the years ended December 31, 1998, 1997 and 1996 were \$2,785,702, \$2,763,791 and \$2,697,218, respectively. The City's total contributed amounts for Fire (excluding the amount relating to post-retirement health care benefits) for the years ended December 31, 1998, 1997 and 1996 were \$3,292,095, \$3,198,115 and \$3,230,969, respectively.

The City also makes semi-annual payments to Police and Fire for its portion of past service costs determined at the time the fund was established. All payments to date, including \$738,395 in 1998, have been budgeted and paid from the General and Special Revenue Funds. The remaining balance of \$13,623,516 at December 31, 1998, is included in Accrued Liabilities in the General Long-Term Obligations Account Group (see Note 25). The liability for past service costs at the time PERS was established was assumed by the State of Ohio, and therefore, is not a liability of the City.

In addition to pension benefits, Police and Fire 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. 12. The Ohio Revised Code provides the statutory authority allowing the Fund's Board of Trustees to provide health care coverage to all eligible individuals. The Ohio Revised Code provides that health care costs paid from the funds of Police and Fire shall be included in the employer's contribution rate (currently 6.5% of covered payroll is the board-defined allocation). Health care funding and accounting is on a pay-as-you-go basis. In addition, since July 1, 1992, most retirees have been required to contribute a portion of the cost of their health care coverage through a deduction from their monthly benefit payment. The total health care costs paid by the Police and Fire plan were \$76,459,832 for the year ended December 31, 1997 (latest information available). For Police and Fire, the City's contribution for 1998 used to pay post-retirement health care was \$1,390,763 and \$1,223,810, respectively. Eligible benefit recipients totaled 11,239 and 9,025 for uniformed police and fire personnel, respectively.

## 11. Deferred Compensation Plans

Employees of the City may elect to participate in one or both of the deferred compensation plans created in accordance with Internal Revenue Code Section 457. The Ohio Public Employees' Deferred Compensation Program and the ITT Hartford (the plans), available to all City employees, permit them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

All amounts of compensation deferred under the plans, all property and rights purchased with those amounts and all income attributable to those amounts, property, or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the plans' participants and their beneficiaries. The plans' agreements state that the City and the Ohio Public Employees' Deferred Compensation Board and the ITT Hartford Board have no liability for losses under the plans with the exception of fraud or wrongful taking.

The amount on deposit in the plans is not reflected in the accompanying balance sheet as of December 31, 1998 because it is held in trust for the exclusive benefit of the plans' participants and their beneficiaries. See Note 1N. regarding the accounting change with respect to the Ohio Public Employees' Deferred Compensation Program and the ITT Hartford.

## 12. Notes Payable

The following is a summary of note transactions for the year ended December 31, 1998:

	<u>General Obligations</u>	<u>Special Revenue</u>	
	<u>Special Assessment</u>	<u>Special Assessment</u>	<u>Total</u>
Notes Payable at January 1, 1998	\$ 5,439,600	\$ 3,845,000	\$ 9,284,600
New notes issued	2,199,900	3,835,000	6,034,900
Notes retired	<u>(3,301,800)</u>	<u>(3,845,000)</u>	<u>(7,146,800)</u>
Notes Payable at December 31, 1998	<u>\$ 4,337,700</u>	<u>\$ 3,835,000</u>	<u>\$ 8,172,700</u>



**12. Notes Payable (Continued)**

Notes payable at December 31, 1998, are comprised of the following individual issues:

Issued	Rate %	Issue	Final Maturity	Amount
<u>Special Assessment Notes:</u>				
Special Improvement Notes:				
December 17, 1998	3.12	1	December 17, 1999	\$ 3,835,000
Paving Notes:				
October 24, 1997	6.00	7-97	October 24, 2002	284,700
October 24, 1997	6.00	8-97	October 24, 2002	758,100
October 24, 1997	6.00	10-97	October 24, 2002	554,300
December 22, 1997	6.00	13-97	December 22, 2002	662,200
January 20, 1998	6.00	2-98	January 20, 2003	276,200
April 22, 1998	6.00	6-98	April 22, 2003	417,500
April 22, 1998	6.00	7-98	April 22, 2003	32,500
April 22, 1998	6.00	8-98	April 22, 2003	127,400
October 23, 1998	6.00	12-98	October 23, 2003	161,700
Sidewalk Notes:				
January 20, 1998	6.00	5-98	January 20, 2003	192,000
September 11, 1998	6.00	10-98	September 11, 2003	583,300
October 23, 1998	6.00	11-98	October 23, 2003	198,900
Concrete Reconstruction Notes:				
January 20, 1998	6.00	3-98	January 20, 2003	88,900
				<u>\$ 8,172,700</u>

All of these 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.

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 Treasurer on behalf of the City.

The weighted average interest rates on Special Assessment notes at December 31, 1998 was 4.65%.

**12. Notes Payable (Continued)**

The following is a summary of the City's future requirements for notes payable as of December 31, 1998 (in thousands):

Fiscal Year Ending December 31	Special Assessment Notes		Total
	Notes	Interest	
1999	\$ 3,835	\$ 380	\$ 4,215
2000	-	260	260
2001	-	260	260
2002	2,259	242	2,501
2003	2,079	53	2,132
	<u>\$ 8,173</u>	<u>\$ 1,195</u>	<u>\$ 9,368</u>

**13. Long-Term Debt**

Included in the General Long-Term Obligations Account Group are two ten-year Special Assessment Resurfacing Projects Notes: Series 1996, in the amount of \$1,284,846; and Series 1997, in the amount of \$963,367.

During 1998, the City issued \$19,930,000 of Various Purpose Improvement Bonds, Series 1998. The proceeds of the bonds were deposited in Special Revenue Funds (\$9,985,000), Capital Project Funds (\$4,410,000), and Internal Service Funds (\$5,535,000).

On February 1, 1998 the City of Akron issued \$18,700,000 Waterworks System Mortgage Revenue Improvement Refunding Bonds, Series 1998 with interest ranging from 3.65% to 5%. Of the total bonds issued, \$7,004,350 was used to refund Waterworks First Mortgage Revenue Series 1987 Refunding Bonds, dated September 15, 1987 with interest rates ranging from 5.25% to 8.25% and a par value of \$6,935,000. The refunded Waterworks First Mortgage Revenue Series Refunding Bonds dated September 15, 1987, mature March 1, 2006, and are callable March 1, 1998 at 101%. The \$7,004,350 was deposited with the Trustee which will be sufficient without further investment or reinvestment, of either principal or interest earnings, to cause the Series 1987 Bonds to be redeemed and thus to be deemed to have been paid and discharged under the Indenture. Accordingly, the Waterworks First Mortgage Revenue Series 1987 Refunding Bonds, dated September 15, 1987, were removed as an obligation of the Water Enterprise Fund.

As a result of the current refunding, the City decreased its total debt service requirements by \$1,277,893, which resulted in an economic gain (difference between the present value of the debt service payments on the old and new debt) of \$1,056,813.

The remaining proceeds of the new debt were used to fund general Waterworks System improvements.

**13. Long-Term Debt (Continued)**

On April 1, 1998, the City of Akron issued \$19,140,000 Sanitary Sewer System Improvement and Refunding Revenue Bonds, Series 1998 with interest rates ranging from 3.7% to 5.5%. Of the total bonds issued, \$9,140,000 was used to advance refund Sewer System Improvement General Obligation Bonds, dated December 1, 1989, with interest rates ranging from 5% to 8.5% and a par value of \$7,800,000. The refunded Sewer System Improvement General Obligation Bonds, dated December 1, 1989, mature December 1, 2010, and are callable December 1, 1999 at 102%. The net proceeds of the refunding portion of the issuance of the \$19,140,000 Sanitary Sewer System Improvement and Refunding Revenue Bonds, Series 1998, were used to purchase U.S. Government Securities and those securities were deposited in an irrevocable trust with an escrow agent to provide debt service payments until the Sewer System Improvement General Obligation Bonds, dated December 1, 1989, are called on December 1, 1999. The advance refunding met the requirements of an in-substance defeasance and the Sewer System Improvement General Obligation Bonds, dated December 1, 1989, were removed as an obligation of the Sewer Enterprise Fund.

As a result of the advance refunding, the City decreased its total debt service requirements by \$929,598, which resulted in an economic gain (difference between the present value of the debt service payments on the old and new debt) of \$328,382.

The remaining proceeds of the new debt were used to fund general Sanitary Sewer System improvements.

### 13. Long-Term Debt (Continued)

The following is a summary of long-term debt transactions for the year ended December 31, 1998:

	General Long-Term Obligations					Ohio Department of Development Loan	Total
	General Obligation	OPWC Loan	Special Assessment	Economic Development			
Long-term debt payable at January 1, 1998	\$ 120,797,994	\$ 1,026,791	\$ 14,189,379	\$ 35,000,000		\$ 745,245	
New Issues:							
Various Purpose Improvements	14,395,000	-	-	-	-	-	14,395,000
Capital Projects	-	1,680,909	-	-	-	-	1,680,909
Computer Equipment	-	-	-	-	-	-	5,335,000
Municipal Facility	-	-	-	-	-	-	200,000
Resurfacing	-	-	963,367	-	-	-	963,367
Sewer System	-	-	-	-	-	-	19,140,000
Street Improvements	-	-	2,600,000	-	-	-	2,600,000
Water System	-	-	-	-	-	-	18,700,000
Retirements	9,038,328	53,677	3,114,718	-	-	42,867	34,832,803
Long-term debt payable at December 31, 1998	<u>\$ 126,154,666</u>	<u>\$ 2,654,023</u>	<u>\$ 14,638,028</u>	<u>\$ 35,000,000</u>		<u>\$ 702,378</u>	<u>\$ 370,019,773</u>
	Enterprise					Internal Service	Total
	General Obligation	Mortgage Revenue	Revenue	OWDA	OPWC	General Obligation	
Long-term debt payable at January 1, 1998	\$ 16,529,285	\$ 56,015,000	\$ 36,965,000	\$ 48,469,498	\$ 3,453,763	\$ 8,646,345	\$ 341,838,300
New Issues:							
Various Purpose Improvements	-	-	-	-	-	-	14,395,000
Capital Projects	-	-	-	-	-	-	1,680,909
Computer Equipment	-	-	-	-	-	5,335,000	5,335,000
Municipal Facility	-	-	-	-	-	200,000	200,000
Resurfacing	-	-	-	-	-	-	963,367
Sewer System	-	-	19,140,000	-	-	-	19,140,000
Street Improvements	-	-	-	-	-	-	2,600,000
Water System	-	18,700,000	-	-	-	-	18,700,000
Retirements	8,927,405	9,060,000	2,120,000	2,273,510	52,655	149,643	34,832,803
Long-term debt payable at December 31, 1998	<u>\$ 7,601,880</u>	<u>\$ 65,655,000</u>	<u>\$ 53,985,000</u>	<u>\$ 46,195,988</u>	<u>\$ 3,401,108</u>	<u>\$ 14,031,702</u>	<u>\$ 370,019,773</u>

13. Long-Term Debt (Continued)

Long-term debt at December 31, 1998, comprises the following individual issues:

Issued	Rate %	Issue	Final Maturity	Amount
<u>General Obligation Bonds:</u>				
Highway Improvement Bonds:				
April 1, 1976	6	No. 3	October 1, 2001	\$ 600,000
June 1, 1976	6.25	No. 4	December 1, 2001	600,000
April 1, 1977	5.25	No. 5	October 1, 2002	800,000
June 1, 1978	5.625	No. 6	December 1, 2002	800,000
June 1, 1979	6	No. 7	December 1, 2004	1,200,000
December 1, 1979	7.125	No. 8	December 1, 2005	2,800,000
Market-Valley Urban Renewal Bond:				
November 21, 1991	8	-	December 1, 2007	335,000
Municipal Building Improvement Bonds:				
July 1, 1986	7.5	-	September 1, 2006	280,000
Municipal Garage Bonds:				
July 1, 1986	7.5	-	September 1, 2006	200,000
Parks Improvement Bonds:				
July 1, 1986	7.5	-	September 1, 2006	200,000
Pedestrian Walkway Bonds:				
July 1, 1986	7.5	-	September 1, 2006	440,000
Real Estate Acquisition Bonds:				
September 28, 1989	5	-	August 15, 2004	605,230
September 28, 1989	5	-	August 15, 2004	994,770
Recycle Energy System Construction Bonds:				
November 1, 1982	10.375	1st Series	November 1, 2003	1,400,000
May 1, 1983	8.75	2nd Series	November 1, 2003	2,000,000
Solid Waste Storage Facility Bonds:				
July 1, 1986	7.5	-	September 1, 2006	960,000
Street Improvement Bonds:				
May 1, 1983	8.75	-	November 1, 2003	1,250,000
June 1, 1984	10.5	-	December 1, 2004	1,440,000
May 1, 1985	8.75	-	November 1, 2005	1,400,000
July 1, 1986	7.5	-	September 1, 2006	2,200,000
Urban Renewal Public Improvement Bonds				
February 21, 1991	8	Series 1990	December 1, 2020	857,248
December 10, 1991	8	Series 1991	December 1, 2021	1,496,000

13. Long-Term Debt (Continued)

Issued	Rate %	Issue	Final Maturity	Amount
<u>Various Purpose Improvement Bonds:</u>				
June 1, 1991	5.9 to 8	-	December 1, 2011	\$ 1,495,000
November 1, 1992	4.5 to 8.625	-	December 1, 2013	11,146,418
October 15, 1993	.05 to 8	-	December 1, 2013	11,875,000
June 15, 1994	4.75 to 6.75	-	December 1, 2014	18,205,000
August 1, 1995	4.9 to 5.5	-	December 1, 2008	1,990,000
November 1, 1995	4.2 to 6	-	November 1, 2016	10,865,000
August 15, 1996	4.6 to 8	-	August 15, 2021	610,000
December 1, 1996	3.95 to 6.12	-	December 1, 2017	12,815,000
December 1, 1997	4.3 to 6	-	December 1, 2018	19,900,000
December 1, 1998	4.25 to 4.75	-	December 1, 2019	14,395,000
				<u>\$ 126,154,666</u>
<u>OPWC Loans:</u>				
July 1, 1993	6	R.E.S.	July 1, 2004	\$ 232,114
July 1, 1997	0	Boxwood Ave.	July 1, 2018	741,000
July 1, 1998	0	Lakeshore Blvd.	January 1, 2020	1,014,000
July 1, 1998	0	Tallmadge Ave.	July 1, 2021	666,909
				<u>\$ 2,654,023</u>
<u>Special Assessment Obligations:</u>				
<u>Resurfacing Notes:</u>				
December 12, 1994	6	1993	December 1, 1999	\$ 25,054
May 1, 1995	6	1994	December 1, 1999	160,379
May 1, 1996	6	1995	December 1, 2000	371,362
June 1, 1997	6	1997	December 1, 2006	790,236
May 1, 1998	6	1998	December 1, 2007	792,997
<u>Street Improvement Bonds:</u>				
September 1, 1978	7.25	Rosemary Blvd.	September 1, 2014	48,000
May 1, 1983	9	1983-1	November 1, 2001	90,000
December 1, 1989	6.5	1989	December 1, 2000	500,000
June 1, 1991	6.2	1991	December 1, 2001	810,000
November 1, 1992	4.5 to 8.625	1992	December 1, 2013	2,880,000
October 15, 1993	4 to 8	1993	December 1, 2003	675,000
June 15, 1994	4.75 to 5.4	1994	December 1, 2004	810,000
August 1, 1995	4.9 to 5.25	1995	December 1, 2005	570,000
August 15, 1996	4.6 to 8	1996	December 1, 2021	2,000,000
August 15, 1997	4.65 to 5.15	1997	December 1, 2007	1,515,000
August 15, 1998	4.25 to 4.55	1998	December 1, 2008	2,600,000
				<u>\$ 14,638,028</u>

13. Long-Term Debt (Continued)

Issued	Rate %	Issue	Final Maturity	Amount
<u>Economic Development:</u>				
November 1, 1997	4 to 6	1997	December 1, 2018	\$ 35,000,000
				<u>\$ 35,000,000</u>
<u>ODOD Incubator:</u>				
November 26, 1996	3	1997	February 1, 2012	\$ 702,378
				<u>\$ 702,378</u>
<u>Enterprise Bonds:</u>				
Golf Course Clubhouse Bonds:				
December 1, 1997	4.3 to 6	-	December 1, 2018	\$ 850,000
Off-Street Parking Facility Bonds:				
June 1, 1975	6.625	Opportunity Park	December 1, 2000	400,000
May 1, 1983	9	-	November 1, 1999	20,000
June 1, 1984	10.5	Morley	December 1, 2004	990,000
May 1, 1985	8.75	-	November 1, 2005	1,120,000
June 15, 1994	4.75 to 6.75	-	December 1, 2014	600,000
December 1, 1997	4.3 to 6	-	December 1, 2018	500,000
Radio Communications System Bonds:				
November 1, 1992	4.5 to 8.625	-	December 1, 2013	721,880
Sewer System Improvement Bonds:				
July 1, 1986	7.5	-	September 1, 2006	400,000
Water System Improvement Bonds:				
July 1, 1986	7.5	-	September 1, 2006	<u>2,000,000</u>
				<u>\$ 7,601,880</u>
<u>Enterprise Mortgage Revenue Bonds:</u>				
Waterworks System Bonds:				
May 15, 1994	3.6 to 6	1994	March 1, 2014	\$ 26,775,000
January 15, 1996	3.5 to 4.875	1996	March 1, 2012	20,180,000
February 1, 1998	3.65 to 5	1998	March 1, 2018	<u>18,700,000</u>
				<u>\$ 65,655,000</u>

### 13. Long-Term Debt (Continued)

Issued	Rate %	Issue	Final Maturity	Amount
<u>Enterprise Revenue Bonds:</u>				
Sewer System Improvement Bonds:				
June 1, 1996	4.3 to 6.2	1996	December 1, 2016	\$ 22,960,000
January 1, 1997	3.75 to 5.55	1997	December 1, 2016	12,800,000
April 1, 1998	3.7 to 5.5	1998	December 1, 2017	18,225,000
				<u>\$ 53,985,000</u>
<u>OWDA Loans:</u>				
May 28, 1981	10.71	Water	July 1, 2006	\$ 1,813,177
December 31, 1981	10.71	Sewer	July 1, 2006	6,043,923
May 6, 1982	12	Sewer	January 1, 2010	5,834,926
June 4, 1984	10.54	Sewer	July 1, 2004	2,472,721
March 30, 1995	4.56	Sewer	July 1, 2015	13,812,064
April 27, 1995	4.56	Sewer	July 1, 2015	16,219,177
				<u>\$ 46,195,988</u>
<u>OPWC Loans:</u>				
July 1, 1991	0	Sewer	July 1, 2002	\$ 147,000
July 1, 1995	0	Water	July 1, 2016	1,045,772
December 1, 1995	0	Sewer	January 1, 2017	415,536
July 1, 1996	0	Sewer	July 1, 2017	1,197,800
July 1, 1997	0	Sewer	July 1, 2018	595,000
				<u>\$ 3,401,108</u>
<u>Internal Service Bonds:</u>				
Computer Equipment Bonds:				
December 1, 1997	4.3 to 6	-	December 1, 2018	\$ 4,950,000
December 1, 1998	4.25 to 4.75	-	December 1, 2019	5,335,000
Final Judgment Bonds:				
November 1, 1992	4.5 to 8.625	-	December 1, 2013	380,000
August 15, 1996	4.5 to 8	-	December 1, 2021	2,965,000
Municipal Facility Bonds:				
December 1, 1998	4.25 to 4.75	-	December 1, 2019	200,000
Radio Communications System Bonds:				
November 1, 1992	4.5 to 8.625	-	December 1, 2013	201,702
				<u>\$ 14,031,702</u>



### 13. Long-Term Debt (Continued)

All bonds and notes are backed by the full faith and credit of the City except revenue bonds. Water and Sewer Mortgage Revenue Bonds are collateralized by the fixed assets of the Water and Sewer Systems which had net carrying values of approximately \$106,724,000 and \$230,215,000, respectively, at December 31, 1998. 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 Debt Service Fund. Revenue bonds 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 from the City's General Fund.

OWDA and OPWC loans payable are repaid from the excess operating revenues over operating expenses of the applicable enterprise. The City is under no obligation to repay these from the City's General Fund.

The following is a summary of the City's future debt service requirements as of December 31, 1998 (in thousands):

Fiscal Year Ending December 31	General Obligation Bonds		OPWC Loan		Special Assessment Bonds		Economic Development Bonds		Ohio Department of Development Note	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
1999	\$ 9,877	\$ 6,995	\$ 74	\$ 13	\$ 2,742	\$ 817	\$ 1,095	\$ 1,744	\$ 44	\$ 22
2000	10,972	6,404	128	11	2,595	620	1,135	1,700	46	21
2001	10,951	5,798	147	9	2,171	476	1,185	1,653	47	19
2002	10,687	5,189	166	6	1,697	361	1,235	1,603	48	18
2003	10,436	4,592	169	3	1,529	274	1,285	1,550	50	16
2004-2008	36,553	15,794	635	1	3,636	547	7,340	6,837	273	55
2009-2013	22,620	7,587	610	-	265	52	9,450	4,725	194	10
2014-2018	12,459	2,347	591	-	3	-	12,275	1,901	-	-
2019-2023	1,600	171	134	-	-	-	-	-	-	-
	<u>\$ 126,155</u>	<u>\$ 54,877</u>	<u>\$ 2,654</u>	<u>\$ 43</u>	<u>\$ 14,638</u>	<u>\$ 3,147</u>	<u>\$ 35,000</u>	<u>\$ 21,713</u>	<u>\$ 702</u>	<u>\$ 161</u>

Fiscal Year Ending December 31	Enterprise Bonds and Loans						Internal Service Bonds		Total
	General Obligation	Mortgage Revenue	Revenue	OWDA	OPWC	Interest	Principal	Interest	
1999	\$ 1,068	\$ 2,740	\$ 2,005	\$ 2,450	\$ 205	\$ 9,781	\$ 1,145	\$ 642	\$ 43,459
2000	1,051	2,850	2,045	2,641	205	8,996	2,123	589	44,132
2001	855	2,970	2,095	2,851	205	8,803	2,184	496	42,915
2002	858	3,265	2,150	3,079	184	8,275	2,246	402	41,469
2003	862	3,425	2,225	3,329	164	7,701	2,307	304	40,221
2004-2008	2,234	20,155	12,900	15,420	816	29,015	1,829	753	154,793
2009-2013	337	23,750	16,750	11,588	816	14,205	697	526	114,182
2014-2018	337	6,500	13,815	4,838	806	2,601	886	318	59,677
2019-2023	-	-	-	-	-	-	615	67	2,587
	<u>\$ 7,602</u>	<u>\$ 65,655</u>	<u>\$ 53,985</u>	<u>\$ 46,196</u>	<u>\$ 3,401</u>	<u>\$ 89,377</u>	<u>\$ 14,032</u>	<u>\$ 4,097</u>	<u>\$ 543,435</u>

**13. Long-Term Debt (Continued)**

Bond Indenture Agreements for the Waterworks System Mortgage Revenue Bond dated May 15, 1994, the Waterworks System Mortgage Revenue Improvement Bond dated January 15, 1996, 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, and the Waterworks System Mortgage Revenue Improvement Bonds dated February 1, 1998, 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 \$4,821,110 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, 1998 were as follows:

	Waterworks System 1994 Issue	Waterworks System 1996 Issue	Waterworks System 1998 Issue	Sewer System 1996, 1997, and 1998 Issues
Minimum balance of debt service reserve fund	\$ -	\$ -	\$ -	\$ 4,821,110
Actual balance of debt service fund	<u>1,205,462</u>	<u>648,319</u>	<u>1,083,719</u>	<u>4,964,961</u>
Excess	<u>\$ 1,205,462</u>	<u>\$ 648,319</u>	<u>\$ 1,083,719</u>	<u>\$ 143,851</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 total value of all property in the municipal corporation as listed and assessed for taxation. In addition, the unvoted net debt of municipal corporations cannot exceed 5.5% of the total taxable value of property. The statutory limitations on debt are measured by a direct ratio of net debt to tax valuation and expressed in terms of a percentage. At December 31, 1998, the City's total net debt amounted to 3.4% of the total assessed value of all property within the City and unvoted net debt amounted to 3.1% of the total assessed value of all property within the City.

**13. Long-Term Debt (Continued)**

The City has defeased certain Enterprise Fund debt issues by placing U.S. Government direct 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, 1998:

Issue	Defeasance Date	Original Amount		Principal Outstanding at 12/31/98
		Defeased	Escrowed	
Waterworks System First Mortgage Revenue Bonds Series 1991	1996	\$ 19,090,000	\$ 20,726,104	\$ 18,255,000
Sewer System Improvement General Obligation Bonds	1998	7,800,000	8,317,677	<u>7,200,000</u>
				<u>\$ 25,455,000</u>

In July, 1995, the City entered into an agreement to guarantee \$3 million of bank loan financing for a developer. The total amount of financing obtained by such developer is \$15.5 million. As a part of this guarantee, the City must deposit in escrow \$3 million with the banks involved with the financing. As of December 31, 1998, the entire \$3 million has been placed in escrow.

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, 1998, there was one industrial revenue bond outstanding. The aggregate principal amount payable for the issue was \$890,000.

**14. Obligations Under Capitalized Leases**

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 within the City meeting class "AA" standards. 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 2001 through 2016.

Future COPs payments are as follows as of December 31, 1998:

<u>Year</u>	<u>Payments</u>
1999-2000	\$ -
2001	3,940,000
2002	3,941,525
2003	3,938,320
2004-2016	<u>51,226,540</u>
Total lease payments	\$ 63,046,385
Less amount representing interest	<u>34,166,950</u>
Present value of lease payments	<u>\$ 28,879,435</u>
Capitalized cost of leased assets	<u>\$ 28,989,832 *</u>

\* Amount represents the entire cost of the facility including amounts provided by other financing sources.

Unspent funds of approximately \$4.0 million provided from the COPs are recorded as restricted assets in the accompanying combined balance sheet as of December 31, 1998. In the unlikely event the lease is terminated, the restricted funds are available for payment of the certificates.

**15. 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 to \$901,000,000 with a variety of deductibles beginning at \$25,000. Coverage is purchased on 1,267 vehicles for combined single-limit liability of \$1,000,000. 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 annual medical insurance 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.

**15. Self-Insurance Funds (Continued)**

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 \$5,452,587, \$8,119,885 and \$477,288 reported in the Medical, Workers' Compensation, and Self-Insurance Settlement funds, respectively, at December 31, 1998, 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. Changes in the funds' claims liabilities amounts in fiscal 1997 and 1998 were:

	Beginning of Year Liability	Current Period Claims	Claim Payments	Balance at End of Year
<u>Medical Self-Insurance Fund</u>				
1997	\$ 6,461,473	\$ 15,124,335	\$ 14,505,913	\$ 7,079,895
1998	7,079,895	14,048,201	15,675,509	5,452,587
<u>Workers' Compensation Reserve Fund</u>				
1997	7,659,965	1,604,022	1,615,140	7,648,847
1998	7,648,847	1,993,521	1,522,483	8,119,885
<u>Self-Insurance Settlement Fund</u>				
1997	400,992	1,381,434	1,294,073	488,353
1998	488,353	110,567	121,632	477,288

**16. Deficit Fund Balances**

The following funds have a fund balance deficit or a retained earnings deficit at December 31, 1998:

**Special Revenue Funds:**

Special Assessment Street Cleaning	\$ 3,002,857
Building Code Enforcement	262,257
Community Development	886,110
Supplemental Food Program	20,334
Sexually Transmitted Disease Control	16,266
Akron Metro. Area Transportation Study	144,621
Lead Poisoning Prevention	57,766
K.A.B. Litter Control	28,402
Opportunity Park Tax Increment	50,953
Section 108 Loans	57,947
Industrial Incubator	183,804
Balch Street Recreation Center	9,082
Neighborhood Housing Development	689
Police Grants	196,320

**Capital Project Funds:**

Non-emergency City Radio System	90,005
Broadway Parking Structures	42,951
Convention Center	11,028
Non-appropriated Capital Projects	4,350,904
Streets	9,191,649
Exchange Street Redevelopment	118,399
Akron Square Urban Renewal Area	21,288
Citicenter Acquisition	22,451
Stadium Construction	2,938,980
Projects Funded by G.O. Bonds	2,119,574
O'Neil's Building Renovation	1,444,943
Firestone Stadium Improvements	188,205
GoJo Headquarters Improvements	1,491,818
Tell Parking Expansion	852,808
Capital Projects with Private Funding	78,526
West Market Street Project	150
Traffic Management Program	1,231

**Internal Service Funds:**

Medical Self-Insurance	1,369,676
Self-Insurance Settlement	3,787,141
Engineering Bureau	378,030
Management Information Systems	6,753,772

**Trust and Agency:**

Miscellaneous Purpose Trust	809,420
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**Component Unit:**

Private Industry Council	311,267
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The Special Revenue funds that have deficit fund balances at year-end have incurred expenditures that have not yet been reimbursed. The Special Assessment Street Cleaning Fund issues a note each year to cover the costs of salting and cleaning streets. The note is short term and is repaid through special assessments collected in the following year. Since the note is short-term, it is recorded as a liability and not as an other financing source, thus always resulting in a deficit at year-end. The remaining balance of the funding is anticipated from grant monies.

**16. Deficit Fund Balances (Continued)**

The majority of the Capital Projects Funds that have deficit fund balances at year-end have incurred expenditures that have not yet been reimbursed from grant funding and/or future borrowings. Non-appropriated Capital Projects, Streets, and Projects Funded by G.O. Bonds are three of the funds where the City carries out programs in its capital budget for which pooled cash is spent up front. Once the particular project is completed, the City seeks reimbursement from a variety of pertinent sources. The deficit in the Stadium Construction Fund has decreased from the prior year. The City will request a draw by mid-July from the Ohio Arts & Sports Facilities Commission to eliminate the majority of the deficit. The O'Neil's Building Renovation Fund deficit will be eliminated with proceeds from the sale of the remaining available floors of the O'Neil's building and future Tax Increment Financing revenue. The GoJo Headquarters Improvements Fund project began in 1998 and will be completed this fall. The City will be receiving a \$1,000,000 grant for the environmental cleanup and will either issue non-tax revenue bonds or make an income tax transfer to cover the remaining deficit.

The Internal Service Funds that have deficit retained earnings balances at year-end have incurred expenses above charges for services. These funds will allow user charges to eliminate the deficits. The deficit in the Medical Self-Insurance Fund decreased as expected due to the increase in contributions from each division and a revised formula used by CIGNA in estimating the future liability. The majority of the deficit in the Self-Insurance Settlement Fund is the result of issuing \$3,100,000 in bonds in 1996 for the lawsuit settlement with OWDA regarding RES. The remaining deficit is due to the estimated accrued liability. 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 deficit in the Management Information Systems Fund is the result of issuing bonds to cover the costs of implementing new and updated technology, including the network infrastructure, mainframe, accounting system, and payroll and personnel systems. The bonds are being repaid with user fees charged to each division's operating budget.

**17. Income Taxes**

The City levies a tax at the rate of 2% 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.

The proceeds of income taxes, after payment of the expenses 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.

**18. 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 Auditor at 35% of appraised market value. A revaluation of all property is required to be completed no less than every six years. The last revaluation was completed in 1996.

**18. Property Taxes (Continued)**

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.

Generally, tangible personal property used in business (except certain public utilities) is currently assessed for ad valorem taxation purposes at 25% of true value (in general, the same as net book value). Public utility tangible personal property (with some exceptions), land and improvements are assessed at 88% of true value.

The assessed value upon which the 1998 property tax was based aggregated \$2,664,648,000. The assessed value for 1998 (upon which the 1999 property tax will be based) is approximately \$2,688,845,000.

Under the current allocation method, the City's share was .904% (9.04 mills) of assessed value in 1998. The one percent limit has not been exceeded. Further, 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 County Treasurer collects property taxes on behalf of all taxing districts in the County including the City of Akron. The County Auditor 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, 1998, including delinquencies from prior years, were 99.5% and 102.6%, respectively, of the current year tax levy.

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

**19. JEDD Revenue**

The City entered into separate contracts with Copley, Coventry, and Springfield Townships to create Joint Economic Development Districts (JEDDs) in 1994. Voters in each township approved the respective JEDD contracts in the November 1994 election, which became effective January 1, 1995. The purpose of a JEDD is to facilitate regional economic development. In accordance with State law, each of the Districts' Board of Trustees levied a 2% income tax effective January 1, 1995. 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 contract, the net JEDD revenues are allocated to the City and Fairlawn, and the City is providing certain water and sewer services.



## 20. Segments of Enterprise Activities

Significant financial data for the nine services provided by the City which are financed by user charges for the year ended December 31, 1998 are as follows (in thousands):

	Water	Sewer	Oil and Gas	Firestone Stadium Concession	Golf Course	Airport	RES	Off- Street Parking	O'Neil's Building	Total
Operating revenues	\$ 33,297	\$ 33,862	\$ 491	\$ -	\$ 833	\$ 323	\$ 105	\$ 3,765	\$ -	\$ 72,676
Depreciation and amortization expense	3,461	7,493	15	-	44	153	-	882	39	12,087
Operating income (loss)	2,668	4,819	208	-	51	(428)	105	(234)	(137)	7,052
Operating transfers:										
In	519	314	-	-	-	336	-	2,125	-	3,294
(Out)	(5,452)	(6,241)	(469)	-	(32)	-	(90)	(6)	(1,147)	(13,437)
Net income (loss)	(5,824)	(6,342)	(260)	-	(24)	(92)	15	1,423	(1,284)	(12,388)
Current capital contributions	3,656	1,397	-	-	-	60	-	5,986	-	11,099
Additions (deletions) to property, plant and equipment-net	7,991	5,443	(15)	-	59	(153)	-	6,995	(39)	20,281
Net working capital (deficit)	10,703	9,457	733	12	(142)	(533)	235	(405)	(663)	19,397
Total assets	129,948	253,432	1,351	12	1,715	8,453	235	37,333	2,000	434,479
Bonds and other long-term liabilities	69,151	101,493	-	-	850	-	-	3,630	-	175,124
Total equity	52,255	145,744	1,305	12	691	7,885	235	33,261	1,338	242,726

**21. Contributed Capital**

A summary of changes in Contributed Capital is as follows:

	Contributed Capital January 1, 1998	Net Contributed Capital	Contributed Capital December 31, 1998
<b>Enterprise:</b>			
Water	\$ 8,524,873	\$ 3,656,277	\$ 12,181,150
Sewer	120,299,285	1,396,859	121,696,144
Oil and Gas	7,071	-	7,071
Golf	223,417	-	223,417
Airport	6,240,372	60,300	6,300,672
Recycle Energy System	8,356,565	-	8,356,565
Off-Street Parking	17,993,705	5,985,651	23,979,356
O'Neil's Building	2,672,434	-	2,672,434
	<u>164,317,722</u>	<u>11,099,087</u>	<u>175,416,809</u>
<b>Internal Service:</b>			
Motor Equipment	207,278	-	207,278
Telephone System	11,855	-	11,855
Graphics	462,498	-	462,498
Engineering Bureau	504,922	2,553	507,475
	<u>1,186,553</u>	<u>2,553</u>	<u>1,189,106</u>
	<u>\$ 165,504,275</u>	<u>\$ 11,101,640</u>	<u>\$ 176,605,915</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 as of December 31, 1998.

**(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 as of December 31, 1998.

**23. Budget Basis of Accounting**

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 Combined Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – General, Special Revenue and Debt Service Fund Types Non-GAAP Budget Basis 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.

In addition, the City's budgetary process does not formally budget for revenues and expenditures for most Special Revenue and Debt Service Funds. Budgeted Special Revenue Funds are as follows: Income Tax Collection, Emergency Medical Service, Special Assessment, Police Pension Employer's Liability, Fire Pension Employer's Liability, C.I.P. Operating, Street and Highway Maintenance, Special Assessment Street Cleaning, Special Assessment Street Lighting, Community Development, Air Pollution Control, and Akron Metropolitan Area Transportation Study. Only the General Bond Payment Fund is budgeted in Debt Service Funds. The reconciliation that follows of budget basis to GAAP basis is for the budgeted funds only. The non-budgeted funds are shown as a net amount.

Aside from the fact that certain funds are not formally budgeted, the major differences between budget basis and GAAP basis 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).
4. The Police Pension Employer Fund and Fire Pension Employer Fund are shown as individual funds for the budget schedules but are combined with the General Fund for GAAP reporting purposes.

Recognition of certain revenues may be reclassified between funds to facilitate matching with the related expenditures. For example, income taxes under the budget basis are recorded in the Special Revenue Fund and shown as transfers to the ultimate recipient fund while income taxes under the GAAP basis are recognized directly in the recipient fund.

Adjustments necessary to convert the results of operations at the end of the year on the non-GAAP budgetary basis to the GAAP basis are as follows:

**23. Budget Basis of Accounting (Continued)**

	General Fund	Special Revenue Fund	Debt Service Fund
Excess of revenues and other financing sources over expenditures and other financing uses (budgetary basis)	\$ 190,499	\$ 2,625,109	\$ 30,182
Adjustments:			
To adjust revenues for accruals	2,532,363	(113,504,155)	(404,498)
To adjust expenditures for accruals	(211,195)	114,369,437	426,844
To adjust for encumbrances	701,597	154,709	(11,341)
Non-budgeted funds - net	<u>-</u>	<u>15,034,277</u>	<u>(447,329)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses (GAAP)	<u>\$ 3,213,264</u>	<u>\$ 18,679,377</u>	<u>\$ (406,142)</u>

**24. Closure and Post-Closure Care Costs**

On November 9, 1998 the City entered into an agreement with Akron Regional Landfill Inc. (ARLI) to transfer control and operating responsibility of the Hardy Road Landfill (Landfill) and to eventually transfer the Landfill and certain real property immediately adjacent to the Landfill known as the Greenfield Facility to ARLI. ARLI assumed full responsibility for all costs for operation, permitting, groundwater monitoring, closure, and post-closure costs of the Landfill. At a future date, ARLI will purchase the Landfill and the Greenfield Facility upon completion of certain conditions per the agreement. Those conditions are primarily that the City enter into a stipulation agreement with the Ohio Environmental Protection Agency permitting the Landfill and the Greenfield Facility to be used as a landfill and that the property does not become included in the Cuyahoga Valley National Recreational Area. The City also agreed to use the ARLI-controlled landfill facility for disposal of ninety percent of the refuse collected by the City's sanitation department.

**25. Subsequent Events**

On April 15, 1999, the City issued \$10,090,000 Pension Refunding Income Tax Revenue Bonds, Series 1999. The interest, ranging from 3.3% to 5.25%, and the debt service on the bonds will come from property taxes. The proceeds were used to repay the City's obligations to the Police and Firemen's Disability and Pension Fund of Ohio (Police and Fire) for the City's portion of past service costs determined at the time the fund was established (see Note 10). At December 31, 1998, this liability was \$13,623,516 and was recorded in the General Long-Term Obligations Account Group. Police and Fire offered a settlement of the liability at a 32% discount for the first \$500,000 and a 30% discount for the remaining liability. A total of \$9,801,487, including discounted principal of \$9,526,462 and accrued interest to May 5, 1999 of \$275,025, was paid to Police and Fire at the closing of the bonds.

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# Combining Financial Statements

## **GENERAL FUND**

The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in other funds.

## City of Akron, Ohio

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

Year Ended December 31, 1998

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues and other sources</b>			
Revenues:			
Property taxes	\$ 14,555,870	\$ 13,765,593	\$ (790,277)
Investment earnings	4,200,000	3,100,000	(1,100,000)
Shared revenues	16,627,160	18,927,347	2,300,187
Fines and forfeits	4,171,520	3,887,774	(283,746)
Licenses and service charges	13,674,980	12,443,193	(1,231,787)
Miscellaneous	7,513,670	6,523,582	(990,088)
	<u>60,743,200</u>	<u>58,647,489</u>	<u>(2,095,711)</u>
Other sources:			
Income tax transfers in	61,238,040	61,167,670	(70,370)
Other transfers in	1,687,140	1,558,280	(128,860)
Previous year's encumbrances	4,214,311	4,214,311	-
	<u>67,139,491</u>	<u>66,940,261</u>	<u>(199,230)</u>
<b>Total revenues and other sources</b>	<b>127,882,691</b>	<b>125,587,750</b>	<b>(2,294,941)</b>
<b>Expenditures and other uses</b>			
Expenditures:			
General Governmental:			
Civil Service Commission:			
Wages/benefits	1,394,830	1,341,996	52,834
Other	123,163	122,810	353
	<u>1,517,993</u>	<u>1,464,806</u>	<u>53,187</u>
<b>Total Civil Service Commission</b>	<b>1,517,993</b>	<b>1,464,806</b>	<b>53,187</b>
Finance:			
Administration:			
Wages/benefits	271,060	268,277	2,783
Other	32,610	20,039	12,571
Capital outlay	3,500	-	3,500
	<u>307,170</u>	<u>288,316</u>	<u>18,854</u>
Audit and Budget:			
Wages/benefits	426,550	387,758	38,792
Other	29,573	25,357	4,216
Capital outlay	3,200	3,125	75
	<u>459,323</u>	<u>416,240</u>	<u>43,083</u>



## City of Akron, Ohio

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

Year Ended December 31, 1998  
(continued)

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Finance (continued):			
City - Wide Administration:			
Other	\$ 3,522,562	\$ 3,046,123	\$ 476,439
General Accounting:			
Wages/benefits	659,650	636,246	23,404
Other	44,095	43,588	507
	<u>703,745</u>	<u>679,834</u>	<u>23,911</u>
Purchasing:			
Wages/benefits	486,270	449,341	36,929
Other	106,593	91,159	15,434
	<u>592,863</u>	<u>540,500</u>	<u>52,363</u>
Treasury:			
Wages/benefits	80,330	73,655	6,675
Other	10,709	8,889	1,820
	<u>91,039</u>	<u>82,544</u>	<u>8,495</u>
 Total Finance	 5,676,702	 5,053,557	 623,145
 Law:			
Administration:			
Wages/benefits	286,410	280,437	5,973
Other	275,830	265,460	10,370
	<u>562,240</u>	<u>545,897</u>	<u>16,343</u>
Civil:			
Wages/benefits	1,297,790	1,204,959	92,831
Other	217,913	217,409	504
	<u>1,515,703</u>	<u>1,422,368</u>	<u>93,335</u>
Criminal:			
Wages/benefits	945,410	923,882	21,528
Other	57,409	55,414	1,995
Capital outlay	5,000	5,000	-
	<u>1,007,819</u>	<u>984,296</u>	<u>23,523</u>

## City of Akron, Ohio

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

Year Ended December 31, 1998  
(continued)

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Law (continued):			
Indigent Defense:			
Other	\$ 229,865	\$ 229,865	\$ -
<b>Total Law</b>	<b>3,315,627</b>	<b>3,182,426</b>	<b>133,201</b>
Legislative:			
City Council:			
Wages/benefits	219,920	208,610	11,310
Other	66,686	63,367	3,319
	<u>286,606</u>	<u>271,977</u>	<u>14,629</u>
Clerk of Council:			
Wages/benefits	403,090	391,096	11,994
Other	36,109	28,314	7,795
Capital outlay	3,400	3,356	44
	<u>442,599</u>	<u>422,766</u>	<u>19,833</u>
<b>Total Legislative</b>	<b>729,205</b>	<b>694,743</b>	<b>34,462</b>
Municipal Court - Clerk:			
Wages/benefits	2,024,140	1,989,086	35,054
Other	255,746	250,817	4,929
	<u>2,279,886</u>	<u>2,239,903</u>	<u>39,983</u>
<b>Total Municipal Court - Clerk</b>	<b>2,279,886</b>	<b>2,239,903</b>	<b>39,983</b>
Municipal Court - Judges:			
Wages/benefits	2,414,080	2,343,108	70,972
Other	354,781	314,655	40,126
Capital outlay	40,430	35,343	5,087
	<u>2,809,291</u>	<u>2,693,106</u>	<u>116,185</u>
<b>Total Municipal Court - Judges</b>	<b>2,809,291</b>	<b>2,693,106</b>	<b>116,185</b>

## City of Akron, Ohio

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

Year Ended December 31, 1998  
(continued)

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Office of the Mayor:</b>			
<b>Administration:</b>			
Wages/benefits	\$ 447,400	\$ 438,906	\$ 8,494
Other	267,230	221,896	45,334
	<u>714,630</u>	<u>660,802</u>	<u>53,828</u>
<b>Deputy Mayor for Administration:</b>			
Wages/benefits	110,450	106,916	3,534
Other	6,590	4,654	1,936
	<u>117,040</u>	<u>111,570</u>	<u>5,470</u>
<b>Economic Development:</b>			
Wages/benefits	762,190	754,201	7,989
Other	216,649	213,915	2,734
	<u>978,839</u>	<u>968,116</u>	<u>10,723</u>
<b>Human and Community Relations:</b>			
Wages/benefits	191,860	160,319	31,541
Other	17,380	8,982	8,398
	<u>209,240</u>	<u>169,301</u>	<u>39,939</u>
<b>Labor Relations:</b>			
Wages/benefits	293,760	290,580	3,180
Other	20,280	14,566	5,714
	<u>314,040</u>	<u>305,146</u>	<u>8,894</u>
<b>Public Utilities Commission:</b>			
Wages/benefits	136,920	113,543	23,377
Other	8,557	6,537	2,020
	<u>145,477</u>	<u>120,080</u>	<u>25,397</u>
<b>Senior Citizens' Commission:</b>			
Other	10,890	10,800	90
<b>Total Office of the Mayor</b>	<u>2,490,156</u>	<u>2,345,815</u>	<u>144,341</u>
<b>Total General Government</b>	18,818,860	17,674,356	1,144,504

## City of Akron, Ohio

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

Year Ended December 31, 1998  
(continued)

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Public Service:</b>			
<i>Building Maintenance:</i>			
Wages/benefits	\$ 1,481,430	\$ 1,478,942	\$ 2,488
Other	1,942,532	1,693,231	249,301
Capital outlay	23,160	16,334	6,826
	<u>3,447,122</u>	<u>3,188,507</u>	<u>258,615</u>
<i>Customer Service:</i>			
Wages/benefits	694,490	691,126	3,364
Other	228,034	177,366	50,668
	<u>922,524</u>	<u>868,492</u>	<u>54,032</u>
<i>Landfill:</i>			
Wages/benefits	477,520	435,584	41,936
Other	1,291,978	1,056,277	235,701
Capital outlay	54,897	23,293	31,604
	<u>1,824,395</u>	<u>1,515,154</u>	<u>309,241</u>
<i>Parks Maintenance:</i>			
Wages/benefits	1,992,120	1,972,017	20,103
Other	1,172,136	1,090,909	81,227
Capital outlay	8,965	7,854	1,111
	<u>3,173,221</u>	<u>3,070,780</u>	<u>102,441</u>
<i>Plans and Permits:</i>			
Wages/benefits	348,320	333,947	14,373
Other	55,918	48,541	7,377
Capital outlay	5,000	-	5,000
	<u>409,238</u>	<u>382,488</u>	<u>26,750</u>
<i>Public Works Administration:</i>			
Wages/benefits	547,210	519,049	28,161
Other	56,729	43,362	13,367
Capital outlay	2,115	2,115	-
	<u>606,054</u>	<u>564,526</u>	<u>41,528</u>
<i>Recreation:</i>			
Wages/benefits	1,996,270	1,993,041	3,229
Other	1,761,616	1,641,812	119,804
Capital outlay	10,000	941	9,059
	<u>3,767,886</u>	<u>3,635,794</u>	<u>132,092</u>
<i>Recycling Bureau:</i>			
Wages/benefits	427,450	404,558	22,892
Other	559,094	547,380	11,714
	<u>986,544</u>	<u>951,938</u>	<u>34,606</u>

## City of Akron, Ohio

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

Year Ended December 31, 1998  
(continued)

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Public Service (continued):			
Sanitation:			
Wages/benefits	\$ 2,712,880	\$ 2,616,936	\$ 95,944
Other	2,770,855	2,611,861	158,994
Capital outlay	11,615	1,915	9,700
	<u>5,495,350</u>	<u>5,230,712</u>	<u>264,638</u>
Engineering Services			
Wages/benefits	88,140	73,121	15,019
Other	7,296	5,817	1,479
	<u>95,436</u>	<u>78,938</u>	<u>16,498</u>
Service Director's Office:			
Wages/benefits	532,270	519,429	12,841
Other	281,675	278,058	3,617
Capital outlay	5,300	2,778	2,522
	<u>819,245</u>	<u>800,265</u>	<u>18,980</u>
Sewer Maintenance:			
Wages/benefits	451,670	438,636	13,034
Other	97,509	93,271	4,238
	<u>549,179</u>	<u>531,907</u>	<u>17,272</u>
Street Lighting:			
Other	108,470	97,550	10,920
	<u>108,470</u>	<u>97,550</u>	<u>10,920</u>
Support of Zoo Board:			
Other	323,690	323,044	646
	<u>323,690</u>	<u>323,044</u>	<u>646</u>
<b>Total Public Service</b>	<b>22,528,354</b>	<b>21,240,095</b>	<b>1,288,259</b>
Public Safety:			
Building Inspection:			
Wages/benefits	1,449,250	1,411,483	37,767
Other	166,954	153,861	13,093
	<u>1,616,204</u>	<u>1,565,344</u>	<u>50,860</u>
Communications:			
Wages/benefits	1,026,120	983,795	42,325
Other	293,944	281,532	12,412
Capital outlay	30,161	28,474	1,687
	<u>1,350,225</u>	<u>1,293,801</u>	<u>56,424</u>
Corrections:			
Other	7,889,549	7,863,969	25,580

## City of Akron, Ohio

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

Year Ended December 31, 1998  
(continued)

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Public Safety (continued):</b>			
Disaster Services:			
Other	\$ 35,000	\$ 78	\$ 34,922
Fire:			
Wages/benefits	22,848,250	22,687,039	161,211
Other	1,662,019	1,594,108	67,911
Capital outlay	5,500	1,458	4,042
	<u>24,515,769</u>	<u>24,282,605</u>	<u>233,164</u>
Police:			
Wages/benefits	33,759,240	32,944,750	814,490
Other	3,798,983	3,705,843	93,140
Capital outlay	82,038	77,423	4,615
	<u>37,640,261</u>	<u>36,728,016</u>	<u>912,245</u>
Police/Fire Combined Dispatch:			
Wages/benefits	3,241,820	3,022,061	219,759
Other	521,755	479,090	42,665
	<u>3,763,575</u>	<u>3,501,151</u>	<u>262,424</u>
Traffic Engineering:			
Wages/benefits	1,062,530	1,010,272	52,258
Other	331,740	322,630	9,110
Capital outlay	8,170	8,072	98
	<u>1,402,440</u>	<u>1,340,974</u>	<u>61,466</u>
Weights and Measures:			
Wages/benefits	191,960	186,165	5,795
Other	22,232	20,318	1,914
	<u>214,192</u>	<u>206,483</u>	<u>7,709</u>
<b>Total Public Safety</b>	<b>78,427,215</b>	<b>76,782,421</b>	<b>1,644,794</b>
<b>Community Environment:</b>			
Planning Administration:			
Wages/benefits	119,010	118,145	865
Other	34,890	1,524	33,366
	<u>153,900</u>	<u>119,669</u>	<u>34,231</u>

## City of Akron, Ohio

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

Year Ended December 31, 1998  
(continued)

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Community Environment (continued):</b>			
<b>Comprehensive Planning:</b>			
Wages/benefits	\$ 421,200	\$ 376,036	\$ 45,164
Other	57,425	55,207	2,218
	<u>478,625</u>	<u>431,243</u>	<u>47,382</u>
<b>Development Services:</b>			
Wages/benefits	518,680	508,176	10,504
Other	92,307	91,254	1,053
	<u>610,987</u>	<u>599,430</u>	<u>11,557</u>
<b>Total Community Environment</b>	<b>1,243,512</b>	<b>1,150,342</b>	<b>93,170</b>
<b>Public Health:</b>			
<b>Administration:</b>			
Wages/benefits	937,330	936,604	726
Other	422,499	407,011	15,488
	<u>1,359,829</u>	<u>1,343,615</u>	<u>16,214</u>
<b>Housing:</b>			
Wages/benefits	794,670	794,067	603
Other	100,307	99,673	634
	<u>894,977</u>	<u>893,740</u>	<u>1,237</u>
<b>Environmental Health:</b>			
Wages/benefits	1,119,290	1,109,753	9,537
Other	120,634	107,125	13,509
	<u>1,239,924</u>	<u>1,216,878</u>	<u>23,046</u>
<b>Health Education:</b>			
Wages/benefits	203,450	197,472	5,978
Other	39,688	38,148	1,540
	<u>243,138</u>	<u>235,620</u>	<u>7,518</u>
<b>Counseling Services:</b>			
Wages/benefits	274,210	265,409	8,801
Other	39,857	35,621	4,236
	<u>314,067</u>	<u>301,030</u>	<u>13,037</u>

## City of Akron, Ohio

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

Year Ended December 31, 1998  
(continued)

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Public Health (continued):			
Medical and Nursing:			
Wages/benefits	\$ 1,590,880	\$ 1,581,980	\$ 8,900
Other	350,938	308,268	42,670
	<u>1,941,818</u>	<u>1,890,248</u>	<u>51,570</u>
Laboratory:			
Wages/benefits	235,500	222,253	13,247
Other	70,227	62,624	7,603
	<u>305,727</u>	<u>284,877</u>	<u>20,850</u>
Health Data Management:			
Wages/benefits	360,280	332,923	27,357
Other	54,736	48,516	6,220
	<u>415,016</u>	<u>381,439</u>	<u>33,577</u>
<b>Total Public Health</b>	<u>6,714,496</u>	<u>6,547,447</u>	<u>167,049</u>
<b>Total expenditures</b>	<b>127,732,437</b>	<b>123,394,661</b>	<b>4,337,776</b>
Other uses:			
Other transfers out	2,017,590	2,002,590	15,000
	<u>2,017,590</u>	<u>2,002,590</u>	<u>15,000</u>
<b>Total expenditures and other uses</b>	<u>129,750,027</u>	<u>125,397,251</u>	<u>4,352,776</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	(1,867,336)	190,499	2,057,835
Fund balance, January 1, 1998	<u>1,657,392</u>	<u>1,657,392</u>	<u>-</u>
Fund balance (deficit), December 31, 1998	<u>\$ (209,944)</u>	<u>\$ 1,847,891</u>	<u>\$ 2,057,835</u>



## SPECIAL REVENUE 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 Special Revenue Funds are:

### To Account for Special Purposes:

#### Income Tax Collection:

Collecting, auditing, and accounting for income tax money.

#### Emergency Medical Service

#### Special Assessment

#### Police Pension Employer's Liability

#### Fire Pension Employer's Liability

#### Income Tax Capital Improvement

#### C.I.P. Operating

#### Street and Highway Maintenance:

Maintaining streets, expressways and bridges, including pavement repairs, mowing, and snow and ice control.

#### Special Assessment Street Cleaning

#### Special Assessment Street Lighting

#### Law Enforcement

#### Drug Law Enforcement

#### Indigent Drivers' Alcohol Treatment

#### D.U.I. Enforcement and Education

#### Equipment Replacement

#### Convention and Exhibition Hall

#### Weed Control

#### Litter Control

#### Workhouse Concession

#### Building Code Enforcement

#### Comprehensive Planning

#### Upgrade Staff Program

#### Opportunity Park Tax Increment

#### E.D.A. Revolving Loans

#### Section 108 Loans

#### C.B.D. Tax Equivalency

#### Industrial Incubator

#### Joint Economic Development Districts

#### Kenmore Improvement

#### Vehicle Immobilization

#### Akron Muni. Court Information System

#### Recreation Bureau Donations

#### Balch Street Recreation Center

#### Neighborhood Housing Development

#### Canal Park Stadium COPs

#### Pink Ribbon

#### Public Health

#### Safety Programs

#### Landfill Operations

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

#### Fire-Public Education and Safety

#### Haz/Mat Rescue Grant

#### E.M.S. Grant Fund

#### Community Development:

Implementing various housing and related programs and activities.

#### Air Pollution Control

#### Alcohol and Drug Abuse Counseling

#### Traffic/Crash Data Entry Pilot Program

#### Supplemental Food Program

#### Sexually Transmitted Disease Control

#### Akron Metro. Area Transportation Study

#### Summer Lunch Program

#### Child and Family Health Services

#### H.O.M.E. Program

#### Rental Rehabilitation

#### Lead Poisoning Prevention

#### K.A.B. Litter Control

#### State/Federal Grants Diverse

#### M.B.E. State Grant

#### Enterprise Community Grant

#### Equitable Sharing Federal Forfeitures

#### Police Grants

#### Various Domestic Violence

#### Health Grants

City of Akron, Ohio

Combining Balance Sheet -  
All Special Revenue Funds  
December 31, 1998

	Income Tax Collection	Emergency Medical Service	Special Assessment	Income Tax Capital Improvement
<b>Assets</b>				
Cash and investments	\$ 1,295,481	\$ 652,254	\$ 267,859	\$ -
Restricted cash and investments	-	-	-	-
Receivables, net of allowances for uncollectibles	-	7,536,628	7,147	2,690
Loans receivable	-	-	-	-
Due from other governments	-	-	-	-
Due from other funds	157,579	-	-	9,662,189
<b>Total assets</b>	<b>\$ 1,453,060</b>	<b>\$ 8,188,882</b>	<b>\$ 275,006</b>	<b>\$ 9,664,879</b>
<b>Liabilities</b>				
Accounts payable	\$ 344,581	\$ 15,549	\$ 418	\$ 1,641,275
Due to other governments	-	-	-	-
Due to other funds	4,621	5,452	855	49,970
Deferred grant revenue	-	-	-	-
Deferred revenue	-	6,443,767	-	-
Accrued liabilities	-	-	-	167,063
Accrued wages	40,958	147,222	6,295	-
Accrued vacation and leave	7,813	47,743	4,494	-
Special assessment notes	-	-	-	-
<b>Total liabilities</b>	<b>397,973</b>	<b>6,659,733</b>	<b>12,062</b>	<b>1,858,308</b>
<b>Fund equity and other credits</b>				
Fund balance:				
Reserved for encumbrances	53,945	30,622	531	2,911,081
Reserved for loans receivable	-	-	-	-
Unreserved designated for pre-encumbrances	38	8,373	-	-
Unreserved (deficit)	1,001,104	1,490,154	262,413	4,895,490
<b>Total fund equity (deficit) and other credits</b>	<b>1,055,087</b>	<b>1,529,149</b>	<b>262,944</b>	<b>7,806,571</b>
<b>Total liabilities, equity and other credits</b>	<b>\$ 1,453,060</b>	<b>\$ 8,188,882</b>	<b>\$ 275,006</b>	<b>\$ 9,664,879</b>

C. I. P. Operating	Street and Highway Maintenance	Special Assessment Street Cleaning	Special Assessment Street Lighting	Fire-Public Education and Safety	Haz/Mat Rescue Grant	E.M.S. Grant Fund
\$ 115,544	\$ 833,919	\$ 937,928	\$ 3,740,960	\$ 159,582	\$ 44,781	\$ 51,328
-	-	-	-	-	-	-
2,867,486	573,166	490	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	2	-	-	-	-	-
<b>\$ 2,983,030</b>	<b>\$ 1,407,087</b>	<b>\$ 938,418</b>	<b>\$ 3,740,960</b>	<b>\$ 159,582</b>	<b>\$ 44,781</b>	<b>\$ 51,328</b>
\$ 31,357	\$ 159,367	\$ 4,828	\$ 73,159	\$ -	\$ 919	\$ -
-	-	-	-	-	-	-
8,833	84,115	46,888	52	-	-	-
-	-	-	-	-	-	21,460
-	-	-	-	-	-	-
-	-	-	-	-	-	-
26,769	151,863	47,766	1,769	-	-	-
6,051	28,171	6,793	117	-	-	-
-	-	3,835,000	-	-	-	-
73,010	423,516	3,941,275	75,097	-	919	21,460
13,458	312,269	173,884	48,337	-	25,633	-
-	-	-	-	-	-	-
5,291	23,640	-	-	-	25	-
2,891,271	647,662	(3,176,741)	3,617,526	159,582	18,204	29,868
2,910,020	983,571	(3,002,857)	3,665,863	159,582	43,862	29,868
<b>\$ 2,983,030</b>	<b>\$ 1,407,087</b>	<b>\$ 938,418</b>	<b>\$ 3,740,960</b>	<b>\$ 159,582</b>	<b>\$ 44,781</b>	<b>\$ 51,328</b>

## City of Akron, Ohio

Combining Balance Sheet -  
All Special Revenue FundsDecember 31, 1998  
(continued)

	Law Enforcement	Drug Law Enforcement	Indigent Drivers' Alcohol Treatment	D.U.I. Enforcement and Education
<b>Assets</b>				
Cash and investments	\$ 181,233	\$ 51,994	\$ 104,053	\$ 16,214
Restricted cash and investments	-	-	-	-
Receivables, net of allowances for uncollectibles	-	3,222	1,810	923
Loans receivable	-	-	-	-
Due from other governments	-	-	-	-
Due from other funds	134,902	32,671	-	-
<b>Total assets</b>	<b>\$ 316,135</b>	<b>\$ 87,887</b>	<b>\$ 105,863</b>	<b>\$ 17,137</b>
<b>Liabilities</b>				
Accounts payable	\$ 6,357	\$ 4,400	\$ -	\$ -
Due to other governments	-	-	-	-
Due to other funds	135,023	34,483	-	-
Deferred grant revenue	-	-	-	-
Deferred revenue	-	-	-	-
Accrued liabilities	-	-	-	-
Accrued wages	2,745	963	-	-
Accrued vacation and leave	1,336	-	-	-
Special assessment notes	-	-	-	-
<b>Total liabilities</b>	<b>145,461</b>	<b>39,846</b>	<b>-</b>	<b>-</b>
<b>Fund equity and other credits</b>				
Fund balance:				
Reserved for encumbrances	34,547	2,640	-	1,010
Reserved for loans receivable	-	-	-	-
Unreserved designated for pre-encumbrances	582	-	-	5,700
Unreserved (deficit)	135,545	45,401	105,863	10,427
<b>Total fund equity (deficit) and other credits</b>	<b>170,674</b>	<b>48,041</b>	<b>105,863</b>	<b>17,137</b>
<b>Total liabilities, equity and other credits</b>	<b>\$ 316,135</b>	<b>\$ 87,887</b>	<b>\$ 105,863</b>	<b>\$ 17,137</b>

Equipment Replacement	Convention and Exhibition Hall	Weed Control	Litter Control	Workhouse Concession	Building Code Enforcement
\$ 408,989	\$ 373,413	\$ 9,274	\$ 19,237	\$ -	\$ -
-	-	-	-	-	-
-	10,330	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
\$ 408,989	\$ 383,743	\$ 9,274	\$ 19,237	\$ -	\$ -
\$ 10,450	\$ -	\$ -	\$ -	\$ -	\$ 23,340
-	-	-	-	-	-
-	-	101	-	-	238,917
-	-	-	-	-	-
-	-	-	-	-	-
-	-	397	-	-	-
-	-	53	-	-	-
-	-	-	-	-	-
10,450	-	551	-	-	262,257
461,914	-	2,880	13,411	-	112,752
-	-	-	-	-	-
-	-	-	-	-	600
(63,375)	383,743	5,843	5,826	-	(375,609)
398,539	383,743	8,723	19,237	-	(262,257)
\$ 408,989	\$ 383,743	\$ 9,274	\$ 19,237	\$ -	\$ -

City of Akron, Ohio  
Combining Balance Sheet -  
All Special Revenue Funds

December 31, 1998  
(continued)

	Community Development	Air Pollution Control	Alcohol and Drug Abuse Counseling	Compre- hensive Planning
<b>Assets</b>				
Cash and investments	\$ -	\$ 1,224,012	\$ -	\$ 509,848
Restricted cash and investments	-	-	-	-
Receivables, net of allowances for uncollectibles	-	-	-	-
Loans receivable	-	-	-	2,760
Due from other governments	1,269,732	-	61,270	-
Due from other funds	-	-	-	-
<b>Total assets</b>	<b>\$ 1,269,732</b>	<b>\$ 1,224,012</b>	<b>\$ 61,270</b>	<b>\$ 512,608</b>
<b>Liabilities</b>				
Accounts payable	\$ 316,421	\$ 1,051	\$ 5,180	\$ -
Due to other governments	-	-	-	-
Due to other funds	1,748,132	2,084	25,252	-
Deferred grant revenue	-	666,220	-	-
Deferred revenue	-	-	-	-
Accrued liabilities	-	-	-	-
Accrued wages	72,390	21,013	16,726	-
Accrued vacation and leave	18,899	4,704	2,724	-
Special assessment notes	-	-	-	-
<b>Total liabilities</b>	<b>2,155,842</b>	<b>695,072</b>	<b>49,882</b>	<b>-</b>
<b>Fund equity and other credits</b>				
Fund balance:				
Reserved for encumbrances	342,017	17,954	36,780	-
Reserved for loans receivable	-	-	-	2,760
Unreserved designated for pre-encumbrances	35,686	17,842	1,815	-
Unreserved (deficit)	(1,263,813)	493,144	(27,207)	509,848
<b>Total fund equity (deficit) and other credits</b>	<b>(886,110)</b>	<b>528,940</b>	<b>11,388</b>	<b>512,608</b>
<b>Total liabilities, equity and other credits</b>	<b>\$ 1,269,732</b>	<b>\$ 1,224,012</b>	<b>\$ 61,270</b>	<b>\$ 512,608</b>

Upgrade Staff Program	Traffic/Crash Data Entry Pilot Program	Supplemental Food Program	Sexually Transmitted Disease Control	Akron Metro. Area Transportation Study	Summer Lunch Program
\$ 78,795	\$ 2	\$ 58,974	\$ 17,223	\$ -	\$ 160
-	-	-	-	-	-
-	2,334	-	-	-	-
-	-	-	-	-	-
-	-	-	1,345	-	-
-	-	-	-	-	-
<b>\$ 78,795</b>	<b>\$ 2,336</b>	<b>\$ 58,974</b>	<b>\$ 18,568</b>	<b>\$ -</b>	<b>\$ 160</b>
\$ 15,546	\$ -	\$ 746	\$ 3,622	\$ 78,738	\$ -
-	-	-	-	-	-
520	-	924	-	46,093	-
-	-	55,179	31,212	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	19,029	-	16,997	-
-	-	3,430	-	2,793	-
-	-	-	-	-	-
16,066	-	79,308	34,834	144,621	-
21,033	-	36,772	17,069	(341,842)	-
-	-	-	-	-	-
968	-	2,769	-	690	-
40,728	2,336	(59,875)	(33,335)	196,531	160
62,729	2,336	(20,334)	(16,266)	(144,621)	160
<b>\$ 78,795</b>	<b>\$ 2,336</b>	<b>\$ 58,974</b>	<b>\$ 18,568</b>	<b>\$ -</b>	<b>\$ 160</b>

## City of Akron, Ohio

Combining Balance Sheet -  
All Special Revenue FundsDecember 31, 1998  
(continued)

	Child and Family Health Services	H.O.M.E. Program	Rental Rehabilitation	Lead Poisoning Prevention
<b>Assets</b>				
Cash and investments	\$ 104,733	\$ -	\$ 2,000	\$ -
Restricted cash and investments	-	-	-	-
Receivables, net of allowances for uncollectibles	-	-	-	-
Loans receivable	-	357,000	-	-
Due from other governments	2,571	886,634	-	-
Due from other funds	-	-	-	-
<b>Total assets</b>	<b>\$ 107,304</b>	<b>\$ 1,243,634</b>	<b>\$ 2,000</b>	<b>\$ -</b>
<b>Liabilities</b>				
Accounts payable	\$ 66,871	\$ 55,893	\$ -	\$ -
Due to other governments	-	-	-	-
Due to other funds	884	472,956	-	57,766
Deferred grant revenue	7,022	-	-	-
Deferred revenue	-	-	-	-
Accrued liabilities	-	-	-	-
Accrued wages	4,308	-	-	-
Accrued vacation and leave	221	-	-	-
Special assessment notes	-	-	-	-
<b>Total liabilities</b>	<b>79,306</b>	<b>528,849</b>	<b>-</b>	<b>57,766</b>
<b>Fund equity and other credits</b>				
Fund balance:				
Reserved for encumbrances	264,653	(357,000)	-	-
Reserved for loans receivable	-	357,000	-	-
Unreserved designated for pre-encumbrances	-	-	-	-
Unreserved (deficit)	(236,655)	714,785	2,000	(57,766)
<b>Total fund equity (deficit) and other credits</b>	<b>27,998</b>	<b>714,785</b>	<b>2,000</b>	<b>(57,766)</b>
<b>Total liabilities, equity and other credits</b>	<b>\$ 107,304</b>	<b>\$ 1,243,634</b>	<b>\$ 2,000</b>	<b>\$ -</b>



K. A. B. Litter Control	State/ Federal Grants Diverse	M. B. E. State Grant	Opportunity Park Tax Increment	E. D. A. Revolving Loans	Section 108 Loans
\$ -	\$ 770,311	\$ -	\$ -	\$ 93,405	\$ 7,645
193	-	-	-	-	-
12,321	593,621	-	-	-	-
-	-	-	-	-	-
<b>\$ 12,514</b>	<b>\$ 1,363,932</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 93,405</b>	<b>\$ 7,645</b>
\$ 137	\$ 150,223	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	65,592
40,779	362,023	-	50,953	-	-
-	630,841	-	-	-	-
-	-	-	-	-	-
-	24,380	-	-	-	-
-	3,413	-	-	-	-
-	-	-	-	-	-
40,916	1,170,880	-	50,953	-	65,592
-	401,807	-	-	-	-
-	-	-	-	-	-
-	591	-	-	-	-
(28,402)	(209,346)	-	(50,953)	93,405	(57,947)
(28,402)	193,052	-	(50,953)	93,405	(57,947)
<b>\$ 12,514</b>	<b>\$ 1,363,932</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 93,405</b>	<b>\$ 7,645</b>

## City of Akron, Ohio

Combining Balance Sheet -  
All Special Revenue FundsDecember 31, 1998  
(continued)

	C.B.D. Tax Equivalency	Industrial Incubator	Joint Economic Development Districts	Kenmore Improvement
<b>Assets</b>				
Cash and investments	\$ 181,897	\$ -	\$ -	\$ 53,634
Restricted cash and investments	-	-	-	-
Receivables, net of allowances for uncollectibles	-	-	921,449	-
Loans receivable	-	-	-	-
Due from other governments	-	-	-	-
Due from other funds	-	-	14,338,847	-
<b>Total assets</b>	<b>\$ 181,897</b>	<b>\$ -</b>	<b>\$ 15,260,296</b>	<b>\$ 53,634</b>
<b>Liabilities</b>				
Accounts payable	\$ 39,032	\$ 17,846	\$ 750,742	\$ -
Due to other governments	-	-	-	-
Due to other funds	576	153,405	36,370	-
Deferred grant revenue	-	-	-	-
Deferred revenue	-	-	-	-
Accrued liabilities	26,586	12,553	229,717	-
Accrued wages	-	-	-	-
Accrued vacation and leave	-	-	-	-
Special assessment notes	-	-	-	-
<b>Total liabilities</b>	<b>66,194</b>	<b>183,804</b>	<b>1,016,829</b>	<b>-</b>
<b>Fund equity and other credits</b>				
Fund balance:				
Reserved for encumbrances	44,105	124,420	7,807,051	-
Reserved for loans receivable	-	-	-	-
Unreserved designated for pre-encumbrances	-	-	-	-
Unreserved (deficit)	71,598	(308,224)	6,436,416	53,634
<b>Total fund equity (deficit) and other credits</b>	<b>115,703</b>	<b>(183,804)</b>	<b>14,243,467</b>	<b>53,634</b>
<b>Total liabilities, equity and other credits</b>	<b>\$ 181,897</b>	<b>\$ -</b>	<b>\$ 15,260,296</b>	<b>\$ 53,634</b>

Vehicle Immobilization	Akron Muni. Court Information System	Recreation Bureau Donations	Enterprise Community Grant	Balch Street Recreation Center	Neighborhood Housing Development
\$ 83,828	\$ 604,227	\$ 107,697	\$ 98,372	\$ 259	\$ -
-	-	-	-	-	-
-	22,322	-	-	-	-
-	-	-	330,411	-	-
-	-	-	-	-	-
-	-	-	-	-	-
\$ 83,828	\$ 626,549	\$ 107,697	\$ 428,783	\$ 259	\$ -
\$ -	\$ 8,975	\$ -	\$ 11,923	\$ 9,341	\$ -
-	-	-	-	-	-
-	-	-	15	-	689
-	-	-	97,863	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	2,408	-	-
-	-	-	364	-	-
-	-	-	-	-	-
-	8,975	-	112,573	9,341	689
-	52,258	6,014	683,249	35,061	-
-	-	-	330,411	-	-
-	14,860	-	100	-	-
83,828	550,456	101,683	(697,550)	(44,143)	(689)
83,828	617,574	107,697	316,210	(9,082)	(689)
\$ 83,828	\$ 626,549	\$ 107,697	\$ 428,783	\$ 259	\$ -

## City of Akron, Ohio

Combining Balance Sheet -  
All Special Revenue FundsDecember 31, 1998  
(continued)

	Equitable Sharing Federal Forfeitures	Canal Park Stadium COPs	Pink Ribbon	Public Health
<b>Assets</b>				
Cash and investments	\$ -	\$ -	\$ -	\$ 11,524
Restricted cash and investments	-	4,028,405	-	-
Receivables, net of allowances for uncollectibles	-	-	-	-
Loans receivable	-	-	-	-
Due from other governments	-	-	-	-
Due from other funds	-	-	-	-
<b>Total assets</b>	<b>\$ -</b>	<b>\$ 4,028,405</b>	<b>\$ -</b>	<b>\$ 11,524</b>
<b>Liabilities</b>				
Accounts payable	\$ -	\$ -	\$ -	\$ 6,317
Due to other governments	-	-	-	-
Due to other funds	-	-	-	-
Deferred grant revenue	-	-	-	-
Deferred revenue	-	-	-	-
Accrued liabilities	-	-	-	-
Accrued wages	-	-	-	-
Accrued vacation and leave	-	-	-	-
Special assessment notes	-	-	-	-
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,317</b>
<b>Fund equity and other credits</b>				
Fund balance:				
Reserved for encumbrances	-	-	-	-
Reserved for loans receivable	-	-	-	-
Unreserved designated for pre-encumbrances	-	-	-	-
Unreserved (deficit)	-	4,028,405	-	5,207
<b>Total fund equity (deficit) and other credits</b>	<b>-</b>	<b>4,028,405</b>	<b>-</b>	<b>5,207</b>
<b>Total liabilities, equity and other credits</b>	<b>\$ -</b>	<b>\$ 4,028,405</b>	<b>\$ -</b>	<b>\$ 11,524</b>

Police Grants	Various Domestic Violence	Safety Programs	Landfill Operations	Health Grants	Total
\$ 561,090	\$ 18,644	\$ 4,490	\$ 2,428,500	\$ -	\$ 16,285,313
-	-	-	-	-	4,028,405
-	-	1,580	-	-	11,951,770
-	-	-	-	-	690,171
3,769	4,131	-	-	209,019	3,044,413
15,991	-	-	-	-	24,342,181
<b>\$ 580,850</b>	<b>\$ 22,775</b>	<b>\$ 6,070</b>	<b>\$ 2,428,500</b>	<b>\$ 209,019</b>	<b>\$ 60,342,253</b>
\$ 605	\$ -	\$ -	\$ 100,600	\$ 78,381	\$ 4,034,190
-	-	-	-	-	65,592
328,057	21	-	-	84,247	4,021,056
446,619	-	-	-	-	1,956,416
-	-	-	-	-	6,443,767
-	-	-	-	-	435,919
1,889	1,688	-	-	2,822	610,397
-	-	-	-	-	139,119
-	-	-	-	-	3,835,000
777,170	1,709	-	100,600	165,450	21,541,456
-	-	-	-	-	13,390,315
-	-	-	-	-	690,171
-	-	-	-	-	119,570
(196,320)	21,066	6,070	2,327,900	43,569	24,600,741
(196,320)	21,066	6,070	2,327,900	43,569	38,800,797
<b>\$ 580,850</b>	<b>\$ 22,775</b>	<b>\$ 6,070</b>	<b>\$ 2,428,500</b>	<b>\$ 209,019</b>	<b>\$ 60,342,253</b>

## City of Akron, Ohio

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

Year Ended December 31, 1998

	Income Tax Collection	Emergency Medical Service	Special Assessment	Income Tax Capital Improvement
<b>Revenues</b>				
Income taxes	\$ 4,595,866	\$ -	\$ -	\$ 916,773
Property taxes	15,219	7,489,874	-	2,697
Special assessments	-	-	301,571	-
Grants and subsidies:				
Community development	-	-	-	-
Other	-	-	-	195,082
Investment earnings	-	-	-	-
Shared revenues	-	-	-	-
Licenses, fees and fines	-	1,121	402	-
Charges for services	-	17,430	-	-
Miscellaneous	669	3,816	75	26,929
	<u>4,611,754</u>	<u>7,512,241</u>	<u>302,048</u>	<u>1,141,481</u>
<b>Expenditures</b>				
Current:				
General government	4,433,676	-	294,726	-
Public service	-	-	-	-
Public safety	-	7,085,198	-	-
Community environment	-	-	-	41,700
Public health	-	-	-	-
Recreation and parks	-	-	-	4,044
Capital outlay	-	-	-	6,874,685
Debt service:				
Interest	-	-	-	-
	<u>4,433,676</u>	<u>7,085,198</u>	<u>294,726</u>	<u>6,920,429</u>
Excess (deficiency) of revenues over expenditures	178,078	427,043	7,322	(5,778,948)
<b>Other financing sources (uses)</b>				
Proceeds of general obligation bonds	-	-	-	9,985,000
Operating transfers in	-	-	-	2,946,526
Operating transfers out	-	-	-	(2,656,414)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,275,112</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	178,078	427,043	7,322	4,496,164
Fund balances (deficits), January 1, 1998	<u>877,009</u>	<u>1,102,106</u>	<u>255,622</u>	<u>3,310,407</u>
Fund balances (deficits), December 31, 1998	<u>\$ 1,055,087</u>	<u>\$ 1,529,149</u>	<u>\$ 262,944</u>	<u>\$ 7,806,571</u>

C. I. P. Operating	Street and Highway Maintenance	Special Assessment Street Cleaning	Special Assessment Street Lighting	Fire-Public Education and Safety	Haz/Mat Rescue Grant	E.M.S. Grant Fund
\$ 1,685,463	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	11,805	-	2,861,475	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	26,485
-	5,378,026	-	-	-	-	-
75	76,994	1,595	-	-	-	-
-	1,675,774	56,354	-	-	44,437	-
296	81,907	8,426	10,968	-	2,364	-
1,685,834	7,224,506	66,375	2,872,443	-	46,801	26,485
-	-	-	-	-	-	-
-	7,005,138	3,131,790	1,301,168	-	-	-
-	1,064,489	-	-	11,299	43,554	24,320
1,236,465	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	163,797	-	-	-	-
1,236,465	8,069,627	3,295,587	1,301,168	11,299	43,554	24,320
449,369	(845,121)	(3,229,212)	1,571,275	(11,299)	3,247	2,165
-	-	-	-	-	-	-
-	1,666,690	4,008,797	-	-	-	-
(150,000)	(113,972)	(21,601)	(277,337)	-	-	-
(150,000)	1,552,718	3,987,196	(277,337)	-	-	-
299,369	707,597	757,984	1,293,938	(11,299)	3,247	2,165
2,610,651	275,974	(3,760,841)	2,371,925	170,881	40,615	27,703
\$ 2,910,020	\$ 983,571	\$ (3,002,857)	\$ 3,665,863	\$ 159,582	\$ 43,862	\$ 29,868

City of Akron, Ohio  
 Combining Statement of Revenues,  
 Expenditures, and Changes in Fund  
 Balances - All Special Revenue Funds

Year Ended December 31, 1998  
 (continued)

	Law Enforcement	Drug Law Enforcement	Indigent Drivers' Alcohol Treatment	D.U.I. Enforcement and Education
<b>Revenues</b>				
Income taxes	\$ -	\$ -	\$ -	\$ -
Property taxes	-	-	-	-
Special assessments	-	-	-	-
Grants and subsidies:				
Community development	-	-	-	-
Other	-	-	26,875	-
Investment earnings	-	-	-	-
Shared revenues	134,902	-	-	-
Licenses, fees and fines	-	79,698	21,867	10,781
Charges for services	-	-	-	-
Miscellaneous	378,106	94,938	-	-
	<u>513,008</u>	<u>174,636</u>	<u>48,742</u>	<u>10,781</u>
<b>Expenditures</b>				
Current:				
General government	-	-	-	-
Public service	-	-	-	-
Public safety	351,617	223,539	-	51,553
Community environment	-	-	-	-
Public health	-	-	-	-
Recreation and parks	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Interest	-	-	-	-
	<u>351,617</u>	<u>223,539</u>	<u>-</u>	<u>51,553</u>
Excess (deficiency) of revenues over expenditures	161,391	(48,903)	48,742	(40,772)
<b>Other financing sources (uses)</b>				
Proceeds of general obligation bonds	-	-	-	-
Operating transfers in	-	-	-	-
Operating transfers out	(101,214)	-	-	-
	<u>(101,214)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	60,177	(48,903)	48,742	(40,772)
Fund balances (deficits), January 1, 1998	<u>110,497</u>	<u>96,944</u>	<u>57,121</u>	<u>57,909</u>
Fund balances (deficits), December 31, 1998	<u>\$ 170,674</u>	<u>\$ 48,041</u>	<u>\$ 105,863</u>	<u>\$ 17,137</u>



Equipment Replacement	Convention and Exhibition Hall	Weed Control	Litter Control	Workhouse Concession	Building Code Enforcement
\$ 1,275,000	\$ -	\$ -	\$ -	\$ -	\$ -
-	226,395	-	-	-	-
-	-	122,366	60,572	-	70,673
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
213,099	-	1,364	-	-	20,653
1,488,099	226,395	123,730	60,572	-	91,326
55,545	150,000	-	-	-	-
777,442	-	82,667	-	-	-
989,909	-	-	-	1	26,595
3,483	-	-	-	-	217,296
13,734	-	-	23,999	-	-
-	-	-	-	-	-
-	-	-	-	-	100
-	-	-	-	-	-
1,840,113	150,000	82,667	23,999	1	243,991
(352,014)	76,395	41,063	36,573	(1)	(152,665)
-	-	-	-	-	-
2,025,000	-	-	-	-	-
(1,746,853)	-	(35,000)	(10,000)	-	(34,000)
278,147	-	(35,000)	(10,000)	-	(34,000)
(73,867)	76,395	6,063	26,573	(1)	(186,665)
472,406	307,348	2,660	(7,336)	1	(75,592)
\$ 398,539	\$ 383,743	\$ 8,723	\$ 19,237	\$ -	\$ (262,257)

## City of Akron, Ohio

Combining Statement of Revenues,  
Expenditures, and Changes in Fund  
Balances - All Special Revenue FundsYear Ended December 31, 1998  
(continued)

	Community Development	Air Pollution Control	Alcohol and Drug Abuse Counseling	Comprehensive Planning
<b>Revenues</b>				
Income taxes	\$ -	\$ -	\$ -	\$ -
Property taxes	-	-	-	-
Special assessments	-	-	-	-
Grants and subsidies:				
Community development	7,305,741	-	-	-
Other	-	799,927	167,552	-
Investment earnings	-	-	-	9,957
Shared revenues	-	-	-	-
Licenses, fees and fines	-	166,304	-	-
Charges for services	-	2,432	499,542	-
Miscellaneous	2,653,226	67	-	1,085
	<u>9,958,967</u>	<u>968,730</u>	<u>667,094</u>	<u>11,042</u>
<b>Expenditures</b>				
Current:				
General government	61,033	-	-	-
Public service	-	-	-	-
Public safety	-	-	-	-
Community environment	9,350,141	-	-	-
Public health	381,524	969,895	749,038	-
Recreation and parks	-	-	-	-
Capital outlay	55,492	-	-	-
Debt service:				
Interest	-	-	-	-
	<u>9,848,190</u>	<u>969,895</u>	<u>749,038</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	110,777	(1,165)	(81,944)	11,042
<b>Other financing sources (uses)</b>				
Proceeds of general obligation bonds	-	-	-	-
Operating transfers in	-	-	-	-
Operating transfers out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	110,777	(1,165)	(81,944)	11,042
Fund balances (deficits), January 1, 1998	(996,887)	530,105	93,332	501,566
Fund balances (deficits), December 31, 1998	<u>\$ (886,110)</u>	<u>\$ 528,940</u>	<u>\$ 11,388</u>	<u>\$ 512,608</u>

Upgrade Staff Program	Traffic/Crash Data Entry Pilot Program	Supplemental Food Program	Sexually Transmitted Disease Control	Akron Metro. Area Transportation Study	Summer Lunch Program
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
81,132	-	1,384,474	42,136	-	82,929
-	-	-	-	-	-
282	-	-	-	-	-
108,141	12,073	-	-	879,324	-
608	-	365	-	4,561	-
190,163	12,073	1,384,839	42,136	883,885	82,929
-	-	-	-	41,597	-
-	-	-	-	-	15,756
-	25,105	-	-	-	-
-	-	-	-	965,329	-
163,106	-	1,383,633	48,779	-	-
-	-	-	-	-	67,192
-	-	-	-	-	-
163,106	25,105	1,383,633	48,779	1,006,926	82,948
27,057	(13,032)	1,206	(6,643)	(123,041)	(19)
-	-	-	-	-	-
-	151,508	-	-	-	-
(8,326)	-	-	-	-	-
(8,326)	151,508	-	-	-	-
18,731	138,476	1,206	(6,643)	(123,041)	(19)
43,998	(136,140)	(21,540)	(9,623)	(21,580)	179
\$ 62,729	\$ 2,336	\$ (20,334)	\$ (16,266)	\$ (144,621)	\$ 160

## City of Akron, Ohio

Combining Statement of Revenues,  
Expenditures, and Changes in Fund  
Balances - All Special Revenue FundsYear Ended December 31, 1998  
(continued)

	Child and Family Health Services	H.O.M.E. Program	Rental Rehabilitation	Lead Poisoning Prevention
<b>Revenues</b>				
Income taxes	\$ -	\$ -	\$ -	\$ -
Property taxes	-	-	-	-
Special assessments	-	-	-	-
Grants and subsidies:				
Community development	-	2,401,791	-	-
Other	419,052	-	-	-
Investment earnings	-	-	-	-
Shared revenues	-	-	-	-
Licenses, fees and fines	-	-	-	-
Charges for services	25,568	-	-	-
Miscellaneous	135	1,105,279	25,777	-
	<u>444,755</u>	<u>3,507,070</u>	<u>25,777</u>	<u>-</u>
<b>Expenditures</b>				
Current:				
General government	-	-	-	-
Public service	-	-	-	-
Public safety	-	-	-	-
Community environment	-	3,150,070	-	-
Public health	444,950	-	-	330
Recreation and parks	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Interest	-	-	-	-
	<u>444,950</u>	<u>3,150,070</u>	<u>-</u>	<u>330</u>
Excess (deficiency) of revenues over expenditures	(195)	357,000	25,777	(330)
<b>Other financing sources (uses)</b>				
Proceeds of general obligation bonds	-	-	-	-
Operating transfers in	-	-	-	-
Operating transfers out	-	-	(25,777)	-
	<u>-</u>	<u>-</u>	<u>(25,777)</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(195)	357,000	-	(330)
Fund balances (deficits), January 1, 1998	<u>28,193</u>	<u>357,785</u>	<u>2,000</u>	<u>(57,436)</u>
Fund balances (deficits), December 31, 1998	<u>\$ 27,998</u>	<u>\$ 714,785</u>	<u>\$ 2,000</u>	<u>\$ (57,766)</u>

K. A. B. Litter Control	State/ Federal Grants Diverse	M. B. E. State Grant	Opportunity Park Tax Increment	E. D. A. Revolving Loans	Section 108 Loans
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
72,775	2,323,790	-	-	-	-
-	-	-	-	29	-
-	-	-	-	-	-
-	400	-	6,593	-	-
-	269,619	-	-	130	-
970	67,043	-	-	-	-
73,745	2,660,852	-	6,593	159	-
-	20,328	-	1,975	-	-
-	-	-	-	-	-
-	860,255	-	-	-	-
80,874	406,235	98,195	-	278	-
135	1,529,370	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	17,959
81,009	2,816,188	98,195	1,975	278	17,959
(7,264)	(155,336)	(98,195)	4,618	(119)	(17,959)
-	-	-	-	-	-
110,000	126,458	336,071	-	-	-
-	(451,688)	-	-	-	-
110,000	(325,230)	336,071	-	-	-
102,736	(480,566)	237,876	4,618	(119)	(17,959)
(131,138)	673,618	(237,876)	(55,571)	93,524	(39,988)
\$ (28,402)	\$ 193,052	\$ -	\$ (50,953)	\$ 93,405	\$ (57,947)

City of Akron, Ohio  
 Combining Statement of Revenues,  
 Expenditures, and Changes in Fund  
 Balances - All Special Revenue Funds

Year Ended December 31, 1998  
 (continued)

	C.B.D. Tax Equivalency	Industrial Incubator	Joint Economic Development Districts	Kenmore Improvement
<b>Revenues</b>				
Income taxes	\$ -	\$ -	\$ -	\$ -
Property taxes	270,393	-	57,124	-
Special assessments	-	-	-	-
Grants and subsidies:				
Community development	-	-	-	-
Other	-	-	-	-
Investment earnings	-	-	-	-
Shared revenues	-	-	-	-
Licenses, fees and fines	-	-	-	-
Charges for services	-	-	399,309	4,500
Miscellaneous	-	-	7,856,106	5,697
	<u>270,393</u>	<u>-</u>	<u>8,312,539</u>	<u>10,197</u>
<b>Expenditures</b>				
Current:				
General government	120,327	-	1,534,048	19,820
Public service	-	-	-	-
Public safety	-	-	-	-
Community environment	-	-	-	-
Public health	-	-	-	-
Recreation and parks	-	-	-	-
Capital outlay	278,130	127,356	8,275,616	-
Debt service:				
Interest	-	-	-	-
	<u>398,457</u>	<u>127,356</u>	<u>9,809,664</u>	<u>19,820</u>
Excess (deficiency) of revenues over expenditures	(128,064)	(127,356)	(1,497,125)	(9,623)
<b>Other financing sources (uses)</b>				
Proceeds of general obligation bonds	-	-	-	-
Operating transfers in	-	50,000	10,042,450	-
Operating transfers out	(106,736)	-	(577,146)	-
	<u>(106,736)</u>	<u>50,000</u>	<u>9,465,304</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(234,800)	(77,356)	7,968,179	(9,623)
Fund balances (deficits), January 1, 1998	<u>350,503</u>	<u>(106,448)</u>	<u>6,275,288</u>	<u>63,257</u>
Fund balances (deficits), December 31, 1998	<u>\$ 115,703</u>	<u>\$ (183,804)</u>	<u>\$ 14,243,467</u>	<u>\$ 53,634</u>

Vehicle Immobilization	Akron Muni. Court Information System	Recreation Bureau Donations	Enterprise Community Grant	Balch Street Recreation Center	Neighborhood Housing Development
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	792,355	-	-
-	-	-	7,182	-	-
-	299,961	440	-	-	-
-	1,600	100,397	-	62,322	-
20,490	-	431	29	-	-
20,490	301,561	101,268	799,566	62,322	-
-	75,301	-	-	-	-
-	-	-	-	175	-
-	6,125	-	465	-	-
-	-	-	518,548	-	-
-	-	-	16,632	-	-
-	-	49,194	-	164,999	-
-	-	-	-	-	-
-	81,426	49,194	535,645	165,174	-
20,490	220,135	52,074	263,921	(102,852)	-
-	-	-	-	-	-
-	-	-	-	103,000	-
-	(122,204)	(37,492)	(35,475)	-	-
-	(122,204)	(37,492)	(35,475)	103,000	-
20,490	97,931	14,582	228,446	148	-
63,338	519,643	93,115	87,764	(9,230)	(689)
\$ 83,828	\$ 617,574	\$ 107,697	\$ 316,210	\$ (9,082)	\$ (689)

## City of Akron, Ohio

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

Year Ended December 31, 1998

(continued)

	Equitable Sharing Federal Forfeitures	Canal Park Stadium COPs	Pink Ribbon	Public Health
<b>Revenues</b>				
Income taxes	\$ -	\$ 100,000	\$ -	\$ -
Property taxes	-	-	-	-
Special assessments	-	-	-	-
Grants and subsidies:				
Community development	-	-	-	-
Other	-	-	-	-
Investment earnings	-	128,811	-	-
Shared revenues	-	-	-	-
Licenses, fees and fines	-	-	-	1,315
Charges for services	-	-	-	291,010
Miscellaneous	-	20,000	-	128,723
	-	248,811	-	421,048
<b>Expenditures</b>				
Current:				
General government	-	15	-	-
Public service	-	-	-	-
Public safety	-	-	-	-
Community environment	-	-	-	-
Public health	-	-	-	102,769
Recreation and parks	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Interest	-	-	-	-
	-	15	-	102,769
Excess (deficiency) of revenues over expenditures	-	248,796	-	318,279
<b>Other financing sources (uses)</b>				
Proceeds of general obligation bonds	-	-	-	-
Operating transfers in	-	-	-	3,386
Operating transfers out	(81,353)	-	(3,386)	(316,458)
	(81,353)	-	(3,386)	(313,072)
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(81,353)	248,796	(3,386)	5,207
Fund balances (deficits), January 1, 1998	81,353	3,779,609	3,386	-
Fund balances (deficits), December 31, 1998	\$ -	\$ 4,028,405	\$ -	\$ 5,207



Police Grants	Various Domestic Violence	Safety Programs	Landfill Operations	Health Grants	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,573,102
-	-	-	-	-	8,061,702
-	-	-	-	-	3,428,462
-	-	-	-	-	9,707,532
245,876	27,268	-	-	459,019	7,146,727
-	-	-	-	-	145,979
223,700	-	-	-	-	5,736,628
-	-	6,070	-	-	673,898
-	-	-	-	-	4,449,962
14,950	43,820	-	2,428,500	50,000	15,271,472
484,526	71,088	6,070	2,428,500	509,019	63,195,464
-	50,022	-	-	-	6,858,413
-	-	-	100,600	-	12,414,736
824,199	-	-	-	-	11,588,223
-	-	-	-	-	16,068,614
-	-	-	-	465,450	6,293,344
-	-	-	-	-	285,429
-	-	-	-	-	15,611,379
-	-	-	-	-	181,756
824,199	50,022	-	100,600	465,450	69,301,894
(339,673)	21,066	6,070	2,327,900	43,569	(6,106,430)
-	-	-	-	-	9,985,000
143,353	-	-	-	-	21,713,239
-	-	-	-	-	(6,912,432)
143,353	-	-	-	-	24,785,807
(196,320)	21,066	6,070	2,327,900	43,569	18,679,377
-	-	-	-	-	20,121,420
\$ (196,320)	\$ 21,066	\$ 6,070	\$ 2,327,900	\$ 43,569	\$ 38,800,797

## City of Akron, Ohio

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

Year Ended December 31, 1998

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues and other sources</b>			
Revenues:			
Income taxes	\$ 87,829,360	\$ 88,490,634	\$ 661,274
Other sources:			
Previous year's encumbrances	63,549	63,549	-
<b>Total revenues and other sources</b>	<b>87,892,909</b>	<b>88,554,183</b>	<b>661,274</b>
<b>Expenditures and other uses</b>			
Expenditures:			
General Government:			
Taxation:			
Wages/benefits	1,804,850	1,692,429	112,421
Other	3,674,629	1,077,658	2,596,971
Capital outlay	4,500	-	4,500
<b>Total expenditures</b>	<b>5,483,979</b>	<b>2,770,087</b>	<b>2,713,892</b>
Other uses:			
Income tax transfers out	83,613,750	85,805,820	(2,192,070)
<b>Total expenditures and other uses</b>	<b>89,097,729</b>	<b>88,575,907</b>	<b>521,822</b>
Deficiency of revenues and other sources over expenditures and other uses	(1,204,820)	(21,724)	1,183,096
Fund balance, January 1, 1998	1,005,274	1,005,274	-
<b>Fund balance (deficit), December 31, 1998</b>	<b>\$ (199,546)</b>	<b>\$ 983,550</b>	<b>\$ 1,183,096</b>

## City of Akron, Ohio

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

Year Ended December 31, 1998

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues and other sources</b>			
Revenues:			
Property taxes	\$ 7,461,010	\$ 7,341,799	\$ (119,211)
Miscellaneous	35,490	27,820	(7,670)
<b>Total revenues</b>	<b>7,496,500</b>	<b>7,369,619</b>	<b>(126,881)</b>
Other sources:			
Previous year's encumbrances	115,300	115,300	-
<b>Total revenues and other sources</b>	<b>7,611,800</b>	<b>7,484,919</b>	<b>(126,881)</b>
<b>Expenditures and other uses</b>			
Expenditures:			
Public Safety:			
EMS:			
Wages/benefits	6,849,630	6,779,733	69,897
Other	451,948	420,728	31,220
Capital outlay	6,992	6,992	-
<b>Total expenditures and other uses</b>	<b>7,308,570</b>	<b>7,207,453</b>	<b>101,117</b>
<b>Excess of revenues and other sources over expenditures and other uses</b>	<b>303,230</b>	<b>277,466</b>	<b>(25,764)</b>
<b>Fund balance, January 1, 1998</b>	<b>324,430</b>	<b>324,430</b>	<b>-</b>
<b>Fund balance, December 31, 1998</b>	<b>\$ 627,660</b>	<b>\$ 601,896</b>	<b>\$ (25,764)</b>

## City of Akron, Ohio

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

Year Ended December 31, 1998

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues and other sources</b>			
Revenues:			
Special assessments	\$ 12,379,690	\$ 11,818,869	\$ (560,821)
Other sources:			
Previous year's encumbrances	4,336	4,336	-
<b>Total revenues and other sources</b>	<b>12,384,026</b>	<b>11,823,205</b>	<b>(560,821)</b>
<b>Expenditures and other uses</b>			
Expenditures:			
General Government:			
Treasury:			
Wages/benefits	306,400	285,526	20,874
Other	257,738	531	257,207
Capital outlay	2,498	-	2,498
<b>Total expenditures</b>	<b>566,636</b>	<b>286,057</b>	<b>280,579</b>
Other uses:			
Other transfers out	12,000,000	11,533,539	466,461
<b>Total expenditures and other uses</b>	<b>12,566,636</b>	<b>11,819,596</b>	<b>747,040</b>
<b>Excess (deficiency) of revenues and other sources over expenditures and other uses</b>	<b>(182,610)</b>	<b>3,609</b>	<b>186,219</b>
Fund balance, January 1, 1998	263,717	263,717	-
<b>Fund balance, December 31, 1998</b>	<b>\$ 81,107</b>	<b>\$ 267,326</b>	<b>\$ 186,219</b>

## City of Akron, Ohio

Schedule of Revenues, Expenditures, and Changes in  
Fund Balance - Budget and Actual - Police Pension  
Employer's Liability Fund, Non-GAAP Budget Basis

Year Ended December 31, 1998

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenue and other sources</b>			
Revenues:			
Property taxes	\$ 799,390	\$ 786,622	\$ (12,768)
Total revenues and other sources	799,390	786,622	(12,768)
<b>Expenditures and other uses</b>			
Other uses:			
Other transfers out	871,000	779,140	91,860
Total expenditures and other uses	871,000	779,140	91,860
Excess (deficiency) of revenues and other sources over expenditures and other uses	(71,610)	7,482	79,092
Fund balance, January 1, 1998	118,694	118,694	-
Fund balance, December 31, 1998	<u>\$ 47,084</u>	<u>\$ 126,176</u>	<u>\$ 79,092</u>

## City of Akron, Ohio

Schedule of Revenues, Expenditures, and Changes in  
Fund Balance - Budget and Actual - Fire Pension  
Employer's Liability Fund, Non-GAAP Budget Basis

Year Ended December 31, 1998

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenue and other sources</b>			
Revenues:			
Property taxes	\$ 799,390	\$ 786,622	\$ (12,768)
Total revenues and other sources	799,390	786,622	(12,768)
<b>Expenditures and other uses</b>			
Other uses:			
Other transfers out	871,000	779,140	91,860
Total expenditures and other uses	871,000	779,140	91,860
Excess (deficiency) of revenues and other sources over expenditures and other uses	(71,610)	7,482	79,092
Fund balance, January 1, 1998	118,694	118,694	-
Fund balance, December 31, 1998	<u>\$ 47,084</u>	<u>\$ 126,176</u>	<u>\$ 79,092</u>

## City of Akron, Ohio

Schedule of Revenues, Expenditures, and Changes in  
Fund Balance - Budget and Actual -  
C.I.P. Operating Fund, Non-GAAP Budget Basis

Year Ended December 31, 1998

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues and other sources</b>			
Revenues:			
Miscellaneous	\$ 41,500	\$ 371	\$ (41,129)
Other sources:			
Income tax transfers in	22,575,710	22,623,660	47,950
Previous year's encumbrances	15,916	15,916	-
Total other sources	<u>22,591,626</u>	<u>22,639,576</u>	<u>47,950</u>
Total revenues and other sources	22,633,126	22,639,947	6,821
<b>Expenditures and other uses</b>			
Expenditures:			
Community Environment:			
Planning and Urban Development:			
Wages/benefits	1,134,480	1,068,605	65,875
Other	168,576	171,351	(2,775)
Capital outlay	6,850	4,762	2,088
Total expenditures	1,309,906	1,244,718	65,188
Other uses:			
Other transfers out	21,375,000	21,360,000	15,000
Total expenditures and other uses	<u>22,684,906</u>	<u>22,604,718</u>	<u>80,188</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	(51,780)	35,229	87,009
Fund balance, January 1, 1998	45,694	45,694	-
Fund balance (deficit), December 31, 1998	<u>\$ (6,086)</u>	<u>\$ 80,923</u>	<u>\$ 87,009</u>

## City of Akron, Ohio

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

Year Ended December 31, 1998

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues and other sources</b>			
Revenues:			
Shared revenues	\$ 5,210,370	\$ 5,240,097	\$ 29,727
Licenses and service charges	1,824,690	1,911,813	87,123
Total revenues	7,035,060	7,151,910	116,850
Other sources:			
Other transfers in	2,000,000	1,666,690	(333,310)
Previous year's encumbrances	403,139	403,139	-
Total other sources	2,403,139	2,069,829	(333,310)
Total revenues and other sources	9,438,199	9,221,739	(216,460)
<b>Expenditures and other uses</b>			
Expenditures:			
Public Service:			
Street and Highway Maintenance:			
Wages/benefits	5,126,450	4,983,724	142,726
Other	2,762,282	2,147,643	614,639
	7,888,732	7,131,367	757,365
Street Lighting:			
Other	439,709	251,659	188,050
Total Public Service	8,328,441	7,383,026	945,415



## City of Akron, Ohio

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

Year Ended December 31, 1998  
(continued)

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Public Safety:			
Traffic Engineering:			
Wages/benefits	\$ 810,980	\$ 800,756	\$ 10,224
Other	307,288	295,959	11,329
Capital outlay	15,200	14,866	334
Total Public Safety	1,133,468	1,111,581	21,887
Total expenditures and other uses	9,461,909	8,494,607	967,302
Excess (deficiency) of revenues and other sources over expenditures and other uses	(23,710)	727,132	750,842
Fund deficit, January 1, 1998	(348,708)	(348,708)	-
Fund balance (deficit), December 31, 1998	\$ (372,418)	\$ 378,424	\$ 750,842

## City of Akron, Ohio

Schedule of Revenues, Expenditures, and Changes in  
Fund Balance - Budget and Actual - Special Assessment  
Street Cleaning Fund, Non-GAAP Budget Basis

Year Ended December 31, 1998

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues and other sources</b>			
Revenues:			
Miscellaneous	\$ 55,000	\$ 73,290	\$ 18,290
Other sources:			
Proceeds of special assessment notes	3,845,000	3,835,000	(10,000)
Previous year's encumbrances	216,802	216,802	-
<b>Total other sources</b>	<b>4,061,802</b>	<b>4,051,802</b>	<b>(10,000)</b>
<b>Total revenues and other sources</b>	<b>4,116,802</b>	<b>4,125,092</b>	<b>8,290</b>
<b>Expenditures and other uses</b>			
Expenditures:			
Public Service:			
Street Cleaning:			
Wages/benefits	2,120,200	1,944,751	175,449
Other	2,153,052	1,567,887	585,165
<b>Total expenditures and other uses</b>	<b>4,273,252</b>	<b>3,512,638</b>	<b>760,614</b>
<b>Excess (deficiency) of revenues and other sources over expenditures and other uses</b>	<b>(156,450)</b>	<b>612,454</b>	<b>768,904</b>
<b>Fund balance, January 1, 1998</b>	<b>149,222</b>	<b>149,222</b>	<b>-</b>
<b>Fund balance (deficit), December 31, 1998</b>	<b>\$ (7,228)</b>	<b>\$ 761,676</b>	<b>\$ 768,904</b>

## City of Akron, Ohio

Schedule of Revenues, Expenditures, and Changes in  
Fund Balance - Budget and Actual - Special Assessment  
Street Lighting Fund, Non-GAAP Budget Basis

Year Ended December 31, 1998

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues and other sources</b>			
Revenues:			
Special assessments	\$ 2,899,850	\$ 2,860,775	\$ (39,075)
Miscellaneous	17,070	22,096	5,026
Total revenues	2,916,920	2,882,871	(34,049)
Other sources:			
Previous year's encumbrances	276,723	276,723	-
Total revenues and other sources	3,193,643	3,159,594	(34,049)
<b>Expenditures and other uses</b>			
Expenditures:			
Public Service:			
Street Lighting:			
Wages/benefits	77,770	68,988	8,782
Other	2,024,763	1,568,468	456,295
Total expenditures and other uses	2,102,533	1,637,456	465,077
Excess of revenues and other sources over expenditures and other uses	1,091,110	1,522,138	431,028
Fund balance, January 1, 1998	2,158,894	2,158,894	-
Fund balance, December 31, 1998	\$ 3,250,004	\$ 3,681,032	\$ 431,028

## City of Akron, Ohio

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

Year Ended December 31, 1998

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues and other sources</b>			
Revenues:			
Grants and subsidies	\$ 3,720,000	\$ 2,931,463	\$ (788,537)
Other sources:			
Previous year's encumbrances	89,269	89,269	-
<b>Total revenues and other sources</b>	<b>3,809,269</b>	<b>3,020,732</b>	<b>(788,537)</b>
<b>Expenditures and other uses</b>			
Expenditures:			
General Government:			
Economic Development:			
Wages/benefits	69,330	66,976	2,354
Other	410	402	8
<b>Total General Government</b>	<b>69,740</b>	<b>67,378</b>	<b>2,362</b>
Community Environment:			
Planning:			
Wages/benefits	2,675,250	2,594,466	80,784
Other	655,089	562,235	92,854
Capital outlay	23,950	22,782	1,168
<b>Total Community Environment</b>	<b>3,354,289</b>	<b>3,179,483</b>	<b>174,806</b>
Public Health:			
Environmental Services:			
Personal service	395,240	376,737	18,503
Other	3,250	3,216	34
<b>Total Public Health</b>	<b>398,490</b>	<b>379,953</b>	<b>18,537</b>
<b>Total expenditures and other uses</b>	<b>3,822,519</b>	<b>3,626,814</b>	<b>195,705</b>
Deficiency of revenues and other sources over expenditures and other uses	(13,250)	(606,082)	(592,832)
Fund deficit, January 1, 1998	(416,209)	(416,209)	-
<b>Fund deficit, December 31, 1998</b>	<b>\$ (429,459)</b>	<b>\$ (1,022,291)</b>	<b>\$ (592,832)</b>

## City of Akron, Ohio

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

Year Ended December 31, 1998

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues and other sources</b>			
Revenues:			
Grants and subsidies	\$ 121,950	\$ 168,803	\$ 46,853
Licenses and service charges	932,740	1,291,132	358,392
<b>Total revenues</b>	<b>1,054,690</b>	<b>1,459,935</b>	<b>405,245</b>
Other sources:			
Previous year's encumbrances	8,021	8,021	-
<b>Total revenues and other sources</b>	<b>1,062,711</b>	<b>1,467,956</b>	<b>405,245</b>
<b>Expenditures and other uses</b>			
Expenditures:			
Public Health:			
Environmental Services:			
Wages/benefits	838,790	811,287	27,503
Other	178,741	157,860	20,881
Capital outlay	27,210	27,209	1
<b>Total Environmental Services</b>	<b>1,044,741</b>	<b>996,356</b>	<b>48,385</b>
Emission Fees:			
Wages/benefits	28,700	5,803	22,897
Other	33,495	8,975	24,520
<b>Total Emission Fees</b>	<b>62,195</b>	<b>14,778</b>	<b>47,417</b>
<b>Total expenditures and other uses</b>	<b>1,106,936</b>	<b>1,011,134</b>	<b>95,802</b>
<b>Excess (deficiency) of revenues and other sources over expenditures and other uses</b>	<b>(44,225)</b>	<b>456,822</b>	<b>501,047</b>
Fund balance, January 1, 1998	731,206	731,206	-
<b>Fund balance, December 31, 1998</b>	<b>\$ 686,981</b>	<b>\$ 1,188,028</b>	<b>\$ 501,047</b>

## City of Akron, Ohio

Schedule of Revenues, Expenditures, and Changes in  
Fund Balance - Budget and Actual - Akron Metro. Area  
Transportation Study Fund, Non-GAAP Budget Basis

Year Ended December 31, 1998

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues and other sources</b>			
Revenues:			
Grants and subsidies	\$ 1,367,260	\$ 917,279	\$ (449,981)
Miscellaneous	124,540	41,155	(83,385)
<b>Total revenues</b>	<b>1,491,800</b>	<b>958,434</b>	<b>(533,366)</b>
Other sources:			
Previous year's encumbrances	14,746	14,746	-
<b>Total revenues and other sources</b>	<b>1,506,546</b>	<b>973,180</b>	<b>(533,366)</b>
<b>Expenditures and other uses</b>			
Expenditures:			
Community Environment:			
AMATS:			
Wages/benefits	789,540	720,530	69,010
Other	714,706	649,549	65,157
<b>Total expenditures and other uses</b>	<b>1,504,246</b>	<b>1,370,079</b>	<b>134,167</b>
<b>Excess (deficiency) of revenues and other sources over expenditures and other uses</b>	<b>2,300</b>	<b>(396,899)</b>	<b>(399,199)</b>
<b>Fund deficit, January 1, 1998</b>	<b>(76,653)</b>	<b>(76,653)</b>	<b>-</b>
<b>Fund deficit, December 31, 1998</b>	<b>\$ (74,353)</b>	<b>\$ (473,552)</b>	<b>\$ (399,199)</b>

## **DEBT SERVICE FUNDS**

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.

### **General Bond Payment:**

Used for the administration of investment and debt management.

### **Debt Service Bond Payment:**

Required by State statute; used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest and related costs, other than special assessment and enterprise debt.

### **Special Assessment Bond Payment:**

Required by State statute; used to account for the accumulation of resources for, and the payment of, special assessment debt principal and interest and related costs.

### **Main Place Bond Payment:**

Required by City of Akron ordinance; used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest on Main Place Debt.

### **Market Valley Urban Renewal Bond Payment:**

Required by City of Akron Ordinance; used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest on Market Valley debt.

### **Downtown Hotel Bond Payment:**

Required by City of Akron Ordinance; used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest on Industrial Development debt.

### **Non-Tax Revenue Bond Payment:**

Required by debt indenture; used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest on Economic Development debt.

City of Akron, Ohio  
 Combining Balance Sheet -  
 All Debt Service Funds

December 31, 1998

	General Bond Payment	Debt Service Bond Payment	Special Assessment Bond Payment
<b>Assets</b>			
Cash and investments	\$ 302,818	\$ -	\$ -
Restricted cash and investments	-	2,601,956	989,990
Receivables, net of allowances for uncollectibles	807,468	74	28,414,154
<b>Total assets</b>	<b>\$ 1,110,286</b>	<b>\$ 2,602,030</b>	<b>\$ 29,404,144</b>
<b>Liabilities</b>			
Accounts payable	\$ 331	\$ -	\$ -
Due to other funds	507	-	-
Deferred revenue	701,654	-	26,414,154
Matured bonds payable	-	155,000	-
Matured interest payable	-	68,124	-
Accrued wages	6,648	-	-
Accrued vacation and leave	1,162	-	-
<b>Total liabilities</b>	<b>710,302</b>	<b>223,124</b>	<b>26,414,154</b>
<b>Fund equity and other credits</b>			
Fund balance:			
Reserved for encumbrances	3,161	-	-
Unreserved	396,823	2,378,906	2,989,990
<b>Total fund equity and other credits</b>	<b>399,984</b>	<b>2,378,906</b>	<b>2,989,990</b>
<b>Total liabilities, equity and other credits</b>	<b>\$ 1,110,286</b>	<b>\$ 2,602,030</b>	<b>\$ 29,404,144</b>



Main Place Bond Payment	Market Valley Urban Renewal Bond Payment	Downtown Hotel Bond Payment	Non-Tax Revenue Bond Payment	Total
\$ -	\$ -	\$ -	\$ -	\$ 302,818
305,442	489,752	-	3,938,378	8,325,518
-	-	-	-	29,221,696
<u>\$ 305,442</u>	<u>\$ 489,752</u>	<u>\$ -</u>	<u>\$ 3,938,378</u>	<u>\$ 37,850,032</u>
\$ -	\$ -	\$ -	\$ -	\$ 331
-	-	-	-	507
-	-	-	-	27,115,808
-	-	-	-	155,000
-	-	-	-	68,124
-	-	-	-	6,648
-	-	-	-	1,162
-	-	-	-	27,347,580
-	-	-	-	3,161
305,442	489,752	-	3,938,378	10,499,291
305,442	489,752	-	3,938,378	10,502,452
<u>\$ 305,442</u>	<u>\$ 489,752</u>	<u>\$ -</u>	<u>\$ 3,938,378</u>	<u>\$ 37,850,032</u>

## City of Akron, Ohio

Combining Statement of Revenues, Expenditures,  
And Changes in Fund Balances -  
All Debt Service Funds

Year Ended December 31, 1998

	General Bond Payment	Debt Service Bond Payment	Special Assessment Bond Payment
<b>Revenues</b>			
Income taxes	\$ -	\$ 13,317,706	\$ -
Property taxes	354,965	887,417	-
Special assessments	-	-	9,470,175
Investment earnings	-	208,305	352,032
Miscellaneous	879	195,833	626
	<u>355,844</u>	<u>14,609,261</u>	<u>9,822,833</u>
<b>Expenditures</b>			
Current:			
General government	314,657	156,194	223,135
Debt service:			
Principal retirement	-	9,032,327	6,416,518
Interest	-	6,777,203	1,202,212
	<u>314,657</u>	<u>15,965,724</u>	<u>7,841,865</u>
Excess (deficiency) of revenues over expenditures	41,187	(1,356,463)	1,980,968
<b>Other financing sources (uses)</b>			
Proceeds of general obligation bonds	-	-	2,600,000
Operating transfers in	-	1,675,236	564,077
Operating transfers out	-	(420,552)	(4,008,797)
	<u>-</u>	<u>1,254,684</u>	<u>(844,720)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	41,187	(101,779)	1,136,248
Fund balances, January 1, 1998	<u>358,797</u>	<u>2,480,685</u>	<u>1,853,742</u>
Fund balances, December 31, 1998	<u>\$ 399,984</u>	<u>\$ 2,378,906</u>	<u>\$ 2,989,990</u>

Main Place Bond Payment	Market Valley Urban Renewal Bond Payment	Downtown Hotel Bond Payment	Non-Tax Revenue Bond Payment	Total
\$ -	\$ -	\$ -	\$ -	\$ 13,317,706
206,982	161,447	-	-	1,610,811
-	-	-	-	9,470,175
11,330	15,335	-	220,797	807,799
-	-	76,375	-	273,713
218,312	176,782	76,375	220,797	25,480,204
155,151	-	-	-	849,137
-	25,000	10,000	-	15,483,845
-	28,800	66,375	1,888,738	9,963,328
155,151	53,800	76,375	1,888,738	26,296,310
63,161	122,982	-	(1,667,941)	(816,106)
-	-	-	-	2,600,000
-	-	-	-	2,239,313
-	-	-	-	(4,429,349)
-	-	-	-	409,964
63,161	122,982	-	(1,667,941)	(406,142)
242,281	366,770	-	5,606,319	10,908,594
\$ 305,442	\$ 489,752	\$ -	\$ 3,938,378	\$ 10,502,452

## City of Akron, Ohio

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

Year Ended December 31, 1998

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues and other sources</b>			
Revenues:			
Property taxes	\$ 772,750	\$ 760,341	\$ (12,409)
Other sources:			
Previous year's encumbrances	14,669	14,669	-
<b>Total revenues and other sources</b>	<b>787,419</b>	<b>775,010</b>	<b>(12,409)</b>
<b>Expenditures and other uses</b>			
Expenditures:			
General Government:			
Treasury:			
Wages/benefits	268,990	268,975	15
Other	73,390	45,629	27,761
Capital outlay	7,998	5,224	2,774
<b>Total expenditures</b>	<b>350,378</b>	<b>319,828</b>	<b>30,550</b>
Other uses:			
Other transfers out	425,000	425,000	-
<b>Total expenditures and other uses</b>	<b>775,378</b>	<b>744,828</b>	<b>30,550</b>
<b>Excess of revenues and other sources over expenditures and other uses</b>	<b>12,041</b>	<b>30,182</b>	<b>18,141</b>
Fund balance, January 1, 1998	269,309	269,309	-
<b>Fund balance, December 31, 1998</b>	<b>\$ 281,350</b>	<b>\$ 299,491</b>	<b>\$ 18,141</b>

## CAPITAL PROJECT FUNDS

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

### To Account for Grant Revenue and Other Funding Sources:

Non-emergency City Radio System  
Broadway Parking Structures:

The inspection costs and supplemental charges for construction of parking deck and skywalk.

Ascot Park Public Improvements  
Balch Street Athletic Club  
Canal Park Condominiums U.D.A.G.  
Airport Industrial Park  
Convention Center  
Canal Square U.D.A.G.

Non-appropriated Capital Projects  
Eaton Estate Urban Redevelopment  
Road and Bridge Improvements  
Arterial Street Construction

Streets:

The design, upgrade, and construction of City streets.

Massillon Road Industrial Park  
Exchange Street Redevelopment  
Akron Square Urban Renewal Area

West Akron Y.M.C.A. Acquisition  
Citicenter Acquisition  
Police/Fire Combined Dispatch  
Inventors' Hall of Fame  
Firestone Park Community Center Construction  
Americans with Disabilities Act  
Market-High Renewal Project  
Tell Development Project  
Stadium Construction:

The construction of a downtown baseball stadium including a pedestrian bridge and walkway.

Projects Funded by G.O. Bonds  
Cascade Hotel Renovation  
O'Neil's Building Renovation  
Canal Redevelopment  
Firestone Stadium Improvements  
GoJo Headquarters Improvements  
Tell Parking Expansion  
Capital Projects with Private Funding  
West Market Street Project  
Traffic Management Program

## City of Akron, Ohio

Combining Balance Sheet -  
All Capital Project Funds

December 31, 1998

	Non-emergency City Radio System	Broadway Parking Structures	Ascot Park Public Improvements	Balch Street Athletic Club
<b>Assets</b>				
Cash and investments	\$ -	\$ -	\$ 117,283	\$ -
Receivables, net of allowances for uncollectibles	-	-	1,349	-
Loans receivable	-	-	-	-
Due from other governments	-	-	-	-
<b>Total assets</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 118,632</b>	<b>\$ -</b>
<b>Liabilities</b>				
Accounts payable	\$ -	\$ -	\$ 913	\$ -
Due to other governments	-	-	-	-
Due to other funds	90,005	22,853	-	-
Accrued liabilities	-	20,098	-	-
Accrued wages	-	-	-	-
<b>Total liabilities</b>	<b>90,005</b>	<b>42,951</b>	<b>913</b>	<b>-</b>
<b>Fund equity and other credits</b>				
Fund balance:				
Reserved for encumbrances	-	14,649	8,717	-
Reserved for loans receivable	-	-	-	-
Unreserved designated for pre-encumbrances	-	-	-	-
Unreserved (deficit)	(90,005)	(57,600)	109,002	-
<b>Total fund equity (deficit) and other credits</b>	<b>(90,005)</b>	<b>(42,951)</b>	<b>117,719</b>	<b>-</b>
<b>Total liabilities, equity and other credits</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 118,632</b>	<b>\$ -</b>

Canal Park Condo- miniums U.D.A.G.	Airport Industrial Park	Convention Center	Canal Square U.D.A.G.	Non- appropriated Capital Projects
\$ 284,255	\$ 173,210	\$ -	\$ 398,493	\$ -
-	1,376	-	-	-
390,760	-	-	-	-
-	-	-	-	-
<b>\$ 675,015</b>	<b>\$ 174,586</b>	<b>\$ -</b>	<b>\$ 398,493</b>	<b>\$ -</b>
\$ -	\$ -	\$ 176	\$ -	\$ 132,742
-	-	-	-	-
-	-	10,852	-	4,172,801
-	-	-	-	45,361
-	-	-	-	-
-	-	11,028	-	4,350,904
-	-	-	2,553	436,804
390,760	-	-	-	-
-	-	-	-	13,380
284,255	174,586	(11,028)	395,940	(4,801,088)
675,015	174,586	(11,028)	398,493	(4,350,904)
<b>\$ 675,015</b>	<b>\$ 174,586</b>	<b>\$ -</b>	<b>\$ 398,493</b>	<b>\$ -</b>

## City of Akron, Ohio

Combining Balance Sheet -  
All Capital Project FundsDecember 31, 1998  
(continued)

	Eaton Estate Urban Redevelopment	Road and Bridge Improvements	Arterial Street Construction	Streets
<b>Assets</b>				
Cash and investments	\$ 378,738	\$ 1,169,414	\$ 9,715	\$ -
Receivables, net of allowances for uncollectibles	-	91,244	-	-
Loans receivable	-	-	-	-
Due from other governments	-	-	-	526,526
<b>Total assets</b>	<b>\$ 378,738</b>	<b>\$ 1,260,658</b>	<b>\$ 9,715</b>	<b>\$ 526,526</b>
<b>Liabilities</b>				
Accounts payable	\$ -	\$ 22,701	\$ -	\$ 579,566
Due to other governments	-	-	-	-
Due to other funds	-	8,350	-	8,525,699
Accrued liabilities	-	15,599	-	612,482
Accrued wages	-	-	-	428
<b>Total liabilities</b>	<b>-</b>	<b>46,650</b>	<b>-</b>	<b>9,718,175</b>
<b>Fund equity and other credits</b>				
Fund balance:				
Reserved for encumbrances	-	135,362	-	3,168,387
Reserved for loans receivable	-	-	-	-
Unreserved designated for pre-encumbrances	-	-	-	3,247
Unreserved (deficit)	378,738	1,078,646	9,715	(12,363,283)
<b>Total fund equity (deficit) and other credits</b>	<b>378,738</b>	<b>1,214,008</b>	<b>9,715</b>	<b>(9,191,649)</b>
<b>Total liabilities, equity and other credits</b>	<b>\$ 378,738</b>	<b>\$ 1,260,658</b>	<b>\$ 9,715</b>	<b>\$ 526,526</b>



Massillon Road Industrial Park	Exchange Street Redevelopment	Akron Square Urban Renewal Area	West Akron Y.M.C.A. Acquisition	Citicenter Acquisition
\$ -	\$ -	\$ -	\$ 21,154	\$ -
-	-	684	-	8,460
-	-	-	-	-
-	-	-	-	-
<b>\$ -</b>	<b>\$ -</b>	<b>\$ 684</b>	<b>\$ 21,154</b>	<b>\$ 8,460</b>
\$ -	\$ -	\$ 2,400	\$ -	\$ 28,370
-	-	-	-	-
-	118,399	19,572	-	2,541
-	-	-	-	-
-	-	-	-	-
-	118,399	21,972	-	30,911
38,747	-	-	28	47,958
-	-	-	-	-
-	-	-	-	350
(38,747)	(118,399)	(21,288)	21,126	(70,759)
-	(118,399)	(21,288)	21,154	(22,451)
<b>\$ -</b>	<b>\$ -</b>	<b>\$ 684</b>	<b>\$ 21,154</b>	<b>\$ 8,460</b>

## City of Akron, Ohio

Combining Balance Sheet -  
All Capital Project FundsDecember 31, 1998  
(continued)

	Police/Fire Combined Dispatch	Inventors' Hall of Fame	Firestone Park Community Center Construction	Americans with Disabilities Act
<b>Assets</b>				
Cash and investments	\$ 1,166,593	\$ 1,717,874	\$ -	\$ 48,139
Receivables, net of allowances for uncollectibles	-	221,870	-	-
Loans receivable	-	6,250,000	-	-
Due from other governments	-	-	-	-
<b>Total assets</b>	<b>\$ 1,166,593</b>	<b>\$ 8,189,744</b>	<b>\$ -</b>	<b>\$ 48,139</b>
<b>Liabilities</b>				
Accounts payable	\$ 5,922	\$ -	\$ -	\$ 885
Due to other governments	-	-	-	-
Due to other funds	-	-	-	806
Accrued liabilities	-	-	-	-
Accrued wages	-	-	-	-
<b>Total liabilities</b>	<b>5,922</b>	<b>-</b>	<b>-</b>	<b>1,691</b>
<b>Fund equity and other credits</b>				
Fund balance:				
Reserved for encumbrances	1,361,707	1,750,000	-	-
Reserved for loans receivable	-	6,250,000	-	-
Unreserved designated for pre-encumbrances	142,032	-	-	-
Unreserved (deficit)	(343,068)	189,744	-	46,448
<b>Total fund equity (deficit) and other credits</b>	<b>1,160,671</b>	<b>8,189,744</b>	<b>-</b>	<b>46,448</b>
<b>Total liabilities, equity and other credits</b>	<b>\$ 1,166,593</b>	<b>\$ 8,189,744</b>	<b>\$ -</b>	<b>\$ 48,139</b>

Market-High Renewal Project	Tell Development Project	Stadium Construction	Projects Funded by G.O. Bonds	Cascade Hotel Renovation
\$ 880,610	\$ 36,971	\$ -	\$ 50	\$ -
-	-	-	-	82,498
-	-	-	-	2,875,000
-	-	-	-	-
<b>\$ 880,610</b>	<b>\$ 36,971</b>	<b>\$ -</b>	<b>\$ 50</b>	<b>\$ 2,957,498</b>
\$ -	\$ 23,496	\$ -	\$ 283,853	\$ -
-	-	-	-	1,685,000
979	-	2,938,980	1,010,124	602
-	-	-	825,647	-
-	-	-	-	-
979	23,496	2,938,980	2,119,624	1,685,602
68,221	20,059	44,740	1,370,458	-
-	-	-	-	2,875,000
-	-	-	-	-
811,410	(6,584)	(2,983,720)	(3,490,032)	(1,603,104)
879,631	13,475	(2,938,980)	(2,119,574)	1,271,896
<b>\$ 880,610</b>	<b>\$ 36,971</b>	<b>\$ -</b>	<b>\$ 50</b>	<b>\$ 2,957,498</b>

## City of Akron, Ohio

Combining Balance Sheet -  
All Capital Project FundsDecember 31, 1998  
(continued)

	O'Neil's Building Renovation	Canal Redevelopment	Firestone Stadium Improvements	GoJo Headquarters Improvements
<b>Assets</b>				
Cash and investments	\$ 1,594,078	\$ 1,064,647	\$ -	\$ -
Receivables, net of allowances for uncollectibles	-	-	-	-
Loans receivable	-	-	-	-
Due from other governments	-	-	-	-
<b>Total assets</b>	<b>\$ 1,594,078</b>	<b>\$ 1,064,647</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Liabilities</b>				
Accounts payable	\$ 1,681,358	\$ 10,612	\$ 73,375	\$ 174,014
Due to other governments	-	-	-	-
Due to other funds	1,192	509	114,830	1,225,930
Accrued liabilities	1,356,471	-	-	91,874
Accrued wages	-	-	-	-
<b>Total liabilities</b>	<b>3,039,021</b>	<b>11,121</b>	<b>188,205</b>	<b>1,491,818</b>
<b>Fund equity and other credits</b>				
Fund balance:				
Reserved for encumbrances	1,784,335	5	-	1,043,667
Reserved for loans receivable	-	-	-	-
Unreserved designated for pre-encumbrances	-	-	-	-
Unreserved (deficit)	(3,229,278)	1,053,521	(188,205)	(2,535,485)
<b>Total fund equity (deficit) and other credits</b>	<b>(1,444,943)</b>	<b>1,053,526</b>	<b>(188,205)</b>	<b>(1,491,818)</b>
<b>Total liabilities, equity and other credits</b>	<b>\$ 1,594,078</b>	<b>\$ 1,064,647</b>	<b>\$ -</b>	<b>\$ -</b>

Tell Parking Expansion	Capital Projects with Private Funding	West Market Street Project	Traffic Management Program	Total
\$ -	\$ -	\$ -	\$ -	\$9,061,224
-	4,208	-	-	411,689
-	-	-	-	9,515,760
-	-	-	-	526,526
<b>\$ -</b>	<b>\$ 4,208</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 19,515,199</b>
\$ -	\$ -	\$ -	\$ -	\$ 3,020,383
-	-	-	-	1,685,000
852,808	82,734	150	1,231	19,201,947
-	-	-	-	2,967,532
-	-	-	-	428
852,808	82,734	150	1,231	26,875,290
124,634	-	-	-	11,421,031
-	-	-	-	9,515,760
-	-	-	-	159,009
(977,442)	(78,526)	(150)	(1,231)	(28,455,891)
(852,808)	(78,526)	(150)	(1,231)	(7,360,091)
<b>\$ -</b>	<b>\$ 4,208</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 19,515,199</b>

## City of Akron, Ohio

Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances -  
All Capital Project Funds

Year Ended December 31, 1998

	Non-emergency City Radio System	Broadway Parking Structures	Ascot Park Public Improvements	Balch Street Athletic Club
<b>Revenues</b>				
Income taxes	\$ -	\$ -	\$ -	\$ -
Property taxes	-	-	134,970	-
Special assessments	-	-	-	-
Grants and subsidies:				
Community development	-	-	-	-
Other	-	-	-	-
Investment earnings	-	-	-	-
Shared revenues	-	-	-	-
Licenses, fees and fines	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	-	-	213,900	-
	-	-	348,870	-
<b>Expenditures</b>				
Current:				
General government	-	-	-	2
Public service	-	-	-	-
Public safety	-	-	-	-
Community environment	-	-	14,584	-
Capital outlay	-	855	121,683	-
Debt service:				
Interest	-	-	-	-
	-	855	136,267	2
Excess (deficiency) of revenues over expenditures	-	(855)	212,603	(2)
<b>Other financing sources (uses)</b>				
Proceeds of general obligation bonds	-	-	-	-
Proceeds of general obligation notes	-	-	-	-
Operating transfers in	-	-	96,723	-
Operating transfers out	-	-	(53,448)	-
	-	-	43,275	-
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	-	(855)	255,878	(2)
Fund balances (deficits), January 1, 1998	(90,005)	(42,096)	(138,159)	2
Fund balances (deficits), December 31, 1998	\$ (90,005)	\$ (42,951)	\$ 117,719	\$ -

Canal Park Condo- miniums U.D.A.G.	Airport Industrial Park	Convention Center	Canal Square U.D.A.G.	Non- appropriated Capital Projects
\$ -	\$ -	\$ -	\$ -	\$ -
-	173,672	-	-	-
-	-	-	-	-
-	-	-	-	-
17,863	-	-	-	-
-	-	-	-	425
-	-	-	-	12,500
-	34,599	3,780	51,186	38,743
17,863	208,271	3,780	51,186	51,668
25,777	158	-	-	-
-	-	-	-	-
-	-	-	-	38,770
-	294,720	-	580	3,306,421
-	-	-	-	-
25,777	294,878	-	580	3,345,191
(7,914)	(86,607)	3,780	50,606	(3,293,523)
-	-	-	-	-
-	-	-	-	-
25,777	-	54,830	-	550,542
-	-	-	-	(229,224)
25,777	-	54,830	-	321,318
17,863	(86,607)	58,610	50,606	(2,972,205)
657,152	261,193	(69,638)	347,887	(1,378,699)
\$ 675,015	\$ 174,586	\$ (11,028)	\$ 398,493	\$ (4,350,904)

## City of Akron, Ohio

Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances -  
All Capital Project Funds

Year Ended December 31, 1998  
(continued)

	Eaton Estate Urban Redevelopment	Road and Bridge Improvements	Arterial Street Construction	Streets
<b>Revenues</b>				
Income taxes	\$ -	\$ -	\$ -	\$ 64,781
Property taxes	463,181	-	-	-
Special assessments	-	-	-	1,281,448
Grants and subsidies:				
Community development	-	-	-	2,499,325
Other	-	-	-	3,323,505
Investment earnings	-	-	-	-
Shared revenues	-	2,694,985	-	1,387,796
Licenses, fees and fines	-	-	-	2,700
Charges for services	-	-	-	701
Miscellaneous	-	35,569	-	932,228
	<u>463,181</u>	<u>2,730,554</u>	<u>-</u>	<u>9,492,484</u>
<b>Expenditures</b>				
Current:				
General government	-	-	-	15,451
Public service	424,830	-	-	69,888
Public safety	-	-	-	-
Community environment	-	25	-	-
Capital outlay	-	710,841	-	20,452,351
Debt service:				
Interest	-	-	-	-
	<u>424,830</u>	<u>710,866</u>	<u>-</u>	<u>20,537,690</u>
Excess (deficiency) of revenues over expenditures	38,351	2,019,688	-	(11,045,206)
<b>Other financing sources (uses)</b>				
Proceeds of general obligation bonds	-	-	-	-
Proceeds of general obligation notes	-	-	-	3,163,267
Operating transfers in	-	151,564	-	3,288,638
Operating transfers out	(238,436)	(3,063,086)	-	(564,077)
	<u>(238,436)</u>	<u>(2,911,522)</u>	<u>-</u>	<u>5,887,828</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(200,085)	(891,834)	-	(5,157,378)
Fund balances (deficits), January 1, 1998	<u>578,823</u>	<u>2,105,842</u>	<u>9,715</u>	<u>(4,034,271)</u>
Fund balances (deficits), December 31, 1998	<u>\$ 378,738</u>	<u>\$ 1,214,008</u>	<u>\$ 9,715</u>	<u>\$ (9,191,649)</u>



Massillon Road Industrial Park	Exchange Street Redevelopment	Akron Square Urban Renewal Area	West Akron Y.M.C.A. Acquisition	Citicenter Acquisition
\$ -	\$ -	\$ -	\$ -	\$ 1,454,355
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	22,601	230,039	-	575,220
-	22,601	230,039	-	2,029,575
-	-	2,400	-	41,564
-	-	-	-	300,358
-	-	-	-	-
-	-	142,864	-	181,002
-	-	-	-	-
-	-	145,264	-	522,924
-	22,601	84,775	-	1,506,651
-	-	-	-	-
-	-	-	-	-
35,861	-	104,256	-	-
-	-	-	-	-
35,861	-	104,256	-	-
35,861	22,601	189,031	-	1,506,651
(35,861)	(141,000)	(210,319)	21,154	(1,529,102)
\$ -	\$ (118,399)	\$ (21,288)	\$ 21,154	\$ (22,451)

## City of Akron, Ohio

Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances -  
All Capital Project FundsYear Ended December 31, 1998  
(continued)

	Police/Fire Combined Dispatch	Inventors' Hall of Fame	Firestone Park Community Center Construction	Americans with Disabilities Act
<b>Revenues</b>				
Income taxes	\$ -	\$ -	\$ -	\$ 50,000
Property taxes	-	838,876	-	-
Special assessments	-	-	-	-
Grants and subsidies:				
Community development	-	-	-	-
Other	-	-	-	-
Investment earnings	-	475,810	-	-
Shared revenues	-	-	-	-
Licenses, fees and fines	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	115,000	-	96,289	-
	<u>115,000</u>	<u>1,314,686</u>	<u>96,289</u>	<u>50,000</u>
<b>Expenditures</b>				
Current:				
General government	-	-	-	-
Public service	-	-	-	-
Public safety	2,338,733	-	-	-
Community environment	5,085	-	-	-
Capital outlay	-	-	-	20,711
Debt service:				
Interest	-	-	-	-
	<u>2,343,818</u>	<u>-</u>	<u>-</u>	<u>20,711</u>
Excess (deficiency) of revenues over expenditures	(2,228,818)	1,314,686	96,289	29,289
<b>Other financing sources (uses)</b>				
Proceeds of general obligation bonds	2,100,000	-	-	-
Proceeds of general obligation notes	-	-	-	-
Operating transfers in	451,688	500,000	-	9,165
Operating transfers out	-	(547,535)	-	-
	<u>2,551,688</u>	<u>(47,535)</u>	<u>-</u>	<u>9,165</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	322,870	1,267,151	96,289	38,454
Fund balances (deficits), January 1, 1998	<u>837,801</u>	<u>6,922,593</u>	<u>(96,289)</u>	<u>7,994</u>
Fund balances (deficits), December 31, 1998	<u>\$ 1,160,671</u>	<u>\$ 8,189,744</u>	<u>\$ -</u>	<u>\$ 46,448</u>

Market-High Renewal Project	Tell Development Project	Stadium Construction	Projects Funded by G.O. Bonds	Cascade Hotel Renovation
\$ -	\$ -	\$ -	\$ -	\$ -
-	104,045	-	4,590	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	154,032
-	-	-	1,895,476	-
-	-	-	-	-
-	655	4,188,058	59,874	82,498
-	104,700	4,188,058	1,959,940	236,530
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	14,273	-	514,797	-
440,915	41,857	312,619	6,224,599	76,375
-	-	-	-	87,657
440,915	56,130	312,619	6,739,396	164,032
(440,915)	48,570	3,875,439	(4,779,456)	72,498
-	-	-	2,310,000	-
-	-	-	-	-
34,000	-	12,027	415,967	-
(171,962)	-	-	(1,859,779)	-
(137,962)	-	12,027	866,188	-
(578,877)	48,570	3,887,466	(3,913,268)	72,498
1,458,508	(35,095)	(6,826,446)	1,793,694	1,199,398
\$ 879,631	\$ 13,475	\$ (2,938,980)	\$ (2,119,574)	\$ 1,271,896

## City of Akron, Ohio

Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances -  
All Capital Project Funds

Year Ended December 31, 1998  
(continued)

	O'Neil's Building Renovation	Canal Redevelopment	Firestone Stadium Improvements	GoJo Headquarters Improvements
<b>Revenues</b>				
Income taxes	\$ 1,607,745	\$ -	\$ -	\$ 2,523,640
Property taxes	-	-	-	-
Special assessments	-	-	-	-
Grants and subsidies:				
Community development	-	-	-	-
Other	-	-	-	-
Investment earnings	539,181	-	-	-
Shared revenues	-	-	-	-
Licenses, fees and fines	-	-	-	37,125
Charges for services	-	-	-	-
Miscellaneous	-	-	-	-
	<u>2,146,926</u>	<u>-</u>	<u>-</u>	<u>2,560,765</u>
<b>Expenditures</b>				
Current:				
General government	269,649	-	-	-
Public service	-	-	-	158,801
Public safety	-	-	-	-
Community environment	-	-	-	-
Capital outlay	21,402,426	111,166	175,970	3,863,986
Debt service:				
Interest	-	-	-	-
	<u>21,672,075</u>	<u>111,166</u>	<u>175,970</u>	<u>4,022,787</u>
Excess (deficiency) of revenues over expenditures	(19,525,149)	(111,166)	(175,970)	(1,462,022)
<b>Other financing sources (uses)</b>				
Proceeds of general obligation bonds	-	-	-	-
Proceeds of general obligation notes	-	-	-	-
Operating transfers in	1,147,255	114,767	-	132,520
Operating transfers out	-	-	-	-
	<u>1,147,255</u>	<u>114,767</u>	<u>-</u>	<u>132,520</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(18,377,894)	3,601	(175,970)	(1,329,502)
Fund balances (deficits), January 1, 1998	<u>16,932,951</u>	<u>1,049,925</u>	<u>(12,235)</u>	<u>(162,316)</u>
Fund balances (deficits), December 31, 1998	<u>\$ (1,444,943)</u>	<u>\$ 1,053,526</u>	<u>\$ (188,205)</u>	<u>\$ (1,491,818)</u>

Tell Parking Expansion	Capital Projects with Private Funding	West Market Street Project	Traffic Management Program	Total
\$ -	\$ -	\$ -	\$ -	\$ 5,700,521
4,950	-	-	-	1,724,284
-	-	-	-	1,281,448
-	-	-	-	2,499,325
-	-	-	-	3,323,505
-	-	-	-	1,186,886
-	-	-	-	5,978,257
-	-	-	-	40,250
-	-	-	-	13,201
-	47,884	-	-	6,728,123
4,950	47,884	-	-	28,475,800
-	-	-	-	355,001
-	-	-	-	953,877
-	-	-	-	2,338,733
-	-	-	-	587,534
685,198	113,802	150	1,231	58,682,322
-	-	-	-	87,657
685,198	113,802	150	1,231	63,005,124
(680,248)	(65,918)	(150)	(1,231)	(34,529,324)
-	-	-	-	4,410,000
-	-	-	-	3,163,267
-	-	-	-	7,125,580
-	-	-	-	(6,727,547)
-	-	-	-	7,971,300
(680,248)	(65,918)	(150)	(1,231)	(26,558,024)
(172,560)	(12,608)	-	-	19,197,933
\$ (852,808)	\$ (78,526)	\$ (150)	\$ (1,231)	\$ (7,360,091)

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## 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 City operates nine enterprise activities which are:

**Water:**

The administration, distribution, supply, accounting, and customer service for the water system.

Golf

Airport

**Sewer:**

The maintenance, debt payment, water quality control, and treatment of wastewater for the sewer system.

Recycle Energy System

**Off-Street Parking:**

The provision of parking facilities throughout the downtown area.

Oil and Gas

O'Neil's Building

Firestone Stadium Concession

City of Akron, Ohio  
 Combining Balance Sheet -  
 All Enterprise Funds  
 December 31, 1998

	Water	Sewer	Oil and Gas	Firestone Stadium Concession
<b>Assets</b>				
Cash and investments	\$ 11,814,593	\$ 8,127,904	\$ 735,059	\$ 12,045
Restricted cash and investments	3,039,849	6,442,056	-	-
Receivables, net of allowances for uncollectibles	3,860,959	4,341,434	23,405	-
Due from other governments	407,306	1,639,188	-	-
Due from other funds	117	109	20,538	-
Inventories, at cost	3,162,365	1,543,350	-	-
Unamortized bond issue costs	590,312	693,515	-	-
Bond discount	348,805	18,337	-	-
Unamortized charge refunding bond	-	410,526	-	-
Property, plant and equipment, net of accumulated depreciation	106,723,544	230,215,993	571,581	-
<b>Total assets</b>	<b>\$ 129,947,850</b>	<b>\$ 253,432,412</b>	<b>\$ 1,350,583</b>	<b>\$ 12,045</b>
<b>Liabilities</b>				
Accounts payable	\$ 1,554,637	\$ 1,256,679	\$ 12,162	\$ -
Customer deposits	391,902	-	-	-
Due to other funds	374,424	440,064	-	-
Accrued interest payable	1,254,297	1,727,361	-	-
Accrued liabilities	983,549	506,447	2,000	-
Accrued wages	359,867	209,539	1,956	-
Accrued vacation and leave	3,623,071	2,055,167	29,911	-
Debt:				
General obligation bonds	2,456,483	665,397	-	-
Mortgage revenue bonds	65,655,000	-	-	-
Revenue bonds	-	53,985,000	-	-
OWDA loans	1,813,177	44,382,811	-	-
OPWC loans	1,045,772	2,355,336	-	-
Deferred loss on early retirement	(1,867,671)	-	-	-
Bond premium	48,655	104,113	-	-
<b>Total liabilities</b>	<b>77,693,163</b>	<b>107,687,914</b>	<b>46,029</b>	<b>-</b>
<b>Fund equity and other credits</b>				
Contributed capital	12,181,150	121,696,144	7,071	-
Retained earnings:				
Reserved for revenue bond retirement	2,937,500	5,379,879	-	-
Unreserved (deficit)	37,136,037	18,668,475	1,297,483	12,045
	40,073,537	24,048,354	1,297,483	12,045
<b>Total fund equity and other credits</b>	<b>52,254,687</b>	<b>145,744,498</b>	<b>1,304,554</b>	<b>12,045</b>
<b>Total liabilities, equity and other credits</b>	<b>\$ 129,947,850</b>	<b>\$ 253,432,412</b>	<b>\$ 1,350,583</b>	<b>\$ 12,045</b>



Golf	Airport	Recycle Energy System	Off-Street Parking	O'Neil's Building	Total
\$ -	\$ -	\$ 234,625	\$ 11,726	\$ -	\$ 20,935,952
-	-	-	-	-	9,481,905
283	18,160	-	25,100	-	8,269,341
-	-	-	-	-	2,046,494
-	-	-	-	-	20,764
31,227	16,225	-	-	-	4,753,167
-	-	-	-	-	1,283,827
-	-	-	-	-	367,142
-	-	-	-	-	410,526
1,683,991	8,418,274	-	37,296,308	2,000,404	386,910,095
<b>\$ 1,715,501</b>	<b>\$ 8,452,659</b>	<b>\$ 234,625</b>	<b>\$ 37,333,134</b>	<b>\$ 2,000,404</b>	<b>\$ 434,479,213</b>
\$ 2,638	\$ 44,260	\$ -	\$ 265,331	\$ 19,571	\$ 3,155,278
-	-	-	-	-	391,902
51,131	399,902	-	50,160	643,010	1,958,691
3,480	-	-	32,122	-	3,017,260
9,568	7,359	-	94,579	-	1,603,502
5,448	7,168	-	-	-	583,978
101,610	108,885	-	-	-	5,918,644
850,000	-	-	3,630,000	-	7,601,880
-	-	-	-	-	65,655,000
-	-	-	-	-	53,985,000
-	-	-	-	-	46,195,988
-	-	-	-	-	3,401,108
-	-	-	-	-	(1,867,671)
-	-	-	-	-	152,768
1,023,875	567,574	-	4,072,192	662,581	191,753,328
223,417	6,300,672	8,356,565	23,979,356	2,672,434	175,416,809
-	-	-	-	-	8,317,379
468,209	1,584,413	(8,121,940)	9,281,586	(1,334,611)	58,991,697
468,209	1,584,413	(8,121,940)	9,281,586	(1,334,611)	67,309,076
691,626	7,885,085	234,625	33,260,942	1,337,823	242,725,885
<b>\$ 1,715,501</b>	<b>\$ 8,452,659</b>	<b>\$ 234,625</b>	<b>\$ 37,333,134</b>	<b>\$ 2,000,404</b>	<b>\$ 434,479,213</b>

## City of Akron, Ohio

Combining Statement of Revenues, Expenses,  
and Changes in Retained Earnings -  
All Enterprise Funds

Year Ended December 31, 1998

	Water	Sewer	Oil and Gas	Firestone Stadium Concession
<b>Operating revenues</b>				
Charges for services	\$ 33,001,462	\$ 33,657,140	\$ -	\$ -
Other	295,967	204,923	491,375	-
	<u>33,297,429</u>	<u>33,862,063</u>	<u>491,375</u>	<u>-</u>
<b>Operating expenses</b>				
Personal services	14,869,547	8,472,810	77,637	-
Direct expenses	10,452,864	10,424,913	174,648	188
Rentals and lease	194,697	72,349	4,000	-
Utilities	1,389,153	2,392,852	9,617	-
Insurance	82,938	151,603	-	-
Depreciation	3,461,237	7,492,557	15,054	-
Other	179,577	35,634	2,069	-
	<u>30,630,013</u>	<u>29,042,718</u>	<u>283,025</u>	<u>188</u>
Operating income (loss)	2,667,416	4,819,345	208,350	(188)
<b>Non-operating revenues (expenses)</b>				
Interest income	160,174	328,389	174	-
Interest expense	(3,712,434)	(5,562,047)	-	-
Loss on disposal of fixed assets	(6,388)	(872)	-	-
	<u>(3,558,648)</u>	<u>(5,234,530)</u>	<u>174</u>	<u>-</u>
Income (loss) before operating transfers	(891,232)	(415,185)	208,524	(188)
Operating transfers in	519,222	313,708	-	-
Operating transfers out	(5,451,786)	(6,240,702)	(468,591)	-
	<u>(4,932,564)</u>	<u>(5,926,994)</u>	<u>(468,591)</u>	<u>-</u>
Net income (loss)	(5,823,796)	(6,342,179)	(260,067)	(188)
Retained earnings (deficit), January 1, 1998	45,897,333	30,390,533	1,557,550	12,233
Retained earnings (deficit), December 31, 1998	<u>\$ 40,073,537</u>	<u>\$ 24,048,354</u>	<u>\$ 1,297,483</u>	<u>\$ 12,045</u>

	Golf	Airport	Recycle Energy System	Off-Street Parking	O'Neil's Building	Total
\$	829,433	\$ 317,691	\$ 96,273	\$ 3,765,016	\$ -	\$ 71,667,015
	3,036	5,505	8,687	-	-	1,009,493
	832,469	323,196	104,960	3,765,016	-	72,676,508
	445,186	306,614	-	-	-	24,171,794
	192,646	266,156	-	2,923,605	-	24,435,020
	47,452	-	-	-	-	318,498
	50,232	12,492	-	55,867	98,440	4,008,653
	1,257	12,700	-	13,512	-	262,010
	44,473	152,897	-	882,505	38,590	12,087,313
	-	-	-	123,759	-	341,039
	781,246	750,859	-	3,999,248	137,030	65,624,327
	51,223	(427,663)	104,960	(234,232)	(137,030)	7,052,181
	-	-	-	-	-	488,737
	(41,756)	-	-	(462,398)	-	(9,778,635)
	-	-	-	-	-	(7,260)
	(41,756)	-	-	(462,398)	-	(9,297,158)
	9,467	(427,663)	104,960	(696,630)	(137,030)	(2,244,977)
	-	335,900	-	2,125,366	-	3,294,196
	(32,905)	-	(90,000)	(6,050)	(1,147,255)	(13,437,289)
	(32,905)	335,900	(90,000)	2,119,316	(1,147,255)	(10,143,093)
	(23,438)	(91,763)	14,960	1,422,686	(1,284,285)	(12,388,070)
	491,647	1,676,176	(8,136,900)	7,858,900	(50,326)	79,697,146
\$	468,209	\$ 1,584,413	\$ (8,121,940)	\$ 9,281,586	\$ (1,334,611)	\$ 67,309,076

City of Akron, Ohio  
Combining Statement of Cash Flows -  
All Enterprise Funds

Year Ended December 31, 1998

	Water	Sewer	Oil and Gas
<b>Operating activities</b>			
Cash received from customers	\$ 34,007,338	\$ 34,586,108	\$ 497,501
Cash payments to suppliers for goods and services	(10,601,856)	(13,436,371)	(190,775)
Cash paid for salaries and employee benefits	(15,066,009)	(8,596,196)	(75,359)
Other revenues	295,967	204,923	-
Other expenses	(179,577)	(35,634)	(2,069)
Net cash provided by (used for) operating activities	8,455,863	12,722,830	229,298
<b>Non-capital financing activities</b>			
Operating transfers from other funds	519,222	313,708	-
Transfers in for negative cash balances	-	-	-
Transfers out for negative cash balances	-	-	-
Operating transfers to other funds	(5,451,786)	(6,240,702)	(468,591)
Net cash provided by (used for) non-capital financing activities	(4,932,564)	(5,926,994)	(468,591)
<b>Capital and related financing activities</b>			
Proceeds from bonds and loans	18,479,056	18,495,331	-
Principal paid on bonds and loans	(9,482,701)	(12,175,869)	-
Interest paid on bonds and loans	(3,747,081)	(5,814,141)	-
Acquisition and construction of capital assets	(10,676,924)	(13,043,040)	-
Contributed capital	3,656,277	1,396,859	-
Net cash used for capital and related financing activities	(1,771,373)	(11,140,860)	-
<b>Investing activities</b>			
Purchase of investment securities	(12,708,874)	(45,607,883)	-
Proceeds from sales and maturities of investment securities	12,708,874	45,607,883	-
Interest on investments	160,174	328,389	174
Net cash provided by investing activities	160,174	328,389	174
Net increase (decrease) in cash and cash equivalents	1,912,100	(4,016,635)	(239,119)
Cash and cash equivalents, January 1, 1998	12,942,342	18,586,595	974,178
Cash and cash equivalents, December 31, 1998	\$ 14,854,442	\$ 14,569,960	\$ 735,059

Firestone Stadium Concession	Golf	Airport	Recycle Energy System	Off-Street Parking	O'Neil's Building	Total
\$ -	\$ 829,494	\$ 300,425	\$ 96,273	\$ 3,765,478	\$ -	\$ 74,082,617
(188)	(320,408)	(315,017)	-	(2,942,458)	(78,869)	(27,885,942)
-	(444,666)	(296,137)	-	-	-	(24,478,367)
-	3,036	361,215	8,687	-	-	873,828
-	-	-	-	(123,759)	-	(341,039)
(188)	67,456	50,486	104,960	699,261	(78,869)	22,251,097
-	-	335,900	-	2,125,366	-	3,294,196
-	42,505	398,710	-	-	643,010	1,084,225
-	-	(785,096)	-	-	-	(785,096)
-	(32,905)	-	(90,000)	(6,050)	(1,147,255)	(13,437,289)
-	9,600	(50,486)	(90,000)	2,119,316	(504,245)	(9,843,964)
-	-	-	-	-	-	36,974,387
-	-	-	-	(775,000)	-	(22,433,570)
-	(41,756)	-	-	(468,537)	-	(10,071,515)
-	(170,743)	-	-	(7,782,655)	-	(31,673,362)
-	-	-	-	5,985,651	-	11,038,787
-	(212,499)	-	-	(3,040,541)	-	(16,165,273)
-	-	-	-	-	-	(58,316,757)
-	-	-	-	-	-	58,316,757
-	-	-	-	-	-	488,737
-	-	-	-	-	-	488,737
(188)	(135,443)	-	14,960	(221,964)	(583,114)	(3,269,403)
12,233	135,443	-	219,665	233,690	583,114	33,687,260
\$ 12,045	\$ -	\$ -	\$ 234,625	\$ 11,726	\$ -	\$ 30,417,857

City of Akron, Ohio  
 Combining Statement of Cash Flows -  
 All Enterprise Funds

Year Ended December 31, 1998  
 (continued)

	Water	Sewer	Oil and Gas
Operating income (loss)	\$ 2,667,416	\$ 4,819,345	\$ 208,350
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation and non-cash expense	3,461,237	7,492,557	15,054
(Increase) decrease in operating assets:			
Receivables	998,354	929,077	(2,164)
Due from other funds	7,522	(109)	8,290
Due from other governments	-	-	-
Inventories	1,332,810	(31,336)	-
Increase (decrease) in operating liabilities:			
Accounts payable	110,991	(309,692)	(2,510)
Due to other funds	49,159	(53,626)	-
Accrued liabilities	23,037	(46,687)	11
Accrued wages	(148,919)	(91,314)	(777)
Accrued vacation and leave	(45,744)	14,615	3,044
Contributed capital	-	-	-
Net cash provided by (used for) operating activities	<u>\$ 8,455,863</u>	<u>\$ 12,722,830</u>	<u>\$ 229,298</u>
Non-cash capital and investing activities:			
Amortization bond issue, discount & premium	\$ 54,307	\$ 335,868	\$ -
Unamortized charge refunding bonds	-	410,526	-
Amortization deferred loss	(51,542)	-	-
Accounts payable for property, plant and equipment	332,307	(108,318)	-
Contract retainer	165,788	(288,134)	-

Firestone Stadium Concession	Golf	Airport	Recycle Energy System	Off-Street Parking	O'Neil's Building	Total
\$ (188)	\$ 51,223	\$ (427,663)	\$ 104,960	\$ (234,232)	\$ (137,030)	\$ 7,052,181
-	44,473	152,897	-	882,505	38,590	12,087,313
-	61	(17,266)	-	462	-	1,908,524
-	-	-	-	-	-	15,703
-	-	295,410	-	-	-	295,410
-	(8,478)	3,807	-	-	-	1,296,803
-	(22,600)	(28,423)	-	47,678	19,571	(184,985)
-	2,257	947	-	2,848	-	1,585
-	(403)	169	-	-	-	(23,873)
-	(2,370)	(2,262)	-	-	-	(245,642)
-	3,293	12,570	-	-	-	(12,222)
-	-	60,300	-	-	-	60,300
<b>\$ (188)</b>	<b>\$ 67,456</b>	<b>\$ 50,486</b>	<b>\$ 104,960</b>	<b>\$ 699,261</b>	<b>\$ (78,869)</b>	<b>\$ 22,251,097</b>

\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 390,175
-	-	-	-	-	-	410,526
-	-	-	-	-	-	(54,542)
-	(1,180)	-	-	-	-	233,259
-	(66,074)	-	-	94,579	-	(93,841)

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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:**

The maintenance, repair, and preventative maintenance of City equipment.

**Medical Self-Insurance:**

The administration of the total cost for the City and the payment of medical claims for City employees.

**Workers' Compensation Reserve:**

The accounting for the revenue received from all funds and payments made for self-insured Workers' Compensation claims.

**Self-Insurance Settlement**

**Storeroom**

**Telephone System**

**Graphics**

**Engineering Bureau:**

The overseeing of the design and construction activities related to City streets, sidewalks, bridges, and properties.

**Management Information Systems**

City of Akron, Ohio  
Combining Balance Sheet -  
All Internal Service Funds

December 31, 1998

	Motor Equipment	Medical Self- Insurance	Workers' Compensation Reserve	Self- Insurance Settlement
<b>Assets</b>				
Cash and investments	\$ -	\$ 4,064,116	\$ 10,968,387	\$ 53,240
Restricted cash and investments	-	-	3,421,183	-
Receivables, net of allowances for uncollectibles	9,713	34,002	-	-
Due from other funds	348,528	-	-	-
Due from component unit	-	-	-	-
Inventories, at cost	860,714	-	-	-
Property, plant and equipment, net of accumulated depreciation	998,805	-	-	-
<b>Total assets</b>	<b>\$ 2,217,760</b>	<b>\$ 4,098,118</b>	<b>\$ 14,389,570</b>	<b>\$ 53,240</b>
<b>Liabilities</b>				
Accounts payable	\$ 305,301	\$ 15,207	\$ -	\$ 3,000
Due to other funds	331,048	-	-	-
Accrued interest payable	977	-	-	15,093
Accrued liabilities	75,824	-	2,936,467	-
Accrued wages	56,218	-	-	-
Accrued vacation and leave	471,918	-	-	-
Estimated liability for unpaid claims	-	5,452,587	6,593,339	477,288
General obligation bonds	246,001	-	-	3,345,000
<b>Total liabilities</b>	<b>1,487,287</b>	<b>5,467,794</b>	<b>9,529,806</b>	<b>3,840,381</b>
<b>Fund equity and other credits</b>				
Contributed capital	207,278	-	-	-
Retained earnings: Unreserved (deficit)	523,195	(1,369,676)	4,859,764	(3,787,141)
<b>Total fund equity (deficit) and other credits</b>	<b>730,473</b>	<b>(1,369,676)</b>	<b>4,859,764</b>	<b>(3,787,141)</b>
<b>Total liabilities, equity and other credits</b>	<b>\$ 2,217,760</b>	<b>\$ 4,098,118</b>	<b>\$ 14,389,570</b>	<b>\$ 53,240</b>

Storeroom	Telephone System	Graphics	Engineering Bureau	Management Information Systems	Total
\$ 312,877	\$ 276,123	\$ 127,724	\$ 220,537	\$ 2,512,120	\$ 18,535,124
-	-	-	-	-	3,421,183
-	-	-	-	-	43,715
-	85,556	51,429	339,712	-	825,225
-	622	225	-	-	847
105,519	-	-	-	-	966,233
-	182,897	115,283	605,000	2,069,594	3,971,579
<u>\$ 418,396</u>	<u>\$ 545,198</u>	<u>\$ 294,661</u>	<u>\$ 1,165,249</u>	<u>\$ 4,581,714</u>	<u>\$ 27,763,906</u>
\$ 58,390	\$ 81,022	\$ 7,727	\$ 15,314	\$ 671,181	\$ 1,157,142
503	213	233	64,663	27,318	423,978
-	-	-	771	36,632	53,473
3,657	2,333	6,114	137,983	27,989	3,190,367
3,186	-	5,582	127,285	25,705	217,976
23,987	-	102,522	1,041,562	261,661	1,901,650
-	-	-	-	-	12,523,214
-	-	-	155,701	10,285,000	14,031,702
89,723	83,568	122,178	1,543,279	11,335,486	33,499,502
-	11,855	462,498	507,475	-	1,189,106
328,673	449,775	(290,015)	(885,505)	(6,753,772)	(6,924,702)
328,673	461,630	172,483	(378,030)	(6,753,772)	(5,735,596)
<u>\$ 418,396</u>	<u>\$ 545,198</u>	<u>\$ 294,661</u>	<u>\$ 1,165,249</u>	<u>\$ 4,581,714</u>	<u>\$ 27,763,906</u>

## City of Akron, Ohio

Combining Statement of Revenues, Expenses,  
and Changes in Retained Earnings-  
All Internal Service Funds

Year Ended December 31, 1998

	Motor Equipment	Medical Self- Insurance	Workers' Compensation Reserve	Self- Insurance Settlement
<b>Operating revenues</b>				
Charges for services	\$ 5,568,916	\$ 16,146,814	\$ 3,135,136	\$ -
Other	30,674	2,577,558	39,163	-
	5,599,590	18,724,372	3,174,299	-
<b>Operating expenses</b>				
Personal services	2,333,921	-	-	-
Direct expenses	3,416,665	1,649,831	1,434,712	-
Claims	-	14,048,201	1,993,521	95,835
Rentals and leases	-	-	-	-
Utilities	86,611	-	-	-
Insurance	7,873	-	-	-
Depreciation	44,739	-	-	-
	5,889,809	15,698,032	3,428,233	95,835
Operating income (loss)	(290,219)	3,026,340	(253,934)	(95,835)
<b>Non-operating revenues (expenses)</b>				
Interest income	-	-	642,703	-
Interest expense	(3,635)	-	-	(189,228)
Loss on disposal of fixed assets	(3,421)	-	-	-
	(7,056)	-	642,703	(189,228)
Income (loss) before operating transfers	(297,275)	3,026,340	388,769	(285,063)
Operating transfers in	-	-	-	491,414
Operating transfers out	-	-	(500,000)	-
	-	-	(500,000)	491,414
Net income (loss)	(297,275)	3,026,340	(111,231)	206,351
Retained earnings (deficits), January 1, 1998	820,470	(4,396,016)	4,970,995	(3,993,492)
Retained earnings (deficits), December 31, 1998	\$ 523,195	\$ (1,369,676)	\$ 4,859,764	\$ (3,787,141)

Storeroom	Telephone System	Graphics	Engineering Bureau	Management Information Systems	Total
\$ 1,358,153	\$ 562,865	\$ 330,033	\$ 10,685,534	\$ 3,081,153	\$ 40,868,604
886	111,871	1,019	3,924	563	2,765,658
1,359,039	674,736	331,052	10,689,458	3,081,716	43,634,262
149,220	-	233,145	5,234,210	1,135,049	9,085,545
1,130,235	234,097	134,975	5,204,268	4,139,162	17,343,945
-	-	-	-	-	16,137,557
1,072	-	52,110	10,708	-	63,890
-	155,553	1,906	13,627	-	257,697
-	-	290	10,730	290	19,183
-	6,019	14,614	100,765	266,860	432,997
1,280,527	395,669	437,040	10,574,308	5,541,361	43,340,814
78,512	279,067	(105,988)	115,150	(2,459,645)	293,448
-	-	-	-	-	642,703
-	-	-	(9,771)	(237,791)	(440,425)
-	-	-	(15,945)	-	(19,366)
-	-	-	(25,716)	(237,791)	182,912
78,512	279,067	(105,988)	89,434	(2,697,436)	476,360
-	-	150,000	-	-	641,414
-	(154,830)	-	(211,192)	(49,959)	(915,981)
-	(154,830)	150,000	(211,192)	(49,959)	(274,567)
78,512	124,237	44,012	(121,758)	(2,747,395)	201,793
250,161	325,538	(334,027)	(763,747)	(4,006,377)	(7,126,495)
\$ 328,673	\$ 449,775	\$ (290,015)	\$ (885,505)	\$ (6,753,772)	\$ (6,924,702)

City of Akron, Ohio  
Combining Statement of Cash Flows -  
All Internal Service Funds

Year Ended December 31, 1998

	Motor Equipment	Medical Self - Insurance	Workers' Compensation Reserve	Self - Insurance Settlement
<b>Operating activities</b>				
Cash received from customers	\$ 5,416,660	\$ 16,128,940	\$ 3,135,136	\$ -
Cash payments to suppliers for goods and services	(3,499,534)	-	-	(113,449)
Cash paid for salaries and employee benefits	(2,368,217)	(17,324,662)	(2,073,770)	-
Other revenues	30,674	2,577,558	39,163	-
Net cash provided by (used for) operating activities	(420,417)	1,381,836	1,100,529	(113,449)
<b>Non-capital financing activities</b>				
Operating transfers from other funds	-	-	-	491,414
Principal paid on bonds and loans	-	-	-	(135,000)
Transfers out for negative cash balances	-	-	-	-
Transfers in for negative cash balances	322,332	-	-	-
Interest paid on bonds and loans	-	-	-	(189,965)
Operating transfers to other funds	-	-	(500,000)	-
Net cash provided by (used for) non-capital financing activities	322,332	-	(500,000)	166,449
<b>Capital and related financing activities</b>				
Proceeds sale of bonds	200,000	-	-	-
Principal paid on bonds and loans	(3,340)	-	-	-
Interest paid on bonds and loans	(2,900)	-	-	-
Acquisition and construction of capital assets	(142,231)	-	-	-
Net cash provided by (used for) capital and related financing activities	51,529	-	-	-
<b>Investing activities</b>				
Interest on investments	-	-	642,703	-
Net cash provided by investing activities	-	-	642,703	-
Net increase (decrease) in cash and cash equivalents	(46,556)	1,381,836	1,243,232	53,000
Cash and cash equivalents, January 1, 1998	46,556	2,682,280	13,146,338	240
Cash and cash equivalents, December 31, 1998	\$ -	\$ 4,064,116	\$ 14,389,570	\$ 53,240

Storeroom	Telephone System	Graphics	Engineering Bureau	Management Information Systems	Total
\$ 1,360,652	\$ 565,962	\$ 322,481	\$ 10,676,249	\$ 3,081,153	\$ 40,687,233
(1,153,321)	(325,671)	(194,776)	(5,261,839)	(3,639,112)	(14,187,702)
(146,808)	-	(234,988)	(5,269,210)	(1,208,447)	(28,626,102)
886	111,871	1,019	3,924	563	2,765,658
61,409	352,162	(106,264)	149,124	(1,765,843)	639,087
-	-	150,000	-	-	641,414
-	-	-	-	-	(135,000)
-	-	-	-	(794,228)	(794,228)
-	-	-	-	-	322,332
-	-	-	-	-	(189,965)
-	(154,830)	-	(211,192)	(49,959)	(915,981)
-	(154,830)	150,000	(211,192)	(844,187)	(1,071,428)
-	-	-	-	5,335,000	5,535,000
-	-	-	(11,303)	-	(14,643)
-	-	-	(9,818)	(212,850)	(225,568)
-	(41,189)	(38,015)	(32,729)	-	(254,164)
-	(41,189)	(38,015)	(53,850)	5,122,150	5,040,625
-	-	-	-	-	642,703
-	-	-	-	-	642,703
61,409	156,143	5,721	(115,918)	2,512,120	5,250,987
251,468	119,980	122,003	336,455	-	16,705,320
\$ 312,877	\$ 276,123	\$ 127,724	\$ 220,537	\$ 2,512,120	\$ 21,956,307

City of Akron, Ohio  
 Combining Statement of Cash Flows -  
 All Internal Service Funds

Year Ended December 31, 1998  
 (continued)

	<u>Motor Equipment</u>	<u>Medical Self - Insurance</u>	<u>Workers' Compensation</u>	<u>Self - Insurance Settlement</u>
Operating income (loss)	\$ (290,219)	\$ 3,026,340	\$ (253,934)	\$ (95,835)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation and non-cash expense	44,739	-	-	-
(Increase) decrease in operating assets:				
Receivables	(9,713)	(17,874)	-	-
Due from other funds	(142,543)	-	-	-
Inventories	51,454	-	-	-
Increase (decrease) in operating liabilities:				
Accounts payable	(47,851)	678	-	(6,549)
Due to other funds	8,012	-	-	-
Accrued liabilities	1,240	-	-	-
Accrued wages	(21,870)	-	-	-
Accrued vacation and leave	(13,666)	-	-	-
Estimated liability for unpaid claims	-	(1,627,308)	1,354,463	(11,065)
Net cash provided by (used for) operating activities	<u>\$ (420,417)</u>	<u>\$ 1,381,836</u>	<u>\$ 1,100,529</u>	<u>\$ (113,449)</u>
Non-cash capital and investing activities:				
Accounts payable for property, plant and equipment	21,231	-	-	-



Storeroom	Telephone System	Graphics	Engineering Bureau	Management Information Systems	Total
\$ 78,512	\$ 279,067	\$ (105,988)	\$ 115,150	\$ (2,459,645)	\$ 293,448
-	6,019	14,614	100,765	266,860	432,997
-	12,163	-	-	-	(15,424)
2,499	(9,066)	(7,552)	(9,285)	-	(165,947)
(32,338)	-	-	-	-	19,116
10,109	64,698	(5,582)	(23,178)	491,827	484,152
215	(719)	87	672	8,513	16,780
515	-	(189)	10,498	(345)	11,719
(1,381)	-	(3,163)	(53,131)	(12,371)	(91,916)
3,278	-	1,509	7,633	(60,682)	(61,928)
-	-	-	-	-	(283,910)
<b>\$ 61,409</b>	<b>\$ 352,162</b>	<b>\$ (106,264)</b>	<b>\$ 149,124</b>	<b>\$ (1,765,843)</b>	<b>\$ 639,087</b>
-	-	-	-	-	21,231

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## EXPENDABLE TRUST AND AGENCY FUNDS

Disbursements from Expendable Trust Funds are made in accordance with the applicable trust agreements. Agency Funds include assets held for other funds or governments, largely for payroll taxes and other *employee withholdings*.

The Expendable Trust Funds account primarily for donations to the City. They are:

- Claire Merrix Trust
- Holocaust Memorial Trust
- Miscellaneous Purpose Trust
- Knight Memorial Trust

Agency Funds account for assets held for other funds, governments, or others. Their titles are descriptive of their nature. They are:

Building Appeals	Fire Pension Employee Contribution
Contract Retainers	Septic Tank Cleaner Deposit
Loomis Award	Fire Insurance Claims Deposit
Lease Deposits, Oil and Gas Wells	Akron Development Corporation Escrow
Solid Waste Disposal	Furtherance of Justice
Municipal Court Unclaimed Monies	Public Utilities Commission
Employees Retirement	Restaurant
City Income Tax Withheld	Mud Run Drainage Basin
Medicare Insurance	Payroll
Sidewalk	Investment Earnings
Savings Bonds	C.D. Loan and Grant Escrow
Zoning	H.O.M.E. Escrow
P.E.R.S. Purchase Credit	Municipal Court
Police Officers' Safety	Deferred Compensation
Bid Deposit	Utility Billing
Police Pension Employee Contribution	JEDD Agency
	Building Inspection

## City of Akron, Ohio

Combining Balance Sheet -  
All Expendable Trust and Agency Funds

December 31, 1998

	Claire Merrix Trust	Holocaust Memorial Trust	Miscellaneous Purpose Trust	Knight Memorial Trust
<b>Assets</b>				
Cash and investments	\$ 810	\$ 347	\$ -	\$ 154,673
Due from others	-	-	-	-
<b>Total assets</b>	<b>\$ 810</b>	<b>\$ 347</b>	<b>\$ -</b>	<b>\$ 154,673</b>
<b>Liabilities</b>				
Accounts payable	\$ -	\$ -	\$ 378,472	\$ -
Customer deposits	-	-	1,830	-
Due to other governments	-	-	-	-
Due to other funds	-	-	428,708	-
Due to others	-	-	-	-
Accrued liabilities	-	-	-	-
Accrued wages	-	-	410	-
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>809,420</b>	<b>-</b>
<b>Fund equity and other credits</b>				
Fund balance:				
Reserved for encumbrances	-	-	73,131	-
Unreserved (deficit)	810	347	(882,551)	154,673
<b>Total fund equity (deficit)</b>	<b>810</b>	<b>347</b>	<b>(809,420)</b>	<b>154,673</b>
<b>Total liabilities, equity and other credits</b>	<b>\$ 810</b>	<b>\$ 347</b>	<b>\$ -</b>	<b>\$ 154,673</b>

Building Appeals	Contract Retainers	Loomis Award	Lease Deposits, Oil and Gas Wells	Solid Waste Disposal	Municipal Court Unclaimed Monies
\$ 2,323	\$ 1,132,960	\$ 813	\$ 6,000	\$ -	\$ 47,289
-	-	-	-	271,276	-
\$ 2,323	\$ 1,132,960	\$ 813	\$ 6,000	\$ 271,276	\$ 47,289
\$ -	\$ 74,203	\$ -	\$ -	\$ -	\$ -
-	-	-	6,000	-	-
-	-	-	-	271,276	-
2,323	-	813	-	-	47,289
-	1,058,757	-	-	-	-
-	-	-	-	-	-
2,323	1,132,960	813	6,000	271,276	47,289
-	-	-	-	-	-
-	-	-	-	-	-
\$ 2,323	\$ 1,132,960	\$ 813	\$ 6,000	\$ 271,276	\$ 47,289

## City of Akron, Ohio

Combining Balance Sheet -  
All Expendable Trust and Agency FundsDecember 31, 1998  
(continued)

	Employees Retirement	City Income Tax Withheld	Medicare Insurance	Sidewalk
<b>Assets</b>				
Cash and investments	\$ 208,664	\$ 157,579	\$ -	\$ 54,714
Due from others	-	-	43,077	-
<b>Total assets</b>	<b>\$ 208,664</b>	<b>\$ 157,579</b>	<b>\$ 43,077</b>	<b>\$ 54,714</b>
<b>Liabilities</b>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Customer deposits	-	-	-	54,714
Due to other governments	208,664	-	-	-
Due to other funds	-	157,579	43,077	-
Due to others	-	-	-	-
Accrued liabilities	-	-	-	-
Accrued wages	-	-	-	-
<b>Total liabilities</b>	<b>208,664</b>	<b>157,579</b>	<b>43,077</b>	<b>54,714</b>
<b>Fund equity and other credits</b>				
Fund balance:				
Reserved for encumbrances	-	-	-	-
Unreserved (deficit)	-	-	-	-
<b>Total fund equity (deficit)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total liabilities, equity and other credits</b>	<b>\$ 208,664</b>	<b>\$ 157,579</b>	<b>\$ 43,077</b>	<b>\$ 54,714</b>

Savings Bonds	Zoning	P.E.R.S. Purchase Credit	Police Officers' Safety	Bid Deposit	Police Pension Employee Contribution
\$ 2,181	\$ 84,866	\$ 12,502	\$ 456	\$ 119,962	\$ 112,318
-	-	-	-	-	-
\$ 2,181	\$ 84,866	\$ 12,502	\$ 456	\$ 119,962	\$ 112,318
\$ -	\$ 7,700	\$ -	\$ -	\$ -	\$ -
-	-	-	-	119,962	-
2,181	-	12,502	-	-	112,318
-	-	-	-	-	-
-	77,166	-	456	-	-
-	-	-	-	-	-
-	-	-	-	-	-
2,181	84,866	12,502	456	119,962	112,318
-	-	-	-	-	-
-	-	-	-	-	-
\$ 2,181	\$ 84,866	\$ 12,502	\$ 456	\$ 119,962	\$ 112,318

City of Akron, Ohio  
 Combining Balance Sheet -  
 All Expendable Trust and Agency Funds

December 31, 1998  
 (continued)

	Fire Pension Employee Contribution	Septic Tank Cleaner Deposit	Fire Insurance Claims Deposit	Akron Development Corporation Escrow
<b>Assets</b>				
Cash and investments	\$ 34,143	\$ 8,600	\$ 177,074	\$ -
Due from others	-	-	-	417,838
<b>Total assets</b>	<b>\$ 34,143</b>	<b>\$ 8,600</b>	<b>\$ 177,074</b>	<b>\$ 417,838</b>
<b>Liabilities</b>				
Accounts payable	\$ -	\$ -	\$ 43,169	\$ 9,753
Customer deposits	-	8,600	133,905	-
Due to other governments	34,143	-	-	-
Due to other funds	-	-	-	408,085
Due to others	-	-	-	-
Accrued liabilities	-	-	-	-
Accrued wages	-	-	-	-
<b>Total liabilities</b>	<b>34,143</b>	<b>8,600</b>	<b>177,074</b>	<b>417,838</b>
<b>Fund equity and other credits</b>				
Fund balance:				
Reserved for encumbrances	-	-	-	-
Unreserved (deficit)	-	-	-	-
<b>Total fund equity (deficit)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total liabilities, equity and other credits</b>	<b>\$ 34,143</b>	<b>\$ 8,600</b>	<b>\$ 177,074</b>	<b>\$ 417,838</b>



Furtherance of Justice	Public Utilities Commission	Restaurant	Mud Run Drainage Basin	Payroll
\$ - 15,000	\$ 168,532	\$ 60,332	\$ 56,410	\$ 231,204
\$ 15,000	\$ 168,532	\$ 60,332	\$ 56,410	\$ 231,204
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
15,000	-	-	-	-
-	168,532	60,332	56,410	231,204
-	-	-	-	-
-	-	-	-	-
15,000	168,532	60,332	56,410	231,204
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
\$ 15,000	\$ 168,532	\$ 60,332	\$ 56,410	\$ 231,204

City of Akron, Ohio  
 Combining Balance Sheet -  
 All Expendable Trust and Agency Funds

December 31, 1998  
 (continued)

	Investment Earnings	C.D. Loan and Grant Escrow	H.O.M.E. Escrow	Municipal Court
<b>Assets</b>				
Cash and investments	\$ 385,730	\$ 254,699	\$ 486,655	\$ 602,985
Due from others	-	-	-	-
<b>Total assets</b>	<b>\$ 385,730</b>	<b>\$ 254,699</b>	<b>\$ 486,655</b>	<b>\$ 602,985</b>
<b>Liabilities</b>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Customer deposits	-	-	-	-
Due to other governments	-	-	-	602,985
Due to other funds	385,730	-	-	-
Due to others	-	254,699	486,655	-
Accrued liabilities	-	-	-	-
Accrued wages	-	-	-	-
<b>Total liabilities</b>	<b>385,730</b>	<b>254,699</b>	<b>486,655</b>	<b>602,985</b>
<b>Fund equity and other credits</b>				
Fund balance:				
Reserved for encumbrances	-	-	-	-
Unreserved (deficit)	-	-	-	-
<b>Total fund equity (deficit)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total liabilities, equity and other credits</b>	<b>\$ 385,730</b>	<b>\$ 254,699</b>	<b>\$ 486,655</b>	<b>\$ 602,985</b>

Deferred Compensation	Utility Billing	JEDD Agency	Building Inspection	Total
\$ -	\$ -	\$ 730	\$ 1,600	\$ 4,567,151
-	139,421	-	-	886,612
<b>\$ -</b>	<b>\$ 139,421</b>	<b>\$ 730</b>	<b>\$ 1,600</b>	<b>\$ 5,453,763</b>
\$ -	\$ -	\$ -	\$ -	\$ 513,297
-	-	-	-	325,011
-	-	-	-	972,793
-	139,421	-	-	1,848,876
-	-	730	1,600	1,388,209
-	-	-	-	1,058,757
-	-	-	-	410
-	139,421	730	1,600	6,107,353
-	-	-	-	73,131
-	-	-	-	(726,721)
-	-	-	-	(653,590)
<b>\$ -</b>	<b>\$ 139,421</b>	<b>\$ 730</b>	<b>\$ 1,600</b>	<b>\$ 5,453,763</b>

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## City of Akron, Ohio

Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances -  
All Expendable Trust Funds

Year Ended December 31, 1998

	Claire Merrix Trust	Holocaust Memorial Trust	Miscellaneous Purpose Trust	Knight Memorial Trust	Total
<b>Revenues</b>					
Charges for services	\$ -	\$ -	\$ -	\$ 226,822	\$ 226,822
Miscellaneous	-	4,178	450,842	-	455,020
	-	4,178	450,842	226,822	681,842
<b>Expenditures</b>					
Current:					
General government	-	4,653	1,065,316	61,990	1,131,959
	-	4,653	1,065,316	61,990	1,131,959
Excess (deficiency) of revenues over expenditures	-	(475)	(614,474)	164,832	(450,117)
<b>Other financing sources (uses)</b>					
Operating transfers in	-	-	33,500	-	33,500
Operating transfers out	-	-	-	(147,964)	(147,964)
	-	-	33,500	(147,964)	(114,464)
Excess (deficiency) of revenues over expenditures and other uses	-	(475)	(580,974)	16,868	(564,581)
Fund balances, January 1, 1998	810	822	(228,446)	137,805	(89,009)
Fund balances (deficit), December 31, 1998	\$ 810	\$ 347	\$ (809,420)	\$ 154,673	\$ (653,590)

## City of Akron, Ohio

Combining Statement of Changes in Assets  
and Liabilities - All Agency Funds

Year Ended December 31, 1998

	Balance January 1, 1998	Additions	Deductions	Balance December 31, 1998
<b>Building Appeals</b>				
Assets				
Cash	\$ 2,021	\$ 302	\$ -	\$ 2,323
Liabilities				
Due to others	\$ 2,021	\$ 302	\$ -	\$ 2,323
<b>Contract Retainers</b>				
Assets				
Cash	\$ 1,276,280	\$ 1,221,545	\$ 1,364,865	\$ 1,132,960
Liabilities				
Accounts payable	\$ 206,932	\$ 74,203	\$ 206,932	\$ 74,203
Accrued liabilities	1,069,348	1,147,342	1,157,933	1,058,757
	\$ 1,276,280	\$ 1,221,545	\$ 1,364,865	\$ 1,132,960
<b>Loomis Award</b>				
Assets				
Cash	\$ 1,686	\$ 4,190	\$ 5,063	\$ 813
Liabilities				
Due to others	\$ 1,686	\$ 4,190	\$ 5,063	\$ 813

## City of Akron, Ohio

Combining Statement of Changes in Assets  
and Liabilities - All Agency FundsYear Ended December 31, 1998  
(continued)

	Balance January 1, 1998	Additions	Deductions	Balance December 31, 1998
<b>Lease Deposits, Oil and Gas Wells</b>				
<b>Assets</b>				
Cash	\$ 6,000	\$ -	\$ -	\$ 6,000
<b>Liabilities</b>				
Customer deposits	\$ 6,000	\$ -	\$ -	\$ 6,000
<b>Solid Waste Disposal</b>				
<b>Assets</b>				
Cash	\$ -	\$ 725,095	\$ 725,095	\$ -
Due from other funds	32,432	-	32,432	-
Due from others	288,043	-	16,767	271,276
	<u>\$ 320,475</u>	<u>\$ 725,095</u>	<u>\$ 774,294</u>	<u>\$ 271,276</u>
<b>Liabilities</b>				
Accounts payable	\$ 19,940	\$ -	\$ 19,940	\$ -
Due to other funds	300,535	725,095	754,354	271,276
	<u>\$ 320,475</u>	<u>\$ 725,095</u>	<u>\$ 774,294</u>	<u>\$ 271,276</u>
<b>Municipal Court Unclaimed Monies</b>				
<b>Assets</b>				
Cash	\$ 41,361	\$ 7,200	\$ 1,272	\$ 47,289
<b>Liabilities</b>				
Due to others	\$ 41,361	\$ 7,200	\$ 1,272	\$ 47,289

## City of Akron, Ohio

Combining Statement of Changes in Assets  
and Liabilities - All Agency Funds

Year Ended December 31, 1998

(continued)

	Balance January 1, 1998	Additions	Deductions	Balance December 31, 1998
<b>Employees Retirement</b>				
<b>Assets</b>				
Cash	\$ 509,395	\$ 5,602,768	\$ 5,903,499	\$ 208,664
<b>Liabilities</b>				
Due to other governments	\$ 509,395	\$ 5,602,768	\$ 5,903,499	\$ 208,664
 <b>City Income Tax Withheld</b>				
<b>Assets</b>				
Cash	\$ 368,498	\$ 2,160,945	\$ 2,371,864	\$ 157,579
<b>Liabilities</b>				
Due to other funds	\$ 368,498	\$ 2,160,945	\$ 2,371,864	\$ 157,579
 <b>Medicare Insurance</b>				
<b>Assets</b>				
Cash	\$ -	\$ 861,018	\$ 861,018	\$ -
Due from others	107,748	-	64,671	43,077
	\$ 107,748	\$ 861,018	\$ 925,689	\$ 43,077
<b>Liabilities</b>				
Due to other governments	\$ -	\$ 817,941	\$ 817,941	\$ -
Due to other funds	107,748	43,077	107,748	43,077
	\$ 107,748	\$ 861,018	\$ 925,689	\$ 43,077



## City of Akron, Ohio

Combining Statement of Changes in Assets  
and Liabilities - All Agency Funds

Year Ended December 31, 1998

(continued)

	Balance January 1, 1998	Additions	Deductions	Balance December 31, 1998
<b>Sidewalk</b>				
Assets				
Cash	\$ 50,050	\$ 16,820	\$ 12,156	\$ 54,714
Liabilities				
Customer deposits	\$ 50,050	\$ 16,820	\$ 12,156	\$ 54,714
<b>Savings Bonds</b>				
Assets				
Cash	\$ 12,661	\$ 167,535	\$ 178,015	\$ 2,181
Liabilities				
Due to other governments	\$ 12,661	\$ 167,535	\$ 178,015	\$ 2,181
<b>Zoning</b>				
Assets				
Cash	\$ 80,882	\$ 52,659	\$ 48,675	\$ 84,866
Liabilities				
Accounts payable	\$ -	\$ 7,700	\$ -	\$ 7,700
Due to others	80,882	44,959	48,675	77,166
	\$ 80,882	\$ 52,659	\$ 48,675	\$ 84,866
<b>P.E.R.S. Purchase Credit</b>				
Assets				
Cash	\$ 7,108	\$ 86,404	\$ 81,010	\$ 12,502
Liabilities				
Due to other governments	\$ 7,108	\$ 86,404	\$ 81,010	\$ 12,502

## City of Akron, Ohio

Combining Statement of Changes in Assets  
and Liabilities - All Agency FundsYear Ended December 31, 1998  
(continued)

	Balance January 1, 1998	Additions	Deductions	Balance December 31, 1998
<b>Police Officers' Safety</b>				
Assets				
Cash	\$ 456	\$ -	\$ -	\$ 456
Liabilities				
Due to others	\$ 456	\$ -	\$ -	\$ 456
 <b>Bid Deposit</b>				
Assets				
Cash	\$ 114,130	\$ 82,508	\$ 76,676	\$ 119,962
Liabilities				
Customer deposits	\$ 114,130	\$ 82,508	\$ 76,676	\$ 119,962
 <b>Police Pension Employee Contribution</b>				
Assets				
Cash	\$ 222,090	\$ 2,130,060	\$ 2,239,832	\$ 112,318
Liabilities				
Accounts payable	\$ 203,667	\$ -	\$ 203,667	\$ -
Due to other governments	18,423	2,130,060	2,036,165	112,318
	\$ 222,090	\$ 2,130,060	\$ 2,239,832	\$ 112,318

## City of Akron, Ohio

Combining Statement of Changes in Assets  
and Liabilities - All Agency FundsYear Ended December 31, 1998  
(continued)

	Balance January 1, 1998	Additions	Deductions	Balance December 31, 1998
<b>Fire Pension Employee Contribution</b>				
<b>Assets</b>				
Cash	\$ 92,762	\$ 1,820,953	\$ 1,879,572	\$ 34,143
Due from others	72,230	-	72,230	-
	<u>\$ 164,992</u>	<u>\$ 1,820,953</u>	<u>\$ 1,951,802</u>	<u>\$ 34,143</u>
<b>Liabilities</b>				
Accounts payable	\$ 164,992	-	\$ 164,992	-
Due to other governments	-	1,820,953	1,786,810	34,143
	<u>\$ 164,992</u>	<u>\$ 1,820,953</u>	<u>\$ 1,951,802</u>	<u>\$ 34,143</u>
<b>Septic Tank Cleaner Deposit</b>				
<b>Assets</b>				
Cash	\$ 8,600	-	-	\$ 8,600
<b>Liabilities</b>				
Customer deposits	\$ 8,600	-	-	\$ 8,600
<b>Fire Insurance Claims Deposit</b>				
<b>Assets</b>				
Cash	\$ 134,278	\$ 139,993	\$ 97,197	\$ 177,074
<b>Liabilities</b>				
Accounts payable	-	\$ 43,169	-	\$ 43,169
Customer deposits	134,278	96,824	97,197	133,905
	<u>\$ 134,278</u>	<u>\$ 139,993</u>	<u>\$ 97,197</u>	<u>\$ 177,074</u>

## City of Akron, Ohio

Combining Statement of Changes in Assets  
and Liabilities - All Agency FundsYear Ended December 31, 1998  
(continued)

	Balance January 1, 1998	Additions	Deductions	Balance December 31, 1998
<b>Akron Development Corporation Escrow</b>				
<b>Assets</b>				
Cash	\$ -	\$ 789,451	\$ 789,451	\$ -
Due from others	241,168	176,670	-	417,838
	<u>\$ 241,168</u>	<u>\$ 966,121</u>	<u>\$ 789,451</u>	<u>\$ 417,838</u>
<b>Liabilities</b>				
Accounts payable	\$ 24,684	\$ 9,753	\$ 24,684	\$ 9,753
Due to other funds	216,484	408,085	216,484	408,085
Due to others	-	548,283	548,283	-
	<u>\$ 241,168</u>	<u>\$ 966,121</u>	<u>\$ 789,451</u>	<u>\$ 417,838</u>
<b>Furtherance of Justice</b>				
<b>Assets</b>				
Cash	\$ -	\$ 15,000	\$ 15,000	\$ -
Due from others	-	15,000	-	15,000
	<u>\$ -</u>	<u>\$ 30,000</u>	<u>\$ 15,000</u>	<u>\$ 15,000</u>
<b>Liabilities</b>				
Due to other funds	\$ -	\$ 15,000	\$ -	\$ 15,000
<b>Public Utilities Commission</b>				
<b>Assets</b>				
Cash	\$ 169,530	\$ 50	\$ 1,048	\$ 168,532
<b>Liabilities</b>				
Due to others	\$ 169,530	\$ 50	\$ 1,048	\$ 168,532

## City of Akron, Ohio

Combining Statement of Changes in Assets  
and Liabilities - All Agency FundsYear Ended December 31, 1998  
(continued)

	Balance January 1, 1998	Additions	Deductions	Balance December 31, 1998
<b>Restaurant</b>				
<b>Assets</b>				
Cash	\$ 55,618	\$ 185,858	\$ 181,144	\$ 60,332
<b>Liabilities</b>				
Due to others	\$ 55,618	\$ 185,858	\$ 181,144	\$ 60,332
<b>Mud Run Drainage Basin</b>				
<b>Assets</b>				
Cash	\$ 56,410	\$ -	\$ -	\$ 56,410
<b>Liabilities</b>				
Due to others	\$ 56,410	\$ -	\$ -	\$ 56,410
<b>Payroll</b>				
<b>Assets</b>				
Cash	\$ -	\$ 114,308,505	\$ 114,077,301	\$ 231,204
Due from others	2,393,303	-	- 2,393,303	-
	\$ 2,393,303	\$ 114,308,505	\$ 116,470,604	\$ 231,204
<b>Liabilities</b>				
Due to other funds	\$ 2,393,303	\$ -	\$ 2,393,303	\$ -
Due to others	-	231,204	-	231,204
	\$ 2,393,303	\$ 231,204	\$ 2,393,303	\$ 231,204

## City of Akron, Ohio

Combining Statement of Changes in Assets  
and Liabilities - All Agency FundsYear Ended December 31, 1998  
(continued)

	Balance January 1, 1998	Additions	Deductions	Balance December 31, 1998
<b>Investment Earnings</b>				
<b>Assets</b>				
Cash	\$ 26,002	\$ 4,007,463	\$ 3,647,735	\$ 385,730
<b>Liabilities</b>				
Due to other funds	\$ 26,002	\$ 4,007,463	\$ 3,647,735	\$ 385,730
<b>C.D. Loan and Grant Escrow</b>				
<b>Assets</b>				
Cash	\$ 586,970	\$ 254,700	\$ 586,971	\$ 254,699
<b>Liabilities</b>				
Due to others	\$ 586,970	\$ 254,700	\$ 586,971	\$ 254,699
<b>H.O.M.E. Escrow</b>				
<b>Assets</b>				
Cash	\$ -	\$ 783,030	\$ 296,375	\$ 486,655
Due from others	126,975	-	126,975	-
	\$ 126,975	\$ 783,030	\$ 423,350	\$ 486,655
<b>Liabilities</b>				
Due to other funds	\$ 126,975	\$ -	\$ 126,975	\$ -
Due to others	-	783,030	296,375	486,655
	\$ 126,975	\$ 783,030	\$ 423,350	\$ 486,655

## City of Akron, Ohio

Combining Statement of Changes in Assets  
and Liabilities - All Agency FundsYear Ended December 31, 1998  
(continued)

	Balance January 1, 1998	Additions	Deductions	Balance December 31, 1998
<b>Municipal Court</b>				
Assets				
Cash	\$ 714,318	\$ -	\$ 111,333	\$ 602,985
Liabilities				
Due to other governments	\$ 714,318	\$ -	\$ 111,333	\$ 602,985
<b>Deferred Compensation</b>				
Assets				
Cash	\$ 47,180,277	\$ -	\$ 47,180,277	\$ -
Liabilities				
Due to others	\$ 47,180,277	\$ -	\$ 47,180,277	\$ -
<b>Utility Billing</b>				
Assets				
Due from others	\$ 265,568	\$ 139,421	\$ 265,658	\$ 139,331
Liabilities				
Due to other funds	\$ 265,568	\$ 139,421	\$ 265,658	\$ 139,331

## City of Akron, Ohio

Combining Statement of Changes in Assets  
and Liabilities - All Agency FundsYear Ended December 31, 1998  
(continued)

	Balance January 1, 1998	Additions	Deductions	Balance December 31, 1998
<b>JEDD Agency</b>				
<b>Assets</b>				
Cash	\$ -	\$ 1,049	\$ 319	\$ 730
Due from others	319	-	319	-
	<u>\$ 319</u>	<u>\$ 1,049</u>	<u>\$ 638</u>	<u>\$ 730</u>
<b>Liabilities</b>				
Due to other funds	\$ 319	\$ -	\$ 319	\$ -
Due to others	-	1,049	319	730
	<u>\$ 319</u>	<u>\$ 1,049</u>	<u>\$ 638</u>	<u>\$ 730</u>
<b>Building Inspection</b>				
<b>Assets</b>				
Cash	\$ -	\$ 1,600	\$ -	\$ 1,600
<b>Liabilities</b>				
Due to others	\$ -	\$ 1,600	\$ -	\$ 1,600



## City of Akron, Ohio

Combining Statement of Changes in Assets  
and Liabilities - All Agency FundsYear Ended December 31, 1998  
(continued)

	Balance January 1, 1998	Additions	Deductions	Balance December 31, 1998
<b>Total All Agency Funds</b>				
<b>Assets</b>				
Cash	\$ 51,717,333	\$ 135,411,701	\$ 182,717,713	\$ 4,411,321
Due from other funds	32,432	-	32,432	-
Due from others	3,510,444	316,091	2,939,923	886,612
	<u>\$ 55,260,209</u>	<u>\$ 135,727,792</u>	<u>\$ 185,690,068</u>	<u>\$ 5,297,933</u>
<b>Liabilities</b>				
Accounts payable	\$ 620,215	\$ 134,825	\$ 620,215	\$ 134,825
Customer deposits	313,058	196,152	186,029	323,181
Due to other governments	1,261,905	10,625,661	10,914,773	972,793
Due to other funds	3,820,522	7,484,086	9,884,440	1,420,168
Due to others	48,175,161	2,062,425	48,849,377	1,388,209
Accrued liabilities	1,069,348	1,147,342	1,157,933	1,058,757
	<u>\$ 55,260,209</u>	<u>\$ 21,650,491</u>	<u>\$ 71,612,767</u>	<u>\$ 5,297,933</u>

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**GENERAL FIXED ASSETS ACCOUNT GROUP**

This group of accounts is established to account for all fixed assets of the City, other than those accounted for in the Proprietary Funds.

City of Akron, Ohio  
 Schedule of General Fixed Assets by Source  
 December 31, 1998

	1998	1997
<b>General Fixed Assets</b>		
Land	\$ 119,066,349	\$ 119,858,350
Buildings	144,140,696	139,797,448
Building improvements	52,581,650	32,082,339
Equipment	60,737,221	58,218,458
Infrastructure	7,534,786	-
Construction in progress	39,950,946	32,921,612
<b>Total General Fixed Assets</b>	<b>\$ 424,011,648</b>	<b>\$ 382,878,207</b>
 <b>Investment in General Fixed Assets</b>		
As of January 1, 1998	\$ 382,878,207	\$ 382,878,207
Activity in 1998		
General Fund revenues	(1,896,903)	
Special Revenue Fund revenues	6,885,482	
Other revenues	36,144,862	
As of December 31, 1998	<b>\$ 424,011,648</b>	

City of Akron, Ohio  
 Schedule of Changes in General Fixed Assets  
 by Function and Activity

Year Ended December 31, 1998

Function and Activity	General Fixed Assets January 1, 1998	Additions	Deletions	General Fixed Assets December 31, 1998
<b>General Government:</b>				
Law	\$ 222,123	\$ 32,729	\$ -	\$ 254,852
Mayor's Office/City Council	3,856,867	-	-	3,856,867
Municipal Court	468,162	32,729	-	500,891
Finance	84,678,644	28,987,009	9,803,281	103,862,372
	<u>89,225,796</u>	<u>29,052,467</u>	<u>9,803,281</u>	<u>108,474,982</u>
<b>Public Safety:</b>				
Police	3,260,970	673,663	392,218	3,542,415
Fire/EMS	9,963,478	551,320	162,602	10,352,196
Police/Fire Combined Dispatch	1,347,845	2,381,349	42,616	3,686,578
Communications	691,782	-	-	691,782
Traffic Engineering	331,803	30,610	51,710	310,703
Building Inspection	93,777	-	-	93,777
Weights and Measures	73,554	-	-	73,554
Other and Administrative	27,178	-	-	27,178
	<u>15,790,387</u>	<u>3,636,942</u>	<u>649,146</u>	<u>18,778,183</u>
<b>Public Service:</b>				
Customer Service	188,209	-	33,243	154,966
Recreation	1,761,701	91,331	110,312	1,742,720
Public Works	11,440,560	1,179,042	1,244,157	11,375,445
Administration	216,338	-	-	216,338
Building Maintenance	89,792	27,994	28,984	88,802
Motor Equipment	42,290	-	-	42,290
Resource Bureau	676,772	-	-	676,772
Plans Center	45,269	-	-	45,269
	<u>14,460,931</u>	<u>1,298,367</u>	<u>1,416,696</u>	<u>14,342,602</u>
<b>Public Health:</b>				
Health Administration	1,613,092	-	16,382	1,596,710
Environmental Services	321,506	76,667	32,438	365,735
Housing	20,559	-	13,302	7,257
Medical and Nursing	132,789	6,169	-	138,958
Health Data Management	17,977	-	-	17,977
Lead Poisoning Prevention	2,618	-	-	2,618
Alcoholism Counseling	4,724	-	-	4,724
	<u>2,113,265</u>	<u>82,836</u>	<u>62,122</u>	<u>2,133,979</u>
<b>Community Environment:</b>				
Administration	73,130,096	36,380,860	17,386,786	92,124,170
Assets acquired prior to January 1, 1984	188,157,732	-	-	188,157,732
<b>Total General Fixed Assets</b>	<u>\$ 382,878,207</u>	<u>\$ 70,451,472</u>	<u>\$ 29,318,031</u>	<u>\$ 424,011,648</u>

## City of Akron, Ohio

Schedule of General Fixed Assets  
by Function and Activity

December 31, 1998

	Land	Buildings	Building Improvements	Equipment	Infrastructure	Construction in Progress	Total
General Fixed Assets, January 1, 1998	\$ 119,858,350	\$ 139,797,448	\$ 32,082,339	\$ 58,218,458	\$ -	\$ 32,921,612	\$ 382,878,207
Net changes in General Fixed Assets:							
General Government:							
Law	-	-	-	32,729	-	-	32,729
Muni Court Clerk / Judges	-	-	-	32,729	-	-	32,729
Finance	3,781,798	-	9,864,882	5,223	7,209,484	(1,677,660)	19,183,727
	3,781,798	-	9,864,882	70,681	7,209,484	(1,677,660)	19,249,185
Public Safety:							
Police	-	-	-	281,445	-	-	281,445
Fire/E.M.S	-	-	-	388,718	-	-	388,718
Police/Fire Combined Dispatch	-	-	-	1,797,794	-	540,939	2,338,733
Traffic Engineering	-	-	-	(21,100)	-	-	(21,100)
	-	-	-	2,446,857	-	540,939	2,987,796
Public Service:							
Customer Service	-	-	-	(33,243)	-	-	(33,243)
Recreation	-	-	-	(18,981)	-	-	(18,981)
Public Works	-	-	-	(65,115)	-	-	(65,115)
Building Maintenance	-	-	-	(990)	-	-	(990)
	-	-	-	(118,329)	-	-	(118,329)
Public Health:							
Health Administration	-	-	-	20,713	-	-	20,713
Community Environment:							
Administration	(4,573,799)	4,343,248	10,634,429	98,841	325,302	8,166,055	18,994,076
General Fixed Assets, December 31, 1998	\$ 119,066,349	\$ 144,140,696	\$ 52,581,650	\$ 60,737,221	\$ 7,534,786	\$ 39,950,946	\$ 424,011,648

# Statistical Section

**TABLE 1**  
**CITY OF AKRON, OHIO**  
**GENERAL GOVERNMENTAL EXPENDITURES**  
**BY FUNCTION (1)**  
**LAST TEN FISCAL YEARS**  
(In Thousands)

Fiscal Year	General Government	Public Service	Public Safety	Community Environment	Public Health	Recreation & Parks	Capital Outlay	Debt Service	Total
1989	\$20,460	\$15,963	\$50,691	\$16,320	\$6,289	\$5,270	\$15,611	\$21,056	\$151,660
1990	22,543	19,426	54,182	18,546	6,892	4,917	18,219	15,400	160,125
1991	21,031	16,812	55,979	21,482	7,253	5,206	25,420	22,250	175,433
1992	24,700	20,045	63,729	22,946	7,555	5,034	21,522	20,604	186,135
1993	25,742	18,162	69,931	32,646	8,097	4,906	33,724	17,416	210,624
1994	31,883	20,279	76,192	32,087	10,061	5,282	32,741	19,756	228,281
1995	28,181	18,430	80,285	22,615	12,596	5,839	39,363	20,552	227,861
1996	24,083	20,962	82,980	19,141	10,499	7,014	61,691	22,329	248,699
1997	20,937	32,971	86,614	14,919	11,823	3,620	49,764	22,372	243,020
1998	23,757	28,844	89,467	18,007	12,589	3,580	74,294	25,717	276,255

(1) Includes General, Special Revenue, Debt Service and Capital Project Funds

Source: City of Akron, Ohio Finance Department



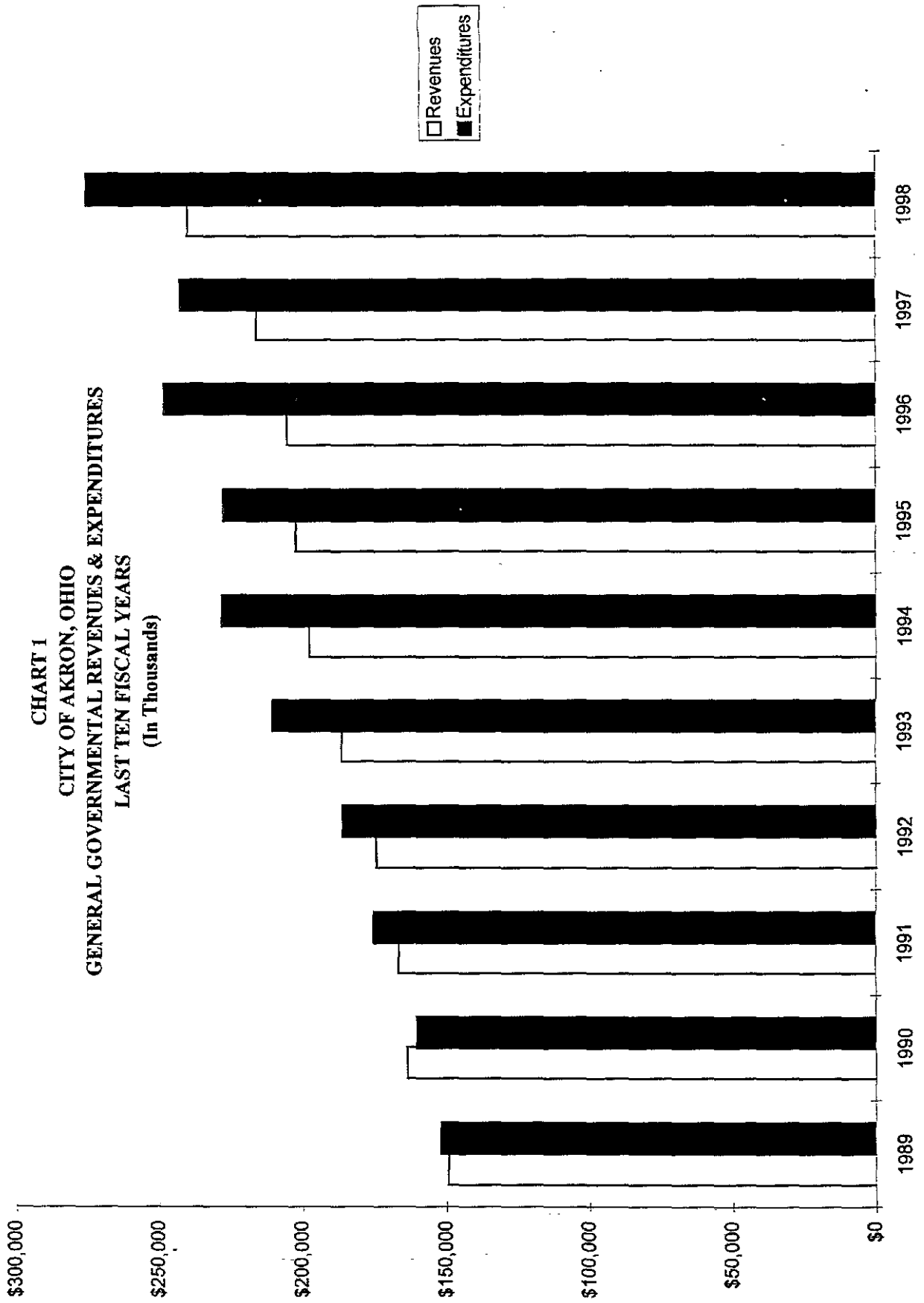
**TABLE 2**  
**CITY OF AKRON, OHIO**  
**GENERAL GOVERNMENTAL REVENUES BY SOURCE (1)**  
**LAST TEN FISCAL YEARS**  
(In Thousands)

Fiscal Year	Income Taxes	Property Taxes	Grants & Subsidies	Investment Earnings	Shared Revenues	Licenses, Fees & Fines	Special Assessments & Charges For Services	Misc.	Total
1989	\$67,899	\$15,359	\$15,061	\$5,175	\$15,647	\$6,907	\$16,992	\$6,022	\$149,062
1990	69,069	17,097	18,974	6,231	17,258	7,237	19,603	7,914	163,383
1991	70,902	17,882	17,873	4,870	19,885	6,770	23,225	5,165	166,572
1992	73,560	20,945	22,056	4,134	17,260	8,160	21,497	6,718	174,330
1993	76,672	19,818	19,974	2,821	29,589	7,041	21,169	9,331	186,415
1994	79,028	20,716	20,897	4,290	31,357	10,103	27,845	3,518	197,754
1995	85,227	22,491	25,769	5,000	25,699	8,725	26,105	3,406	202,422
1996	94,507	22,530	19,394	3,247	26,552	7,818	26,710	4,931	205,689
1997	92,189	25,109	21,838	3,721	24,224	8,837	33,612	6,737	216,267
1998	89,495	27,236	22,728	5,658	30,693	8,406	32,504	23,808	240,528

(1) Includes General, Special Revenue, Debt Service and Capital Project Funds

Source: City of Akron, Ohio Finance Department

**CHART 1**  
**CITY OF AKRON, OHIO**  
**GENERAL GOVERNMENTAL REVENUES & EXPENDITURES**  
**LAST TEN FISCAL YEARS**  
(In Thousands)



Includes General, Special Revenue, Debt Service and Capital Project Funds

**TABLE 3**  
**CITY OF AKRON, OHIO**  
**AD VALOREM PROPERTY TAX LEVIES AND COLLECTIONS**  
**LAST TEN FISCAL YEARS**

Tax Collection Year	Amount of		Percent of		Amount of		Percent of Delinquent Taxes to Tax Levy
	Total Tax Levy	Total Tax Collection	Total Tax Collection to Tax Levy	Total Tax Collection to Tax Levy	Outstanding Delinquent Taxes	Outstanding Delinquent Taxes to Tax Levy	
1989	\$12,270,494	\$11,964,282	97.5	97.5	\$1,263,987	10.3	
1990	12,852,104	12,683,566	98.7	98.7	1,549,980	12.1	
1991	15,157,699	14,860,761	98.0	98.0	2,300,318	15.2	
1992	15,151,856	15,051,548	99.3	99.3	1,972,754	13.0	
1993	15,086,915	15,070,886	99.9	99.9	1,788,170	11.9	
1994	16,554,078	16,391,654	99.0	99.0	1,665,869	10.1	
1995	16,799,605	16,441,285	97.9	97.9	1,704,235	10.1	
1996	17,367,148	17,262,372	99.4	99.4	1,497,785	8.6	
1997	20,449,613	20,257,358	99.1	99.1	1,838,513	9.0	
1998	20,499,377	20,396,338	99.5	99.5	2,054,099	10.0	

Source: City of Akron, Ohio Finance Department

**TABLE 4**  
**CITY OF AKRON, OHIO**  
**INCOME TAX COLLECTIONS**  
**LAST TEN FISCAL YEARS**

Fiscal Year	Taxes Collected	Tax Rate
1989	\$67,722,222	2.0%
1990	68,932,496	2.0%
1991	70,714,949	2.0%
1992	72,181,892	2.0%
1993	76,232,611	2.0%
1994	78,467,138	2.0%
1995	80,509,971	2.0%
1996	84,048,750	2.0%
1997	85,270,894	2.0%
1998	88,324,829	2.0%

Source: City of Akron, Ohio Finance Department

**TABLE 5**  
**CITY OF AKRON, OHIO**  
**ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY**  
**LAST TEN FISCAL YEARS**  
(In Thousands)

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	
1990	\$1,329,959	\$3,799,883	\$397,543	\$1,419,796	\$166,025	\$166,025	\$1,893,527	\$5,385,704	35.16
1991	1,609,944	4,599,840	405,918	1,503,400	178,653	178,653	2,194,515	6,281,893	34.93
1992	1,610,310	4,600,886	413,975	1,592,212	183,299	183,299	2,207,584	6,376,397	34.62
1993	1,589,326	4,540,931	392,568	1,570,272	183,061	183,061	2,164,955	6,294,264	34.40
1994	1,742,811	4,979,460	385,271	1,541,084	185,529	185,529	2,313,611	6,706,073	34.50
1995	1,769,160	5,054,743	390,600	1,562,400	188,894	188,894	2,348,654	6,806,037	34.51
1996	1,769,745	5,056,414	389,230	1,556,922	174,080	197,818	2,333,055	6,811,154	34.25
1997	2,102,773	6,007,925	395,098	1,580,392	167,796	190,677	2,665,667	7,778,994	34.27
1998	2,110,844	6,030,983	386,865	1,547,460	166,939	189,702	2,664,648	7,768,145	34.30
1999	2,124,127	6,068,934	396,770	1,587,083	167,948	190,849	2,688,845	7,846,866	34.27

Source: Summit County Auditor

**TABLE 6**  
**CITY OF AKRON, OHIO**  
**PROPERTY TAX RATES**  
**DIRECT AND OVERLAPPING GOVERNMENTS**  
**LAST TEN FISCAL YEARS**  
(Per \$1,000 of Assessed Valuations)

Tax Collection Year	Operating		Police		Fire		Debt Retirement		Total City		Akron City		Summit County		Akron Metro Parks		Metro Regional Transit Authority		Total
	Operating	Pension	Police Pension	Fire Pension	Debt Retirement	Total City Rate	Akron City School District	Summit County	Akron Metro Parks	Metro Regional Transit Authority	Total								
1990	7.75	0.30	0.30	0.30	0.25	8.60	45.94	12.73	0.50	1.90	69.67								
1991	7.75	0.30	0.30	0.30	0.25	8.60	45.96	12.73	0.75	1.90	69.94								
1992	7.75	0.30	0.30	0.30	0.25	8.60	45.96	12.73	0.75	(1)	68.04								
1993	7.75	0.30	0.30	0.30	0.25	8.60	45.96	12.73	0.75	(1)	68.04								
1994	7.75	0.30	0.30	0.30	0.25	8.60	45.96	12.45	0.75	(1)	67.76								
1995	7.75	0.30	0.30	0.30	0.25	8.60	54.86	14.20	0.85	(1)	78.51								
1996	8.15	0.30	0.30	0.30	0.25	9.00	54.86	14.03	0.85	(1)	78.74								
1997	8.15	0.30	0.30	0.30	0.25	9.00	54.86	11.43	0.85	(1)	76.14								
1998	8.15	0.30	0.30	0.30	0.29	9.04	54.86	12.67	0.85	(1)	77.42								
1999	8.15	0.30	0.30	0.30	0.30	9.05	54.86	13.21	0.85	(1)	77.97								

(1) The Metro Regional Transit Authority receives 0.25% of the general sales tax. Prior to 1991, the Metro Regional Transit Authority received a portion of property taxes.

Source: Summit County Auditor

**TABLE 7**  
**CITY OF AKRON, OHIO**  
**SPECIAL ASSESSMENT COLLECTIONS**  
**LAST TEN FISCAL YEARS**

Fiscal Year	Certified for Collection	Amount Collected	Percent Collected	Accumulated Delinquent
1989	\$8,075,867	\$7,826,175	96.9	\$2,261,227
1990	8,089,839	8,061,774	99.7	2,337,494
1991	8,387,727	8,216,107	98.0	2,716,692
1992	8,734,110	8,585,992	98.3	2,959,112
1993	8,916,243	8,805,092	98.8	2,726,432
1994	9,161,805	9,276,910	101.3	2,673,441
1995	10,266,611	10,071,528	98.1	2,956,502
1996	10,360,551	10,126,330	97.7	3,295,272
1997	11,176,255	10,824,913	96.9	3,675,389
1998	11,011,677	10,846,347	98.5	3,909,322

Source: Summit County Auditor

**TABLE 8**  
**CITY OF AKRON, OHIO**  
**RATIO OF NET GENERAL BONDED DEBT**  
**TO ASSESSED VALUE AND NET BONDED DEBT PER CAPITA**  
**LAST TEN FISCAL YEARS**

Fiscal Year	Population (1)	Assessed Value (000's)	Gross Bonded Debt (2)	Debt Service Monies Available	Debt Payable From Enterprise Funds (3)	Net Bonded Debt	Percent of Net	
							Bonded Debt to Assessed Value	Net Bonded Debt Per Capita
1989	\$237,177	\$1,893,527	\$101,685,000	\$2,593,729	\$21,860,000	\$77,231,271	4.08	\$326
1990	223,019	2,194,515	93,818,975	3,350,812	21,040,000	69,428,163	3.16	311
1991	223,019	2,207,584	94,973,980	3,130,747	22,045,000	69,798,233	3.16	313
1992	223,019	2,164,955	107,921,505	2,773,199	19,240,000	85,908,306	3.97	385
1993	223,019	2,213,611	115,234,030	2,704,635	17,835,000	94,694,395	4.09	425
1994	223,019	2,348,654	130,871,555	2,249,058	17,288,000	111,334,497	4.74	499
1995	223,019	2,333,055	135,339,080	2,414,094	16,160,000	116,764,986	5.00	524
1996	223,019	2,665,667	143,239,000	2,393,577	14,655,000	126,190,423	4.73	566
1997	223,019	2,664,648	157,999,624	2,548,662	13,665,000	141,785,962	5.32	636
1998	223,019	2,688,845	160,286,248	2,718,371	4,910,000	152,657,877	5.68	685

(1) Source: U.S. Bureau of the Census

(2) Includes all bonded general obligation debt

(3) Includes bonded debt payable from Water, Sewer, and Off-Street Parking revenues

Source: City of Akron, Ohio Finance Department



**TABLE 9**  
**CITY OF AKRON, OHIO**  
**COMPUTATION OF LEGAL DEBT MARGIN**  
**UNVOTED DEBT LIMIT (5 1/2%)**  
**AS OF DECEMBER 31, 1997 AND 1998**

	<u>1997</u>	<u>1998</u>
Total assessed property value	\$2,664,648,000	\$2,688,845
Total unvoted bonds outstanding	\$149,799,624	\$153,486,248
Total unvoted notes outstanding	<u>7,602,979</u>	<u>6,477,728</u>
Total unvoted debt	\$157,402,603	\$159,963,976
Less exemptions:		
Funds available for debt service requirements	1,694,913	1,728,373
Water Bonds	2,250,000	2,000,000
Sewer Bonds	8,250,000	400,000
Final Judgment Bonds	3,565,000	3,345,000
Off-Street Parking Bonds	3,165,000	2,510,000
Public Improvement Bonds	4,043,624	3,923,248
Special Assessment Bonds	12,026,000	12,498,000
Special Assessment Notes	7,602,979	6,477,728
Inventors' Hall of Fame Bonds	3,780,000	3,430,000
G.O. Bonds Pledged with Income Tax	<u>30,080,000</u>	<u>39,515,000</u>
Total exemptions	<u>76,457,516</u>	<u>75,827,349</u>
Net debt subject to 5 1/2% limit	<u>\$80,945,087</u>	<u>\$84,136,627</u>
Total debt limit - 5 1/2% of assessed value	\$146,555,640	147,886,475
Less net debt subject to 5 1/2% limitation	<u>80,945,087</u>	<u>84,136,627</u>
Total legal unvoted debt margin	<u>\$65,610,553</u>	<u>\$63,749,848</u>

Source: City of Akron, Ohio  
Finance Department

**TABLE 10**  
**CITY OF AKRON, OHIO**  
**COMPUTATION OF LEGAL DEBT MARGIN**  
**TOTAL DEBT LIMIT (10 1/2%)**  
**AS OF DECEMBER 31, 1997 AND 1998**

	1997	1998
Total assessed property value	\$2,664,648,000	\$2,688,845
Total bonds outstanding	\$250,979,624	\$280,426,248
Total notes outstanding	11,447,979	10,312,728
Total OWDA loans outstanding	48,469,498	45,695,988
Total OPWC loans outstanding	4,480,554	6,055,131
Total Certificates of Participation	28,879,435	28,879,435
Total ODOD loans outstanding	745,245	702,378
Total Non-Tax Revenue Bonds	35,000,000	35,000,000
<b>Total debt</b>	<b>\$380,002,335</b>	<b>\$407,071,908</b>
Less exemptions:		
Funds available for debt		
service retirement	1,694,913	1,728,373
Water Bonds	2,250,000	2,000,000
Sewer Bonds	8,250,000	400,000
Final Judgment Bonds	3,565,000	3,345,000
Inventors' Hall of Fame Bonds	3,780,000	3,430,000
Off-Street Parking Bonds	3,165,000	2,510,000
Public Improvement Bonds	4,043,624	3,923,248
Special Assessment Bonds	12,026,000	12,498,000
Special Assessment Notes	7,602,979	6,477,728
Water Mortgage Revenue Bonds	56,015,000	65,655,000
Sewer Variable Rate Revenue Bonds	36,965,000	53,985,000
Special Assessment Improvement		
Notes (One Year)	3,845,000	3,835,000
Water OWDA Loans	1,952,740	1,813,177
Sewer OWDA Loans	46,516,758	44,382,811
Water OPWC Loan	1,045,772	1,045,772
Sewer OPWC Loan	2,407,991	2,355,336
RES OPWC Loan	266,791	232,114
Certificates of Participation	28,879,435	28,879,435
Non-Tax Revenue Bonds	35,000,000	35,000,000
Capital Projects OPWC Loan	760,000	2,421,909
Industrial Incubator - ODOD	745,245	702,378
G.O. Bonds Pledged with Income Tax	30,080,000	39,515,000
<b>Total exemptions</b>	<b>\$290,857,248</b>	<b>\$316,135,281</b>
<b>Net debt subject to</b>		
10 1/2% limit	\$89,145,087	\$90,936,627
<b>Total debt limit -</b>		
10 1/2% of assessed value	<b>\$279,788,040</b>	<b>\$282,328,746</b>
<b>Less net debt subject</b>		
to 10 1/2% limitation	89,145,087	90,936,627
<b>Total legal debt margin</b>	<b>\$190,642,953</b>	<b>\$191,392,119</b>

Source: City of Akron, Ohio  
Finance Department

**TABLE 11**  
**CITY OF AKRON, OHIO**  
**COMPUTATION OF DIRECT AND OVERLAPPING DEBT**  
**DECEMBER 31, 1998**

Political Subdivision	Amount of Debt	Percent Applicable to City	City's Share
City of Akron	\$166,763,976 *	100.00	\$166,763,976
Summit County	136,403,999	29.21	39,843,608
Copley-Fairlawn City School District	10,405,009	5.49	571,235
Revere Local School District	19,947,011	2.61	520,617
Akron Metro Regional Transit Authority	2,435,002	29.21	711,264
Woodridge Local School District	18,132,196	32.37	5,869,392
Akron City School District	1,800,000	99.72	1,794,960
	<u>\$355,887,193</u>		<u>\$216,075,052</u>

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

General Obligation Bonds	\$160,286,248
General Obligation Notes	<u>6,477,728</u>
	<u>\$166,763,976</u>

Source: City of Akron, Ohio Finance Department

**TABLE 12**  
**CITY OF AKRON, OHIO**  
**RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR**  
**GENERAL BONDED DEBT TO TOTAL GENERAL GOVERNMENTAL EXPENDITURES**  
**LAST TEN FISCAL YEARS**

Fiscal Year	Principal	Interest	Total Debt Service (1)	Total General Expenditures (2)	Percent of Debt Service to Total General Expenditures
1989	\$14,490,339	\$6,565,524	\$21,055,863	\$151,659,821	13.88
1990	9,107,937	6,292,328	15,400,265	160,125,912	9.62
1991	15,669,302	6,580,385	22,249,687	175,433,245	12.68
1992	14,074,447	6,529,443	20,603,890	186,133,393	11.07
1993	10,860,116	6,555,536	17,415,652	210,622,689	8.27
1994	12,141,614	7,613,480	19,755,094	228,279,235	8.65
1995	12,972,245	7,579,543	20,551,788	227,860,939	9.02
1996	14,366,769	7,962,202	22,328,971	249,353,650	8.95
1997	14,253,463	8,118,199	22,371,662	243,020,360	9.21
1998	15,483,845	10,232,741	25,716,586	276,254,720	9.31

(1) Includes all debt service other than Proprietary Funds

(2) Includes General, Special Revenue, Debt Service and Capital Project Funds

Source: City of Akron, Ohio Finance Department

**TABLE 13**  
**CITY OF AKRON, OHIO**  
**WATER ENTERPRISE REVENUE BOND COVERAGE**  
**LAST TEN FISCAL YEARS**

Fiscal Year	Gross Revenue	Direct Operating Expenses (1)	Net Revenue Available for Debt Service	Debt Service Requirements		Total	GAAP Basis	
				Mtg. Principal	Mtg. Interest		Revenue Bond Coverage	Bond (2) Coverage Per Indenture
1989	\$24,273,247	\$18,959,770	\$5,313,477	\$335,000	\$872,671	\$1,207,671	4.40	6.09
1990	25,208,231	19,058,745	6,149,486	355,000	852,390	1,207,390	5.09	6.46
1991	25,440,062	20,827,531	4,612,531	375,000	830,021	1,205,021	3.83	2.58
1992	25,695,191	22,931,790	2,763,401	400,000	805,303	1,205,303	2.29	2.27
1993	30,706,517	25,390,551	5,315,966	425,000	778,065	1,203,065	4.42	2.87
1994	27,965,195	23,175,691	4,789,504	805,000	2,519,966	3,324,966	1.44	1.67
1995	29,072,979	25,771,036	3,301,943	1,760,000	3,643,963	5,403,963	0.61	1.80
1996	33,465,609	28,501,848	4,963,761	1,845,000	3,552,475	5,397,475	0.92	1.88
1997	35,341,049	26,531,539	8,809,510	2,035,000	3,215,798	5,250,798	1.68	2.35
1998	33,297,429	27,168,776	6,128,653	2,125,000	3,107,428	5,232,428	1.17	1.94

(1) Direct operating expenses do not include depreciation

(2) The Revenue Bond Coverage used in complying with Section 8.02(a) of the Trust Indenture is calculated quarterly on a cash basis and is presented at year end for informational purposes only.

Source: City of Akron, Ohio Finance Department and Public Utilities Bureau

**TABLE 14**  
**CITY OF AKRON, OHIO**  
**SEWER ENTERPRISE REVENUE BOND COVERAGE**  
**LAST TEN FISCAL YEARS**

Fiscal Year	Gross Revenue	Direct Operating Expenses (1)	Net Revenue Available for Debt Service	Debt Service Requirements		GAAP Basis		Bond (2) Coverage Per Indenture
				Mfg./Rev Principal	Mfg./Rev Interest	Revenue Bond Coverage	Bond Coverage	
1989	\$22,969,570	\$14,990,009	\$7,979,561	\$390,000	\$188,360	\$578,360	13.80	12.71
1990	26,607,169	16,161,854	10,445,315	410,000	169,250	579,250	18.03	16.45
1991	25,426,380	17,028,760	8,397,620	430,000	148,750	578,750	14.51	15.26
1992	26,625,369	19,621,499	7,003,870	455,000	127,250	582,250	12.03	13.71
1993	29,245,937	23,607,383	5,638,554	480,000	104,500	584,500	9.65	16.24
1994	29,547,338	27,521,348	2,025,990	-	213,695	213,695	9.48	24.36
1995	27,763,489	26,358,312	1,405,177	-	899,802	899,802	1.56	13.70
1996	35,090,761	24,861,166	10,229,595	-	1,102,797	1,102,797	9.28	7.55
1997	36,342,889	21,750,388	14,592,501	1,145,000	1,989,506	3,134,506	4.66	4.96
1998	33,862,063	21,550,161	12,311,902	2,120,000	2,598,058	4,718,058	2.61	2.74

(1) Direct operating expenses do not include depreciation

(2) The Revenue Bond Coverage used in complying with Section 8.02(a) of the Trust Indenture is calculated quarterly on a cash basis and is presented at year end for informational purposes only.

Source: City of Akron, Ohio Finance Department and Public Utilities Bureau

**TABLE 15  
CITY OF AKRON, OHIO  
DEMOGRAPHIC STATISTICS  
DECEMBER 31, 1998**

**POPULATION**

Year	City	County	PMSA *
1940	244,791	339,405	386,065
1950	274,605	410,032	473,986
1960	290,351	513,569	605,367
1970	275,425	553,371	679,239
1980	237,177	524,472	660,328
1990	223,019	514,990	657,575

\* PMSA - Primary Metropolitan Statistical Area

Source: U.S. Bureau of Census

**ESTIMATED EFFECTIVE BUYING INCOME PER HOUSEHOLD  
PERCENT OF HOUSEHOLDS BY INCOME GROUP, 1998  
PRIMARY METROPOLITAN STATISTICAL AREA**

Income Group	Percent
\$-0 - \$19,999	29.10
\$20,000 - \$34,999	23.10
\$35,000 - \$49,999	18.50
\$50,000 - and over	20.30
Median Household Effective Buying Income (EBI)	\$33,492

Source: Survey of Buying Power, SALES AND  
MARKETING MANAGEMENT, 1998

**PER CAPITA MONEY INCOME AND MEDIAN FAMILY INCOME**

County:	1989 Per Capita Money Income (1)	1989 Median Family Income (2)
Summit	\$14,409	\$35,060
Stark	13,003	32,800
Hamilton	15,354	37,184
Cuyahoga	14,912	35,749
Franklin	14,907	37,214
Montgomery	14,495	36,069
Lucas	13,778	35,130
Mahoning	11,668	29,657
State of Ohio	15,654	34,351
United States	14,420	35,225

Sources: (1) U. S. Bureau of Economic Analysis  
(2) U. S. Bureau of Census

**TABLE 16**  
**CITY OF AKRON, OHIO**  
**PROPERTY VALUES AND CONSTRUCTION ACTIVITY**  
**LAST TEN FISCAL YEARS**

Fiscal Year	Assessed Value (Real & Personal Property) (1)	Building Permits Issued (2)	
		Number	Estimated Valuation
1989	\$1,893,527,000	2,794	\$80,407,927
1990	2,194,515,000	2,791	136,230,066
1991	2,207,584,000	2,695	94,799,697
1992	2,164,955,000	3,030	112,626,026
1993	2,313,611,000	3,002	127,585,335
1994	2,348,654,000	3,528	151,609,184
1995	2,333,055,000	3,495	158,145,162
1996	2,665,667,000	3,550	134,444,703
1997	2,664,648,000	3,376	139,613,241
1998	2,688,845,000	3,853	117,675,504

Sources: (1) Summit County Auditor  
(2) City of Akron, Ohio Building Inspection Division



**TABLE 17**  
**CITY OF AKRON, OHIO**  
**TEN LARGEST PROPERTY TAXPAYERS**  
**DECEMBER 31, 1998**

<u>Name</u>	<u>Business</u>	<u>Valuation (in thousands)</u>	<u>Percent of Total Assessed Valuation</u>
First Energy	Public Utility	\$89,253	3.32
Ameritech	Public Utility	52,240	1.94
Goodyear Tire & Rubber Co.	Rubber Industry	40,836	1.52
Aircraft Braking Systems	Aeronautics Equipment	23,926	0.89
East Ohio Gas	Public Utility	23,853	0.89
Bridgestone/Firestone	Rubber Industry	19,349	0.72
F. W. Albrecht Co.	Grocery	16,217	0.60
Lockheed Martin Tactical Systems	Electronics	16,136	0.60
Rolling Acres Properties	Shopping Malls	10,368	0.39
Time Warner Cable	Cable Television	9,028	0.34
			<u>11.21</u>

Source: Summit County Auditor

**TABLE 18**  
**CITY OF AKRON, OHIO**  
**MISCELLANEOUS STATISTICAL DATA**  
**DECEMBER 31, 1998**

Date of Incorporation	March 12, 1836
Adoption of City Charter	1918
Form of Government	Mayor - Council
Council Members	13
Area of City	Approximately 62 square Miles
Population (1990 Census)	223,019
Police Protection:	
Number of Stations	1
Number of Uniformed Police and Officers	473
Fire Protection:	
Number of Stations	13
Number of Firefighters and Officers	376
Education:	
University of Akron Students	27,500
Akron City School District:	
Number of Schools	65
Number of Students	31,615
Number of Teachers	2,200
1998 Water System:	
Average Daily Consumption	40.72 MGD
Annual Pumpage	14,861 MG
Maximum Capacity	67 MGD
Communities Served	12
Number of Customers	82,544
Miles of Water Lines	1,158
1998 Sewer System:	
Average Daily Demand	76.76 MGD
Annual Wastewater Flow	28,017 MG
Plant Capacity	90 MGD
Communities Served	13
Number of Customers	81,235
Miles of Sewer Lines	1,176
Medical Facilities:	
Number of Hospitals	5
Number of Beds	2,349
Transportation:	
Motor Freight Carriers:	
Akron	36
SMSA	43
Railroad Systems	3
Airports	3
Bus Lines:	
Local	1 (Metro Regional Transit Authority)
National	2 (Greyhound & Continental Trailways)
Interstate Highways	6
State Highways	9
Recreation and Culture:	
City Park System	Over 2,100 Acres
Metro Park District	Over 6,000 Acres
Cuyahoga Valley National	
Recreation Area	33,000 Acres
Private and Public Golf Courses	66

**TABLE 19  
CITY OF AKRON, OHIO  
SUPPLEMENTAL SCHEDULE OF YEAR 2000 ISSUES  
DECEMBER 31, 1998**

The City of Akron is currently addressing year 2000 issues relating to its computer systems and other electronic equipment. The year 2000 issue refers to the fact that many computer programs use only the last two digits to refer to the year. Therefore, both 1900 and 2000 would be referred to as "00". Computer programs have to be adjusted to recognize the difference between those two years or the programs will fail or create errors. Also, some programs may not be able to recognize that 2000 is a leap year. Further, the year 2000 issue could affect electronic equipment containing computer chips that have date recognition features.

The City's management is responsible for addressing the year 2000 issue. Management has identified various computer systems and pieces of electronic equipment that are critical to conducting the City's operations and that need to be year 2000 compliant. Management is continuously monitoring year 2000 compliance efforts throughout the City and is providing assistance and providing resources to accelerate compliance for all mission-critical systems and equipment. Management recognizes that contingency plans may have to be developed in 1999 in the event it becomes apparent that some software or equipment may not become year 2000 compliant when necessary. Individual City departments are solely responsible for the year 2000 compliance of systems and equipment that are not mission-critical.

The City has identified the following seven systems that are mission-critical (that is, critical to conducting operations) and is subjecting those systems to the following stages of work to address year 2000 issues:

- \* Awareness stage - Establishing a budget and project plan for dealing with year 2000 issue.
- \* Assessment stage - Identifying the systems for which year 2000 compliance work is needed.
- \* Remediation stage - Making changes to the systems.
- \* Validation/Testing stage - Validating and testing the changes that were made during the remediation stage.

The City's year 2000 remediation work for its mission critical-systems are in the following stages of work. C means complete, P means in process, and A means still needs addressed.

	Awareness	Assessment	Remediation	Validation/ Testing	Contractual Commitments Remaining as of 12/31/98
Accounting System	C	C	C	C	\$ -
Payroll/Human Resources System	C	C	C	P	1,313,000
Utility Billing System	C	C	C	P	808,000
Income Tax Collection	C	C	C	C	-
Municipal Courts	C	C	C	P	-
Water & Sewer Operations	C	C	C	A	-
Telecommunications	C	C	C	C	-

Because of the unprecedented nature of the year 2000 issue, its effects and the success of related remediation efforts will not be fully determinable until the year 2000 and thereafter. Management cannot assure that the City of Akron is or will be year 2000 ready, that the City's remediation efforts will be successful in whole or part, or that parties with whom the City does business will be year 2000 ready.



STATE OF OHIO  
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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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.

By: *Susan Babbitt*  
Clerk of the Bureau

Date: FEB 01 2000