

**CITY OF FAIRVIEW PARK  
CUYAHOGA COUNTY**

**REGULAR AUDIT**

**FOR THE YEAR ENDED DECEMBER 31, 1999**



**JIM PETRO  
AUDITOR OF STATE**

STATE OF OHIO



**CITY OF FAIRVIEW PARK  
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STATE OF OHIO  
OFFICE OF THE AUDITOR  
JIM PETRO, AUDITOR OF STATE

Lausche Bldg  
615 W Superior Ave  
Floor 12  
Cleveland OH 44113 - 1801  
Telephone 216-787-3665  
800-626-2297  
Facsimile 216-787-3361  
www.auditor.state.oh.us

**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL REQUIRED BY  
GOVERNMENT AUDITING STANDARDS**

City Council  
City of Fairview Park  
Cuyahoga County  
20777 Lorain Road  
Fairview Park, Ohio 44126

We have audited the financial statements of the City of Fairview Park, Cuyahoga County, Ohio, (the City) as of and for the year ended December 31, 1999, and have issued our report thereon dated June 22, 2000. 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 an instance of noncompliance that is required to be reported under *Government Auditing Standards* which is described in the accompanying schedule of findings as item 1999-20818-001. We also noted certain immaterial instances of noncompliance that we have reported to management of the City in a separate letter dated June 22, 2000.

**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 do not require inclusion in this report, that we have reported to management of the City in a separate letter dated June 22, 2000.

City of Fairview Park  
Cuyahoga County  
Report on Compliance and on Internal Control Required by  
*Government Auditing Standards*  
Page 2

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

A handwritten signature in black ink, appearing to read "Jim Petro". The signature is stylized with a large loop at the end.

**Jim Petro**  
Auditor of State

June 22, 2000

**CITY OF FAIRVIEW PARK  
SCHEDULE OF FINDINGS**

|  |
|--|
| <b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS<br/>REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS</b> |
|--|

|                       |                |
|-----------------------|----------------|
| <b>Finding Number</b> | 1999-20818-001 |
|-----------------------|----------------|

Ohio Rev. Code Section 5705.41 (D) - requires in part, that no subdivision or taxing unit shall make any contract or order any expenditure of money unless there is attached thereto a certificate of the fiscal officer of the subdivision that the amount required to meet the same has been lawfully appropriated for such purposes and is in the treasury or in the process of collection to the credit of an appropriate fund free from any previous encumbrance.

The City did not properly certify the availability of funds for 53 of the 60 non payroll expenditures tested for the audit period.

We recommend the City Finance Director certify the availability of funds prior to the commitment for the expenditure of City money.

The City should consider the use of blanket purchase orders and then and now certificates to assist in complying with the above requirement.





# **City of Fairview Park, Ohio**

## **Comprehensive Annual Financial Report**

For the Year Ended December 31, 1999

Issued by the Department of Finance

Theodore R. Kowalski, Director

# **City of Fairview Park, Ohio**

## **Comprehensive Annual Financial Report**

For the Year Ended December 31, 1999

Issued by the Department of Finance

Theodore R. Kowalski, Director

*City of Fairview Park, Ohio*  
 Comprehensive Annual Financial Report  
 For the Year Ended December 31, 1999

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## **Introductory Section**



# City of Fairview Park

est. 1970

**Eileen Ann Patton**  
Mayor

**T. R. Kowalski**  
Finance Director

Director of Finance  
440-356-4401  
440-356-9077 Fax

June 22, 2000

The Honorable Mayor Eileen Ann Patton  
and Members of City Council  
20777 Lorain Road  
Fairview Park, OH 44126

It gives me great pleasure to present the Comprehensive Annual Financial Report (CAFR) for the City of Fairview Park. This report has been carefully prepared in accordance with Generally Accepted Accounting Principles (GAAP) and provides a full and complete disclosure of the financial position and operations of the City for the year ended December 31, 1999.

The information contained in this report will assist City officials in making management decisions and will provide the taxpayers of the City of Fairview Park with comprehensive financial data in such a format as to enable them to gain a true understanding of the City's financial affairs. The general public, as well as investors, will be able to compare the financial position of the City of Fairview Park and the results of its operations with other governmental entities.

Responsibility for the accuracy, completeness, and fairness of the presentation, including all disclosures, lies with the management of the City of Fairview Park and, in particular, the City's Finance Department. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities and status are included herein.

This is the second consecutive Comprehensive Annual Financial Report issued by the City. The report is prepared in accordance with Generally Accepted Accounting Principles, as set forth by the Governmental Accounting Standards Board (GASB) and other authoritative sources, and the guidelines set by the Government Finance Officers Association (GFOA).

The Comprehensive Annual Financial Report is presented in three sections: Introductory, Financial, and Statistical. The introductory section includes this transmittal letter, a list of public officials, and the City's organizational chart. The financial section, which begins with the Report of Independent Accountants, includes the general purpose financial statements, notes that provide an overview of the City's financial position and operating results, and the combining and individual fund and account group financial statements and schedules. The statistical section includes financial and demographic information.

## **REPORTING ENTITY**

For financial purposes, the City includes all funds, account groups, agencies, boards, and commissions making up the City of Fairview Park (the Primary Government) and its potential component units in accordance with the Governmental Accounting Standards Board (GASB) Statement No. 14 "The Financial Reporting Entity." The primary government comprises all activities and services which are not legally separate for the City. The City provides various services including public safety (police and fire), highways and streets, parks and recreation, public improvements, community development (planning and zoning), sewers, sanitation, and general administrative and legislative services. The operation of each of these activities is directly controlled by Council through the budgetary process. None of these services are provided by a legally separate organization; therefore, these operations are included in the primary government. Currently, the City has no component units.

The City participates in the Rocky River Wastewater Treatment Plant which is a joint venture discussed in Note 16 of the notes to the financial statements. The City is associated with the Westshore Council of Governments and Tri-City Park, which are identified as jointly governed organizations. These organizations are presented in Note 18 to the general purpose financial statements.

A complete discussion of the City's reporting entity is provided in Note 1 of the General Purpose Financial Statements.

## **THE CITY AND THE FORM OF GOVERNMENT**

### *The City*

The City is located in Cuyahoga County in northeastern Ohio, approximately 10 miles west of the downtown area of the City of Cleveland. It was incorporated as a village in 1910, and became a city in 1951. In 1967, the Village of Parkview was merged into the City.

In the 1990 Census classifications, the City was in the Cleveland Primary Metropolitan Statistical Area (PMSA), comprised of the four counties of Cuyahoga, Geauga, Lake and Medina, which was the 16th largest of 71 in the United States. It was also in the Cleveland-Akron-Lorain Consolidated Metropolitan Statistical Area (CMSA), which is the 11th most populous CMSA of 20 in the country. Effective in 1994, the PMSA was redefined to include Ashtabula and Lorain Counties. Only limited statistics are now available for the new PMSA and, unless otherwise noted, PMSA statistics are for the former PMSA.

The City's 1990 population of 18,028 placed it as the 21st largest city in the county and 97th largest in Ohio.

The City's area is approximately 4.77 square miles, broken down by land use as follows:

|  | <u>Percent of</u> |   |
|--|-------------------|---|
|  | Area              | Assessed<br>Valuation of<br>Real Property |
| Residential  | 54.5%             | 81.03%                                    |
| Commercial/Industrial                                  | 9.7               | 18.97                                     |
| Public Utility   | 0.1               | 0   |
| Governmental (including parks) and<br>Other Tax Exempt | 34.3              | (a)                                       |
| Agricultural   | 0                 | 0   |
| Undeveloped  | 1.4               | (b)                                       |

(a) Not applicable. Exempt from property taxation.

(b) Included in above categories.

Sources: City Building Department and County Auditor.

The City is served by diversified transportation facilities, including three State and U.S. highways and interstate highway I-480. It is adjacent to areas served by Conrail and Amtrak, and is served by passenger air services at Cleveland Hopkins International Airport located within two and one-half miles of the City and by Burke Lakefront Airport located within thirteen miles of the city in the County. Public mass transit for the area is provided by the Greater Cleveland Regional Transit Authority.

Banking and financial services are provided to the City area by offices of local commercial banks and savings and loan associations, all of which have their principal offices elsewhere.

One daily newspaper and two weekly newspapers serve the City. The City is within the broadcast area of seven television stations and 30 AM and FM radio stations. Multi-channel cable TV service, including educational, governmental and public access channels, is provided by Cox Cable Communications, Inc. and Ameritech New Media.

Within commuting distance are several public and private two-year and four-year colleges and universities providing a wide range of educational facilities and opportunities. These include Baldwin-Wallace College, Case Western Reserve University, Cleveland State University, Cuyahoga Community College, John Carroll University, Kent State University, Lorain County Community College, Ursuline College, Notre Dame College, Oberlin College and The University of Akron.



City residents are served by five hospitals within a three-mile radius of the City - Fairview General Hospital, Lakewood Hospital, the MetroHealth Medical Center, Southwest General Hospital and St. John-West Shore Hospital - and by numerous other hospitals in the County, including The Cleveland Clinic Foundation Hospital and University Hospitals of Cleveland, two tertiary care facilities.

The City is served by varied recreational facilities. The City operates a system of parks with a total of 54.2 acres which offer playgrounds, ball diamonds and other athletic fields, playing courts, nature and jogging trails, The Bain Park Community Cabin and picnic areas. The City's Recreation Department, in cooperation with the Fairview Park City School District, provides various recreational programs and activities for City residents in those parks and at indoor swimming, tennis and skating facilities. The City also participated (with the Cities of Rocky River and Westlake) in the operation of the 14-acre Tri-City Park which offers a baseball diamond, soccer field, basketball court, playground area, parking facility and four tennis courts. A portion of the City lies within the Rocky River Reservation of the Cleveland Metropolitan Park District. The City is starting a major recreational redevelopment in the year 2000 at an estimated cost of \$2,400,000. Bonds were issued in 1999 to provide the funds for this redevelopment.

### *City Government*

The City operates under and is governed by its Charter, first adopted by the voters in 1958 and which has been and may be amended by the voters from time to time. The City is also subject to some general laws applicable to all cities. Under the Ohio Constitution the City may exercise all powers of local self-government, and police powers to the extent not in conflict with applicable general laws. The Charter provides for a Council-Mayor form of government.

Legislative authority is vested in a nine-member Council, of whom four are elected at-large and five are elected from wards, for two-year terms. The presiding officer is the President of Council, who is one of the Council members elected at-large, but has no vote except if necessary to break a tie. The Council fixes compensation of City officials and employees, and enacts ordinances and resolutions relating to the City services, tax levies, appropriating and borrowing money, licensing and regulating businesses and trades, and other municipal purposes. The Charter establishes certain administrative departments; the Council may establish divisions of those departments, and additional departments.

The City's chief executive and administrative officer is the Mayor, who is elected by the voters specifically to that office for a four-year term.

The Mayor appoints, subject to the approval of Council, the directors of City departments. The Mayor also appoints members to a number of boards and commissions, and appoints and removes, in accordance with civil service requirements, all appointed officers and employees, except Council officers and employees.

The Mayor may veto any legislation passed by the Council. A veto may be overridden by a two-thirds vote of all members of the Council.

## ECONOMIC CONDITION AND OUTLOOK

The Emerald View Condominium project proceeds this year into yet another phase. With a recent reconfiguration, twenty-three units are now planned at an average value of \$350,000 each. New property tax to be generated is \$8,450 per unit. Of the total of 23 units, to date nine have been sold and occupied, two have been built but not sold, two are under construction and ten are in the planning stage. In addition, there is a potential for six more units on the hill at the south end of the property. Finally, the developer has also purchased the ten-suite apartment building to the east, which he plans to convert to condominiums as well.

Close coordination between city officials and NASA has determined that the latter intends to maintain current employment levels of 450 employees for the foreseeable future. Although actual NASA employment will drop, the reduction will be made up with leasing of facilities to certain incubator companies and staff from the metroparks and the FAA.

The development of the 9.6-acre parcel at W. 227 and Brookpark by Zarembo Development Corporation continues as planned. A request for a curb cut on Brookpark Rd. was granted recently by ODOT and a favorable decision regarding wetlands is expected shortly from the Ohio EPA. In addition, Zarembo has begun the process of obtaining the various required city approvals by submitting and subsequently being granted a request for a split from the City Planning Commission. When completed in early 2001, the project is expected to generate \$924,000 in additional revenue.

After extensive negotiations, Quadox, Inc. has decided to remain in Fairview Park. This means a retention of 185 jobs. In addition, there are plans to increase employment by 50-60 employees. The City has agreed to assist the company in finding a suitable location within Fairview Park for these individuals.

In March, the Emerald Necklace Inn, a bed and breakfast, was opened on Fairview Park's eastern border. This represents a significant upgrade of the existing property and an enhancement to the beauty of Lorain Rd. and the business district. The City had provided extensive consulting and other services toward this endeavor.

Jackson's Tavern has recently been sold and will be enlarged and converted to an upscale restaurant. It will be open in August 2000. The City has provided extensive consultant services in this regard as well.

In mid 1999, the City undertook the re-development of a nine-acre parcel east of city hall. In October 1999, a Brownsfields fund application for \$3,000,000 was filed with Cuyahoga County for the necessary funds for acquisition and demolition of this property. A real estate attorney was retained to negotiate the sale of these parcels in November 1999. In the meantime, the City has identified and has entered into serious discussions with two major corporate entities that are interested in building two office buildings at this location totaling 55,000 square feet. The expected total revenue from this development is \$400,000.

## MAJOR INITIATIVES

The City of Fairview Park continued to maintain its strong financial reserves during 1999. The City's general fund unencumbered cash balance at year end was \$667,656. This represents 8.1% of general fund expenditures.

The City continued its annual street repair program at no extra cost to the residents of the streets repaired. The total spent in 1999 was \$1,139,521.

The City purchased three new police cruisers at a cost of \$61,803 and new service department equipment at a cost of \$72,010.

## FINANCIAL INFORMATION

### *Basis of Accounting*

The City of Fairview Park's accounting system is organized on a "fund basis". Each fund or account group is a self-balancing set of accounts. General government operations are reported on a modified accrual basis. Revenues are recognized when measurable and available. Expenditures are recognized when measurable and incurred. The City's proprietary funds are reported on the accrual basis. Revenues are recognized when earned. Expenses are recognized when incurred.

### *Internal Accounting Controls*

In developing the City's accounting system, consideration was given to the adequacy of internal accounting controls. Such controls are designed to provide reasonable, but not absolute, assurance regarding both the safeguarding of assets against loss and misuse, and assurance regarding the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance is based on the assumption that the cost of internal controls should not exceed the benefits expected to be derived from their implementation.

The City utilizes a fully automated accounting system as well as an automated system for payroll. These systems, coupled with the manual auditing of each voucher prior to payment, ensure that the financial information generated is both accurate and reliable.

### *Budgetary Controls*

By statute, City Council adopts a temporary appropriation measure for the City on or about the first day of January. The City Council adopts a permanent appropriation measure by the first day of April. All disbursements and transfers of cash among funds require appropriation authority from City Council. Budgets are controlled at the fund level. Beginning in 1999, purchase orders are submitted to the Finance Department by department heads and are encumbered prior to their release to vendors. Those purchase orders which exceed the available appropriation are rejected until additional revenues are secured.

Effective in 1999, a computerized certification system allows the Finance Department to ascertain the status of the department's appropriations before authorizing additional purchases from a particular account. Additional information regarding the City's budgetary accounting can be found in Note 2 to the General Purpose Financial Statements.

### *General Government Functions - Financial Highlights*

The following schedule presents a summary of general, special revenue, debt service, and capital projects funds revenues for the year ended December 31, 1999, and the amounts and percentages of increases and decreases in relation to prior year's revenues.

|                           | <u>1998</u><br><u>Amount</u> | <u>1999</u><br><u>Amount</u> | <u>Percent</u><br><u>of Total</u> | <u>Change</u>       | <u>Percent</u><br><u>Change</u> |
|---------------------------|------------------------------|------------------------------|-----------------------------------|---------------------|---------------------------------|
| Revenues:                 |                              |                              |                                   |                     |                                 |
| Property tax revenue      | \$ 3,371,539                 | \$ 3,591,082                 | 31.29                             | \$ 219,543          | 6.51%                           |
| Income tax revenue        | 4,252,854                    | 4,374,173                    | 38.11                             | 121,319             | 2.85                            |
| Intergovernmental - 1     | 2,541,790                    | 2,025,185                    | 17.65                             | (516,605)           | (20.32)                         |
| Special assessments       | 208,184                      | 225,147                      | 1.96                              | 16,963              | 8.15                            |
| Charges for services - 2  | 200,803                      | 297,431                      | 2.59                              | 96,628              | 48.12                           |
| Fines, licenses & permits | 709,147                      | 619,283                      | 5.40                              | (89,864)            | (12.67)                         |
| Interest - 3              | 145,130                      | 306,041                      | 2.67                              | 160,911             | 100+                            |
| Rent                      | 11,610                       | 10,634                       | .09                               | (976)               | (8.41)                          |
| Miscellaneous - 4         | <u>241,260</u>               | <u>27,750</u>                | <u>.24</u>                        | <u>(213,510)</u>    | <u>(88.5)</u>                   |
| Total Revenues            | <u>\$ 11,682,317</u>         | <u>\$ 11,476,726</u>         | <u>100.00%</u>                    | <u>\$ (205,591)</u> | <u>(1.76%)</u>                  |

1 - Intergovernmental revenue decreased primarily due to large amounts of estate taxes received in 1998, not in 1999.

2 - Charges for services increased due to more aggressive policing on the City's highways in 1999.

3 - Interest revenue increased due to more aggressive investing techniques and more available funds to invest.

4 - Miscellaneous revenue decreased due to a large workers compensation refund in 1998.

The following schedule presents a summary of general, special revenue, debt service, and capital projects funds expenditures for the year ended December 31, 1999, and the amounts and percentages of increases and decreases in relation to prior year's expenditures.

|                                     | <u>1998</u><br><u>Amount</u> | <u>1999</u><br><u>Amount</u> | <u>Percent</u><br><u>of Total</u> | <u>Change</u>       | <u>Percent</u><br><u>Change</u> |
|-------------------------------------|------------------------------|------------------------------|-----------------------------------|---------------------|---------------------------------|
| Expenditures:                       |                              |                              |                                   |                     |                                 |
| Current:                            |                              |                              |                                   |                     |                                 |
| General government                  | \$ 1,606,178                 | \$ 1,638,614                 | 12.97%                            | \$ 32,436           | 2.02%                           |
| Security of persons and<br>property | 4,879,587                    | 5,061,879                    | 40.07                             | 182,292             | 3.74                            |
| Public Health                       | 54,695                       | 51,917                       | .41                               | (2,778)             | (5.08)                          |
| Transportation                      | 802,226                      | 888,275                      | 7.03                              | 86,049              | 10.73                           |
| Leisure time activities             | 815,042                      | 907,820                      | 7.19                              | 92,778              | 11.38                           |
| Community environment               | 1,293,452                    | 1,203,078                    | 9.52                              | (90,374)            | (6.99)                          |
| Capital outlay - 5                  | 1,028,635                    | 2,044,297                    | 16.18                             | 1,015,662           | 98.74                           |
| Debt Service:                       |                              |                              |                                   |                     |                                 |
| Principal retirement                | 660,000                      | 660,000                      | 5.22                              |                     |                                 |
| Interest and fiscal charges - 6     | <u>34,829</u>                | <u>178,558</u>               | <u>1.41</u>                       | <u>143,729</u>      | <u>100+</u>                     |
| Total Expenditures                  | <u>\$11,174,644</u>          | <u>\$12,634,438</u>          | <u>100.00%</u>                    | <u>\$ 1,459,794</u> | <u>13.06%</u>                   |

5 - Capital outlay increased primarily due additional street projects, Senior Center construction and other miscellaneous large equipment purchases.

6 - Interest and fiscal charges increased due to the first interest payment coming due in 1999 for the new \$4,325,000 bond issue.

### *General Fund Balance*

The fund balance of the General Fund increased from \$1,221,059 to \$1,395,519 during 1999, an increase of 14%. This increase is due to increased revenues and conservative spending by the City during the year.

### *Enterprise Funds*

The Enterprise Funds operated by the City consist of the Sanitary Sewer and Gilles-Sweet funds. Operating revenues in these funds totaled \$2,122,186 and \$79,340, respectively. Depreciation expense was \$65,529 in the sanitary sewer fund. Net Income/(Loss) was \$585,884 and \$61,792 and total Fund Equity is \$8,345,238 and \$62,656, respectively.

### *Internal Service Funds*

The internal service funds operated by the City are the Insurance Reserve Fund and the Employee Section 125 Contributions Fund. The Insurance Reserve Fund was created to provide a medical benefits and liability self-insurance program for the City and to provide worker's compensation benefits to employees. The Section 125 Contributions Fund was created to account for deductions from employee incomes for Section 125 contributions for payment to the City's third party administrators. For the year ended December 31, 1999, the funds had net incomes of \$(71,074) and \$17,735 and Fund Equity of \$(112,020) and \$21,627, respectively.

### *Fiduciary Funds*

Fiduciary funds account for assets held by the City of Fairview Park in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or funds. the fiduciary funds which the City maintains are agency funds. At December 31, 1999, assets in agency funds totaled \$34,758.

## **CASH MANAGEMENT**

Cash Management is a vital component of the City's overall financial strategy. The Finance Director maintains an aggressive cash management program. Major considerations are cash flows necessary to pay City liabilities and available interest rates. As City funds become available, they are invested immediately in sweep accounts maintained at the City approved depository banks, short-term federal agencies or other securities authorized by state statutes. During 1999, \$200,890 of interest was deposited in the General Fund, \$16,236 in the Permanent Improvement Fund, \$23,887 in the Senior Center Construction Fund, \$32,177 in the Capital Projects Fund and \$66,043 in the Sanitary Sewer Fund in accordance with City ordinances.

## **RISK MANAGEMENT**

The City of Fairview Park maintains replacement cost insurance on all buildings and their contents. Blanket building and personal property insurance is held in the amount of \$10,254,000.

Prior to November 1999, the City was partially self-insured for health insurance benefits. In November 1999 the City converted its health insurance program from partial self-insurance to a fully insured program.

## DEBT MANAGEMENT

In 1998, the City entered into two loan agreements with the Ohio Public Works Commission to provide financing for sanitary sewer system rehabilitation projects. These loans for \$283,677 and \$258,336, bear no interest and are repayable in equal annual installments over 15 years. The projects were completed in 1999 and repayment commenced in 2000.

On August 1, 1999 the City issued \$4,325,000 of General Obligation Bonds (rated A2) at various maturities and interest rates. The bonds were issued for various purposes including:

|                    |   |
|--------------------|---|
| \$2,200,000        | parcs and recreation (Series A)                     |
| 1,345,000          | senior center facility (Series B)                   |
| 660,000            | equipment purchase (Series C, D & E)                |
| <u>120,000</u>     | retired police & fire pension obligation (Series E) |
| <u>\$4,325,000</u> |   |

The City maintains a A2 credit rating from Moody's Investors Service, Inc. All bonds of the City are backed by its full faith and credit.

Under current state statutes, the total voted net debt of the City, less the same exempt debt, shall never exceed 10.5% of the total assessed property valuation. The total unvoted debt less the same exempt debt, shall never exceed 5.5% of the assessed valuation. At December 31, 1999, the total legal debt margin was \$32,016,679 with an unvoted debt margin of \$14,711,117.

## CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING

The Government Finance Officers Association of the United States and Canada (GFOA) awards a Certificate of Achievement for Excellence in Financial Reporting to a government unit which publishes an easily readable and efficiently organized Comprehensive Annual Financial Report. The contents of this report must satisfy program standards, conform with generally accepted accounting principles and satisfy all applicable legal requirements. The City submitted the 1998 report and received a Certificate of Achievement for Excellence in Financial Reporting.

In order to be awarded a Certificate of Achievement, the City must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. The CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

## INDEPENDENT AUDIT

Included in this report is an unqualified audit opinion rendered on the City's financial statements as of December 31, 1999, by our independent auditor, the Auditor of the State of Ohio. Their audit was conducted in accordance with generally accepted auditing standards and Governmental Auditing Standards, issued by the Comptroller General of the United States.

City management plans to continue to subject the City's financial statements to an annual independent audit as part of the preparation of a Comprehensive Annual Financial Report. An annual audit also serves to maintain and strengthen the City's accounting and budgetary controls.

## ACKNOWLEDGMENTS

The publication of this CAFR represents an important achievement in the ability of the City of Fairview Park to provide significantly enhanced financial information and accountability to the citizens of the City, its elected officials, City management, and investors. This report continues the aggressive program of the Finance Department to improve the City's overall financial accounting, management, and reporting capabilities.

I would like to acknowledge the efforts of the entire staff of the Finance Department for their contributions to this report. Special thanks are extended to Mayor Eileen Ann Patton and Members of City Council for their enthusiastic support of this project. The guidance and assistance provided by the accounting firm of Charles E. Harris & Associates, and in particular John J. Phillips, Vice-President was greatly appreciated. They provided valuable assistance in a most professional manner.

I would also like to thank all of the elected officials, department heads, and their staffs for their assistance and cooperation with the preparation of this CAFR. I ask for their continued support of this project and of my efforts toward continuing the sound financial management for the City of Fairview Park.

Sincerely,



T.R. Kowalski, C.P.A.  
Finance Director



*City of Fairview Park, Ohio*  
Public Officials - Periods Indicated  
For the Year Ended December 31, 1999

ELECTED OFFICIALS

**Mayor**

Eileen Ann Patton

**Council**

Timothy M. Needham, President

William Gluvna

Theodore R. Kowalski (resigned May 15, 2000)

William F. Minek (replaced May 16, 2000)

John Cooney

Jeanine L. Minek

Frederic Gauthier

William B. Westfall

Peter M. Depolo

**APPOINTED OFFICIALS**

**Director of Law**

Lucien C. Rego

**Director of Finance**

Michael Nolte (resigned May 4, 2000)

Theodore R. Kowalski (replaced May 15, 2000)

**Police Chief**

Pat Neelon

**Fire Chief**

Dave Simon

**Director of Public Service**

James M. Kennedy

**Recreation Director**

Timothy J. Pinchek

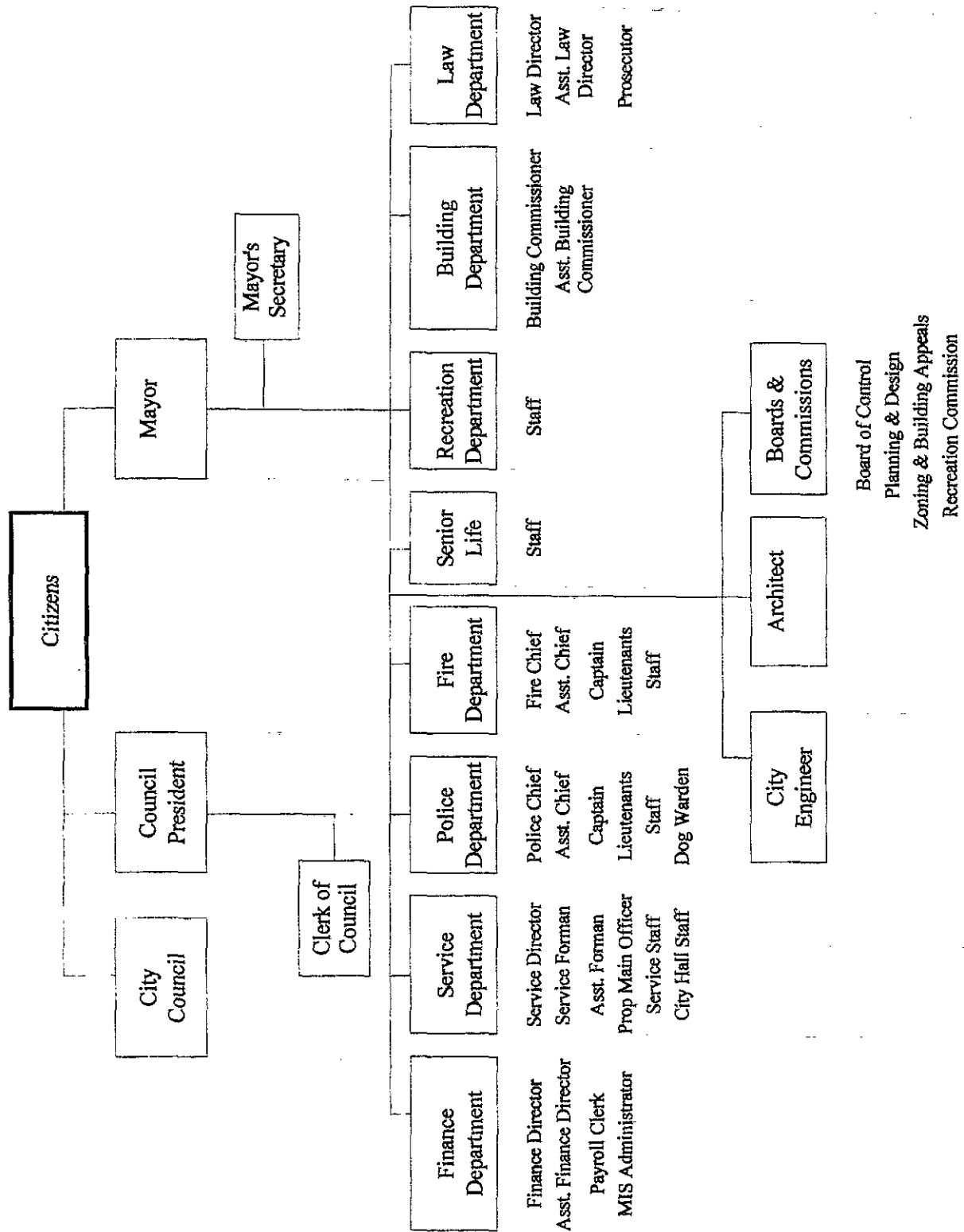
**Building Commissioner**

Steven Polinski

**Senior Life Office**

Nell Ellis

*City of Fairview Park, Ohio*  
 Organizational Chart  
 December 31, 1999



## **Financial Section**



STATE OF OHIO  
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

Lausche Bldg  
615 W Superior Ave  
Floor 12  
Cleveland OH 44113 - 1801  
Telephone 216-787-3665  
800-626-2297  
Facsimile 216-787-3361  
www.auditor.state.oh.us

REPORT OF INDEPENDENT ACCOUNTANTS

Members of City Council  
City of Fairview Park  
Cuyahoga County  
20777 Lorain Road  
Fairview Park, Ohio 44126

We have audited the accompanying general-purpose financial statements of the City of Fairview Park, Cuyahoga County, Ohio, (the City) as of and for the year ended December 31, 1999, as listed in the table of contents. These general-purpose financial statements are the responsibility of the City's management. 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 financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general-purpose financial statements referred to above present fairly, in all material respects, the financial position of the City of Fairview Park, Cuyahoga County, Ohio, as of December 31, 1999, 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.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 22, 2000 on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

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

We did not audit the data included in the statistical section of this report and therefore express no opinion thereon.

A handwritten signature in black ink, appearing to read "Jim Petro".

Jim Petro  
Auditor of State

June 22, 2000

**City of Fairview Park, Ohio**  
**Combined Balance Sheet**  
**All Fund Types and Account Groups**  
**December 31, 1999**

|  | Governmental Fund Types |                     |               |                     |
|--|-------------------------|---------------------|---------------|---------------------|
|  | General                 | Special<br>Revenue  | Debt Service  | Capital<br>Projects |
| <b><u>Assets and Other Debits</u></b>                      |                         |                     |               |                     |
| <b><u>Assets:</u></b>                                      |                         |                     |               |                     |
| Cash and Cash Equivalents                                  | \$ 929,241              | \$ 2,934,205        | \$ 891        | \$ 1,864,217        |
| Receivables:   |                         |                     |               |                     |
| Taxes  | 2,968,117               | 769,256             | 0             | 433,162             |
| Accounts   | 34,953                  | 0                   | 0             | 0                   |
| Intergovernmental  | 139,687                 | 27,288              | 0             | 0                   |
| Interfund Receivable                                       | 86,000                  | 5,299               | 0             | 45,000              |
| Special Assessments  | 0                       | 223,373             | 0             | 0                   |
| Prepaid items  | 33,780                  | 0                   | 0             | 0                   |
| Materials and Supplies Inventory                           | 18,561                  | 28,344              | 0             | 0                   |
| Investment in Joint Venture                                | 0                       | 0                   | 0             | 0                   |
| Fixed Assets:  |                         |                     |               |                     |
| Land   | 0                       | 0                   | 0             | 0                   |
| Buildings  | 0                       | 0                   | 0             | 0                   |
| Vehicles, equipment,<br>and furnishings                    | 0                       | 0                   | 0             | 0                   |
| Construction in Progress                                   | 0                       | 0                   | 0             | 0                   |
| Sewer Lines  | 0                       | 0                   | 0             | 0                   |
| Less: Accumulated depreciation                             | 0                       | 0                   | 0             | 0                   |
| <b><u>Other Debits</u></b>                                 |                         |                     |               |                     |
| Amount to be Provided from<br>General Government Resources | 0                       | 0                   | 0             | 0                   |
| <b>Total Assets</b>  | <b>\$ 4,210,339</b>     | <b>\$ 3,987,765</b> | <b>\$ 891</b> | <b>\$ 2,342,379</b> |

See accompanying notes to the general purpose financial statements

| Proprietary Fund Types |                  | Fiduciary Fund Type | Account Groups       |                               | Totals (Memorandum Only) |
|------------------------|------------------|---------------------|----------------------|-------------------------------|--------------------------|
| Enterprise             | Internal Service | Agency              | General Fixed Assets | General Long-Term Obligations |                          |
| \$ 2,108,082           | \$ 35,647        | \$ 34,758           | 0                    | 0                             | \$ 7,907,041             |
| 0                      | 0                | 0                   | 0                    | 0                             | 4,170,535                |
| 271,421                | 0                | 0                   | 0                    | 0                             | 306,374                  |
| 0                      | 0                | 0                   | 0                    | 0                             | 166,975                  |
| 0                      | 0                | 0                   | 0                    | 0                             | 136,299                  |
| 0                      | 0                | 0                   | 0                    | 0                             | 223,373                  |
| 0                      | 0                | 0                   | 0                    | 0                             | 33,780                   |
| 217                    | 0                | 0                   | 0                    | 0                             | 47,122                   |
| 5,115,494              | 0                | 0                   | 0                    | 0                             | 5,115,494                |
| 0                      | 0                | 0                   | \$ 275,202           | 0                             | 275,202                  |
| 0                      | 0                | 0                   | 2,185,800            | 0                             | 2,185,800                |
| 80,093                 | 0                | 0                   | 4,655,553            | 0                             | 4,735,646                |
| 0                      | 0                | 0                   | 160,066              | 0                             | 160,066                  |
| 3,403,257              | 0                | 0                   | 0                    | 0                             | 3,403,257                |
| (803,300)              | 0                | 0                   | 0                    | 0                             | (803,300)                |
| 0                      | 0                | 0                   | 0                    | \$ 6,088,537                  | 6,088,537                |
| \$ 10,175,264          | \$ 35,647        | \$ 34,758           | \$ 7,276,621         | \$ 6,088,537                  | \$ 34,152,201            |

(continued)

**City of Fairview Park, Ohio**  
**Combined Balance Sheet**  
All Fund Types and Account Groups - (continued)  
December 31, 1999

|   | Governmental Fund Types |                    |                 |                     |
|---|-------------------------|--------------------|-----------------|---------------------|
|   | General                 | Special<br>Revenue | Debt Service    | Capital<br>Projects |
| <b><u>Liabilities, Fund Equity and Other Credits</u></b>    |                         |                    |                 |                     |
| <b><u>Liabilities:</u></b>                                  |                         |                    |                 |                     |
| Accounts Payable  | \$ 3,251                | \$ 33,658          | 0               | \$ 2,581            |
| Contracts Payable   | 0                       | 7,893              | 0               | 182,337             |
| Interfund Payable   | 0                       | 2,000              | 50,299          | 84,000              |
| Intergovernmental Payable                                   | 50,407                  | 5,930              | 0               | 0                   |
| Accrued Wages and Benefits                                  | 124,375                 | 8,625              | 0               | 0                   |
| Compensated Absences Payable                                | 81,892                  | 3,757              | 0               | 0                   |
| Pension Obligation Payable                                  | 0                       | 0                  | 0               | 0                   |
| Deferred Revenue  | 2,554,895               | 992,629            | 0               | 256,631             |
| Undistributed Monies  | 0                       | 0                  | 0               | 0                   |
| Deposits Held Due to Others                                 | 0                       | 0                  | 0               | 0                   |
| Accrued Interest Payable                                    | 0                       | 0                  | 0               | 0                   |
| Capital Lease Payable                                       | 0                       | 0                  | 0               | 0                   |
| Claims Payable  | 0                       | 0                  | 0               | 0                   |
| OWPC Loans Payable  | 0                       | 0                  | 0               | 0                   |
| General Obligation Bonds Payable                            | 0                       | 0                  | 0               | 0                   |
| <b>Total Liabilities</b>                                    | <b>2,814,820</b>        | <b>1,054,492</b>   | <b>50,299</b>   | <b>525,549</b>      |
| <b><u>Fund Equity and Other Credits</u></b>                 |                         |                    |                 |                     |
| Investment in General Fixed Assets                          | 0                       | 0                  | 0               | 0                   |
| Contributed Capital   | 0                       | 0                  | 0               | 0                   |
| Retained Earnings (Deficit):                                |                         |                    |                 |                     |
| Unreserved  | 0                       | 0                  | 0               | 0                   |
| Fund Balance:   |                         |                    |                 |                     |
| Reserved for Encumbrances                                   | 226,342                 | 18,857             | 0               | 1,199,383           |
| Reserved for Prepaid Items                                  | 33,780                  | 0                  | 0               | 0                   |
| Reserved for Inventory                                      | 18,561                  | 28,344             | 0               | 0                   |
| Reserved for Budget Stabilization                           | 400,000                 | 0                  | 0               | 0                   |
| Unreserved - Undesignated                                   | 716,836                 | 2,886,072          | (49,408)        | 617,447             |
| <b>Total Fund Equity and Other Credits</b>                  | <b>1,395,519</b>        | <b>2,933,273</b>   | <b>(49,408)</b> | <b>1,816,830</b>    |
| <b>Total Liabilities, Fund Equity<br/>and Other Credits</b> | <b>\$4,210,339</b>      | <b>3,987,765</b>   | <b>891</b>      | <b>2,342,379</b>    |

See accompanying notes to the general purpose financial statements

| Proprietary Fund Types |                  | Fiduciary Fund Type | Account Groups       |                               | Totals (Memorandum Only) |
|------------------------|------------------|---------------------|----------------------|-------------------------------|--------------------------|
| Enterprise             | Internal Service | Agency              | General Fixed Assets | General Long-Term Obligations |                          |
| \$ 7,605               | \$ 82,608        | 0                   | 0                    | 0                             | \$ 129,703               |
| 0                      | 0                | 0                   | 0                    | 0                             | 190,230                  |
| 0                      | 0                | 0                   | 0                    | 0                             | 136,299                  |
| 340,454                | 0                | \$ 72               | 0                    | \$ 4,445                      | 401,308                  |
| 14,195                 | 0                | 0                   | 0                    | 0                             | 147,195                  |
| 38,708                 | 0                | 0                   | 0                    | 1,188,230                     | 1,312,587                |
| 14,543                 | 0                | 0                   | 0                    | 323,699                       | 338,242                  |
| 0                      | 0                | 0                   | 0                    | 0                             | 3,804,155                |
| 0                      | 0                | 26,901              | 0                    | 0                             | 26,901                   |
| 0                      | 0                | 7,785               | 0                    | 0                             | 7,785                    |
| 4,852                  | 0                | 0                   | 0                    | 0                             | 4,852                    |
| 0                      | 0                | 0                   | 0                    | 247,163                       | 247,163                  |
| 0                      | 43,432           | 0                   | 0                    | 0                             | 43,432                   |
| 542,013                | 0                | 0                   | 0                    | 0                             | 542,013                  |
| 805,000                | 0                | 0                   | 0                    | 4,325,000                     | 5,130,000                |
| <u>1,767,370</u>       | <u>126,040</u>   | <u>34,758</u>       | <u>0</u>             | <u>6,088,537</u>              | <u>12,461,865</u>        |
| 0                      | 0                | 0                   | \$ 7,276,621         | 0                             | 7,276,621                |
| 7,825,148              | 0                | 0                   | 0                    | 0                             | 7,825,148                |
| 582,746                | (90,393)         | 0                   | 0                    | 0                             | 492,353                  |
| 0                      | 0                | 0                   | 0                    | 0                             | 1,444,582                |
| 0                      | 0                | 0                   | 0                    | 0                             | 33,780                   |
| 0                      | 0                | 0                   | 0                    | 0                             | 46,905                   |
| 0                      | 0                | 0                   | 0                    | 0                             | 400,000                  |
| 0                      | 0                | 0                   | 0                    | 0                             | 4,170,947                |
| <u>8,407,894</u>       | <u>(90,393)</u>  | <u>0</u>            | <u>7,276,621</u>     | <u>0</u>                      | <u>21,690,336</u>        |
| <u>10,175,264</u>      | <u>35,647</u>    | <u>34,758</u>       | <u>7,276,621</u>     | <u>6,088,537</u>              | <u>34,152,201</u>        |



**City of Fairview Park, Ohio**  
**Combined Statement of Revenues, Expenditures**  
**and Changes in Fund Balances**  
**All Governmental Fund Types**  
**For the Year Ended December 31, 1999**

|  | Governmental Fund Types |                     |                    |                     | Totals<br>(Memorandum<br>Only) |
|--|-------------------------|---------------------|--------------------|---------------------|--------------------------------|
|  | General                 | Special<br>Revenue  | Debt Service       | Capital<br>Projects |                                |
| <b>Revenues:</b>   |                         |                     |                    |                     |                                |
| Municipal Income Taxes   | \$ 3,279,720            | 0                   | 0                  | \$ 1,094,453        | \$ 4,374,173                   |
| Property and Other Taxes   | 2,554,227               | \$ 770,911          | 0                  | 265,944             | 3,591,082                      |
| Charges for Services   | 26,286                  | 271,145             | 0                  | 0                   | 297,431                        |
| Licenses and Permits   | 156,416                 | 345,353             | 0                  | 0                   | 501,769                        |
| Fines and forfeitures  | 117,514                 | 0                   | 0                  | 0                   | 117,514                        |
| Intergovernmental  | 1,648,658               | 341,057             | 0                  | 35,470              | 2,025,185                      |
| Special Assessments  | 0                       | 225,147             | 0                  | 0                   | 225,147                        |
| Interest   | 200,890                 | 32,851              | 0                  | 72,300              | 306,041                        |
| Rent   | 10,634                  | 0                   | 0                  | 0                   | 10,634                         |
| Other  | 19,828                  | 862                 | 0                  | 7,060               | 27,750                         |
| <b>Total Revenues</b>  | <b>8,014,173</b>        | <b>1,987,326</b>    | <b>0</b>           | <b>1,475,227</b>    | <b>11,476,726</b>              |
| <b>Expenditures:</b>   |                         |                     |                    |                     |                                |
| <b>Current:</b>  |                         |                     |                    |                     |                                |
| General Government   | \$ 1,635,782            | \$ 2,832            | 0                  | 0                   | \$ 1,638,614                   |
| Security of Persons and Property   | 3,709,006               | 1,352,873           | 0                  | 0                   | 5,061,879                      |
| Public Health and Welfare  | 51,917                  | 0                   | 0                  | 0                   | 51,917                         |
| Transportation   | 357,156                 | 531,119             | 0                  | 0                   | 888,275                        |
| Community Environment  | 1,188,021               | 15,057              | 0                  | 0                   | 1,203,078                      |
| Leisure Time Activities  | 531,546                 | 376,274             | 0                  | 0                   | 907,820                        |
| Capital Outlay   | 257,286                 | 0                   | 0                  | \$ 1,787,011        | 2,044,297                      |
| <b>Debt Service:</b>   |                         |                     |                    |                     |                                |
| Principal Retirement   | 0                       | 0                   | 0                  | 660,000             | 660,000                        |
| Interest and Fiscal Charges  | 0                       | 0                   | \$ 151,573         | 26,985              | 178,558                        |
| <b>Total Expenditures</b>  | <b>7,730,714</b>        | <b>2,278,155</b>    | <b>151,573</b>     | <b>2,473,996</b>    | <b>12,634,438</b>              |
| <b>Excess of Revenues Over<br/>(Under) Expenditures</b>  | <b>283,459</b>          | <b>(290,829)</b>    | <b>(151,573)</b>   | <b>(998,769)</b>    | <b>(1,157,712)</b>             |
| <b>Other Financing Sources (Uses):</b>   |                         |                     |                    |                     |                                |
| Proceeds of Bonds  | 0                       | \$ 2,320,000        | 0                  | \$ 2,005,000        | \$ 4,325,000                   |
| Inception of Capital Lease   | \$ 257,286              | 0                   | 0                  | 0                   | 257,286                        |
| Premium and Accrued Interest   | 0                       | 2,955               | \$ 2,743           | 0                   | 5,698                          |
| Discount on Bonds  | 0                       | 0                   | (5,425)            | 0                   | (5,425)                        |
| Operating Transfers - In   | 0                       | 470,079             | 104,000            | 50,000              | 624,079                        |
| Operating Transfers - Out  | (374,577)               | (293,000)           | 0                  | (44,000)            | (711,577)                      |
| <b>Total Other Financing Sources (Uses)</b>  | <b>(117,291)</b>        | <b>2,500,034</b>    | <b>101,318</b>     | <b>2,011,000</b>    | <b>4,495,061</b>               |
| <b>Excess of Revenues and Other<br/>Financing Sources Over (Under)<br/>Expenditures and Other Uses</b> | <b>166,168</b>          | <b>2,209,205</b>    | <b>(50,255)</b>    | <b>1,012,231</b>    | <b>3,337,349</b>               |
| <b>Fund Balances at Beginning of Year</b>  | <b>1,221,059</b>        | <b>710,561</b>      | <b>847</b>         | <b>804,599</b>      | <b>2,737,066</b>               |
| <b>Increase in Reserved for Inventory</b>  | <b>8,292</b>            | <b>13,507</b>       | <b>0</b>           | <b>0</b>            | <b>21,799</b>                  |
| <b>Fund Balances at End of Year</b>  | <b>\$ 1,395,519</b>     | <b>\$ 2,933,273</b> | <b>\$ (49,408)</b> | <b>\$ 1,816,830</b> | <b>\$ 6,096,214</b>            |

See accompanying notes to the general purpose financial statements.

**City of Fairview Park, Ohio**  
**Combined Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual (Non - GAAP**  
**Budget Basis) - All Governmental Funds**  
**Year Ended December 31, 1999**

|   | General Fund      |                   | Variance<br>Favorable/<br>(Unfavorable) |
|---|-------------------|-------------------|---|
|   | Revised<br>Budget | Actual            |   |
| <b>Revenues</b>   |                   |                   |   |
| Municipal income tax  | \$ 3,320,930      | \$ 3,312,258      | (8,672)                                 |
| Property and other taxes  | 2,555,062         | 2,554,849         | (213)                                   |
| Intergovernmental   | 1,751,525         | 1,751,525         |   |
| Special assessments   |                   |                   |   |
| Charges for services  | 16,260            | 25,202            | 8,942                                   |
| Licenses and permits  | 160,450           | 152,640           | (7,810)                                 |
| Fines and forfeitures   | 114,310           | 121,442           | 7,132                                   |
| Interest  | 163,000           | 188,708           | 25,708                                  |
| Rent  | 10,230            | 10,634            | 404                                     |
| Miscellaneous   | 13,000            | 21,009            | 8,009                                   |
| <b>Total Revenues</b>   | <b>8,104,767</b>  | <b>8,138,267</b>  | <b>33,500</b>                           |
| <b>Expenditures</b>   |                   |                   |   |
| <b>Current:</b>   |                   |                   |   |
| General government  | 1,836,616         | 1,830,484         | 6,132                                   |
| Security of persons and property  | 3,829,016         | 3,819,759         | 9,257                                   |
| Public health and welfare   | 51,917            | 51,917            |   |
| Transportation  | 359,446           | 358,131           | 1,315                                   |
| Community environment   | 1,216,655         | 1,217,744         | (1,089)                                 |
| Leisure time activities   | 534,383           | 534,301           | 82                                      |
| Capital outlay  |                   |                   |   |
| Debt service  |                   |                   |   |
| Principal payment   |                   |                   |   |
| Interest and fiscal charges   |                   |                   |   |
| <b>Total expenditures</b>   | <b>7,828,033</b>  | <b>7,812,336</b>  | <b>15,697</b>                           |
| <b>Excess of revenues under expenditures</b>  | <b>276,734</b>    | <b>325,931</b>    | <b>49,197</b>                           |
| <b>Other financing sources (uses)</b>   |                   |                   |   |
| Premium and accrued interest  |                   |                   |   |
| Discount on bonds   |                   |                   |   |
| Proceeds of notes   |                   |                   |   |
| Proceeds of bonds   |                   |                   |   |
| Refund of prior year receipts   |                   |                   |   |
| Advances in   | 70,400            | 70,400            |   |
| Advances out  | (114,000)         | (84,000)          | 30,000                                  |
| Operating transfers - in  |                   |                   |   |
| Operating transfers - out   | (374,577)         | (374,577)         |   |
| <b>Total other sources (uses)</b>   | <b>(418,177)</b>  | <b>(388,177)</b>  | <b>30,000</b>                           |
| <b>Excess of revenues and other financing sources under expenditures and other uses</b> | <b>(141,443)</b>  | <b>(62,246)</b>   | <b>79,197</b>                           |
| <b>Fund balance at beginning of year</b>  | <b>725,436</b>    | <b>725,436</b>    |   |
| <b>Prior year encumbrances appropriated</b>   | <b>4,466</b>      | <b>4,466</b>      |   |
| <b>Fund balance at end of year</b>  | <b>\$ 588,459</b> | <b>\$ 667,656</b> | <b>\$ 79,197</b>                        |

See accompanying notes to the general purpose financial statements

Continued

**City of Fairview Park, Ohio**  
**Combined Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual (Non - GAAP**  
**Budget Basis) - All Governmental Funds - Continued**  
**Year Ended December 31, 1999**

|   | Special Revenue Funds |                     |   |
|---|-----------------------|---------------------|---|
|   | Revised<br>Budget     | Actual              | Variance<br>Favorable/<br>(Unfavorable) |
| <b>Revenues</b>   |                       |                     |   |
| Municipal income tax  |                       |                     |   |
| Property and other taxes  | \$ 761,862            | \$ 770,911          | 9,049                                   |
| Intergovernmental   | 365,053               | 375,375             | 10,322                                  |
| Special assessments   | 225,147               | 225,147             |   |
| Charges for services  | 281,086               | 273,153             | (7,933)                                 |
| Licenses and permits  | 358,365               | 343,136             | (15,229)                                |
| Fines and forfeitures   | 17,970                | 18,420              | 450                                     |
| Interest  | 18,987                | 32,851              | 13,864                                  |
| Rent  |                       |                     |   |
| Miscellaneous   | 850                   | 862                 | 12                                      |
| <b>Total Revenues</b>   | <b>2,029,320</b>      | <b>2,039,855</b>    | <b>10,535</b>                           |
| <b>Expenditures</b>   |                       |                     |   |
| Current:  |                       |                     |   |
| General government  | 65,000                | 2,832               | 62,168                                  |
| Security of persons and property  | 1,385,509             | 1,357,897           | 27,612                                  |
| Public health and welfare   |                       |                     |   |
| Transportation  | 523,154               | 522,644             | 510                                     |
| Community environment   | 15,058                | 15,057              | 1                                       |
| Leisure time activities   | 476,943               | 374,838             | 102,105                                 |
| Capital outlay  | 16,976                | 6,300               | 10,676                                  |
| Debt service  |                       |                     |   |
| Principal payment   |                       |                     |   |
| Interest and fiscal charges   |                       |                     |   |
| <b>Total expenditures</b>   | <b>2,482,640</b>      | <b>2,279,568</b>    | <b>203,072</b>                          |
| <b>Excess of revenues under expenditures</b>  | <b>(453,320)</b>      | <b>(239,713)</b>    | <b>213,607</b>                          |
| <b>Other financing sources (uses)</b>   |                       |                     |   |
| Premium and accrued interest  | 2,955                 | 2,955               |   |
| Discount on bonds   |                       |                     |   |
| Proceeds of notes   | 114,701               | 114,701             |   |
| Proceeds of bonds   | 2,200,000             | 2,200,000           |   |
| Refund of prior year receipts   | (2,500)               | (2,008)             | 492                                     |
| Advances in   |                       |                     |   |
| Advances out  | (28,000)              | (28,000)            |   |
| Operating transfers - in  | 470,079               | 470,079             |   |
| Operating transfers - out   | (293,000)             | (293,000)           |   |
| <b>Total other sources (uses)</b>   | <b>2,464,235</b>      | <b>2,464,727</b>    | <b>492</b>                              |
| <b>Excess of revenues and other financing sources under expenditures and other uses</b> | <b>2,010,915</b>      | <b>2,225,014</b>    | <b>214,099</b>                          |
| Fund balance at beginning of year   | 690,182               | 690,182             |   |
| Prior year encumbrances appropriated  |                       |                     |   |
| <b>Fund balance at end of year</b>  | <b>\$ 2,701,097</b>   | <b>\$ 2,915,196</b> | <b>\$ 214,099</b>                       |

See accompanying notes to the general purpose financial statements

Continued

**City of Fairview Park, Ohio**  
**Combined Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual (Non - GAAP**  
**Budget Basis) - All Governmental Funds - Continued**  
**Year Ended December 31, 1999**

|   | Debt Service Funds |                    | Variance<br>Favorable/<br>(Unfavorable) |
|---|--------------------|--------------------|---|
|   | Revised<br>Budget  | Actual             |   |
| <b>Revenues</b>   |                    |                    |   |
| Municipal income tax  |                    |                    |   |
| Property and other taxes  |                    |                    |   |
| Intergovernmental   |                    |                    |   |
| Special assessments   |                    |                    |   |
| Charges for services  |                    |                    |   |
| Licenses and permits  |                    |                    |   |
| Fines and forfeitures   |                    |                    |   |
| Interest  |                    |                    |   |
| Rent  |                    |                    |   |
| Miscellaneous   |                    |                    |   |
| <b>Total Revenues</b>   |                    |                    |   |
| <b>Expenditures</b>   |                    |                    |   |
| Current:  |                    |                    |   |
| General government  |                    |                    |   |
| Security of persons and property  |                    |                    |   |
| Public health and welfare   |                    |                    |   |
| Transportation  |                    |                    |   |
| Community environment   |                    |                    |   |
| Leisure time activities   |                    |                    |   |
| Capital outlay  |                    |                    |   |
| Debt service  |                    |                    |   |
| Principal payment   | \$ 2,080,000       | \$ 2,080,000       |   |
| Interest and fiscal charges   | 151,573            | 151,573            |   |
| <b>Total expenditures</b>   | <b>2,231,573</b>   | <b>2,231,573</b>   |   |
| <b>Excess of revenues under expenditures</b>  | <b>(2,231,573)</b> | <b>(2,231,573)</b> |   |
| <b>Other financing sources (uses)</b>   |                    |                    |   |
| Premium and accrued interest  | 2,743              | 2,743              |   |
| Discount on bonds   | (5,425)            | (5,425)            |   |
| Proceeds of notes   | 5,299              | 5,299              |   |
| Proceeds of bonds   | 2,125,000          | 2,125,000          |   |
| Refund of prior year receipts   |                    |                    |   |
| Advances in   |                    |                    |   |
| Advances out  |                    |                    |   |
| Operating transfers - in  | 104,000            | 104,000            |   |
| Operating transfers - out   |                    |                    |   |
| <b>Total other sources (uses)</b>   | <b>2,231,617</b>   | <b>2,231,617</b>   |   |
| <b>Excess of revenues and other financing sources under expenditures and other uses</b> | <b>44</b>          | <b>44</b>          |   |
| Fund balance at beginning of year   | 847                | 847                |   |
| Prior year encumbrances appropriated  |                    |                    |   |
| <b>Fund balance at end of year</b>  | <b>\$ 891</b>      | <b>\$ 891</b>      | <b>\$ 0</b>                             |

See accompanying notes to the general purpose financial statements

Continued

**City of Fairview Park, Ohio**  
**Combined Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual (Non - GAAP**  
**Budget Basis) - All Governmental Funds - Continued**  
**Year Ended December 31, 1999**

|   | Capital Projects Funds |                    |   |
|---|------------------------|--------------------|---|
|   | Revised<br>Budget      | Actual             | Variance<br>Favorable/<br>(Unfavorable) |
| <b>Revenues</b>   |                        |                    |   |
| Municipal income tax  | \$ 1,063,000           | \$ 1,071,722       | \$ 8,722                                |
| Property and other taxes  | 421,306                | 265,944            | (155,362)                               |
| Intergovernmental   | 35,470                 | 35,470             |   |
| Special assessments   |                        |                    |   |
| Charges for services  |                        |                    |   |
| Licenses and permits  |                        |                    |   |
| Fines and forfeitures   |                        |                    |   |
| Interest  | 67,299                 | 68,667             | 1,368                                   |
| Rent  |                        |                    |   |
| Miscellaneous   |                        | 7,060              | 7,060                                   |
| <b>Total Revenues</b>   | <b>1,587,075</b>       | <b>1,448,863</b>   | <b>(138,212)</b>                        |
| <b>Expenditures</b>   |                        |                    |   |
| Current:  |                        |                    |   |
| General government  |                        |                    |   |
| Security of persons and property  |                        |                    |   |
| Public health and welfare   |                        |                    |   |
| Transportation  |                        |                    |   |
| Community environment   |                        |                    |   |
| Leisure time activities   |                        |                    |   |
| Capital outlay  | 3,416,582              | 2,959,501          | 457,081                                 |
| Debt service  |                        |                    |   |
| Principal payment   | 640,000                | 640,000            |   |
| Interest and fiscal charges   | 26,985                 | 26,985             |   |
| <b>Total expenditures</b>   | <b>4,083,567</b>       | <b>3,626,486</b>   | <b>457,081</b>                          |
| <b>Excess of revenues under expenditures</b>  | <b>(2,496,492)</b>     | <b>(2,177,623)</b> | <b>318,869</b>                          |
| <b>Other financing sources (uses)</b>   |                        |                    |   |
| Premium and accrued interest  |                        |                    |   |
| Discount on bonds   |                        |                    |   |
| Proceeds of notes   | 1,954,082              | 1,940,000          | (14,082)                                |
| Proceeds of bonds   |                        |                    |   |
| Refund of prior year receipts   |                        |                    |   |
| Advances in   | 84,000                 | 84,000             |   |
| Advances out  | (42,400)               | (42,400)           |   |
| Operating transfers - in  | 50,000                 | 50,000             |   |
| Operating transfers - out   | (44,000)               | (44,000)           |   |
| <b>Total other sources (uses)</b>   | <b>2,001,682</b>       | <b>1,987,600</b>   | <b>(14,082)</b>                         |
| <b>Excess of revenues and other financing sources<br/>    under expenditures and other uses</b> | <b>(494,810)</b>       | <b>(190,023)</b>   | <b>304,787</b>                          |
| Fund balance at beginning of year   | 532,326                | 532,326            |   |
| Prior year encumbrances appropriated  | 157,176                | 157,176            |   |
| <b>Fund balance at end of year</b>  | <b>\$ 194,692</b>      | <b>\$ 499,479</b>  | <b>\$ 304,787</b>                       |

See accompanying notes to the general purpose financial statements

Continued

**City of Fairview Park, Ohio**  
**Combined Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances - Budget and Actual (Non - GAAP**  
**Budget Basis) - All Governmental Funds - Continued**  
**Year Ended December 31, 1999**

|   | Totals - Memorandum Only |                     |   |
|---|--------------------------|---------------------|---|
|   | Revised<br>Budget        | Actual              | Variance<br>Favorable/<br>(Unfavorable) |
| <b>Revenues</b>   |                          |                     |   |
| Municipal income tax  | \$ 4,383,930             | \$ 4,383,980        | 50                                      |
| Property and other taxes  | 3,738,230                | 3,591,704           | (146,526)                               |
| Intergovernmental   | 2,152,048                | 2,162,370           | 10,322                                  |
| Special assessments   | 225,147                  | 225,147             |   |
| Charges for services  | 297,346                  | 298,355             | 1,009                                   |
| Licenses and permits  | 518,815                  | 495,776             | (23,039)                                |
| Fines and forfeitures   | 132,280                  | 139,862             | 7,582                                   |
| Interest  | 249,286                  | 290,226             | 40,940                                  |
| Rent  | 10,230                   | 10,634              | 404                                     |
| Miscellaneous   | 13,850                   | 28,931              | 15,081                                  |
| <b>Total Revenues</b>   | <b>11,721,162</b>        | <b>11,626,985</b>   | <b>(94,177)</b>                         |
| <b>Expenditures</b>   |                          |                     |   |
| Current:  |                          |                     |   |
| General government  | 1,901,616                | 1,833,316           | 68,300                                  |
| Security of persons and property  | 5,214,525                | 5,177,656           | 36,869                                  |
| Public health and welfare   | 51,917                   | 51,917              |   |
| Transportation  | 882,600                  | 880,775             | 1,825                                   |
| Community environment   | 1,231,713                | 1,232,801           | (1,088)                                 |
| Leisure time activities   | 1,011,326                | 909,139             | 102,187                                 |
| Capital outlay  | 3,433,558                | 2,965,801           | 467,757                                 |
| Debt service  |                          |                     |   |
| Principal payment   | 2,720,000                | 2,720,000           |   |
| Interest and fiscal charges   | 178,558                  | 178,558             |   |
| <b>Total expenditures</b>   | <b>16,625,813</b>        | <b>15,949,963</b>   | <b>675,850</b>                          |
| <b>Excess of revenues under expenditures</b>  | <b>(4,904,651)</b>       | <b>(4,322,978)</b>  | <b>581,673</b>                          |
| <b>Other financing sources (uses)</b>   |                          |                     |   |
| Premium and accrued interest  | 5,698                    | 5,698               |   |
| Discount on bonds   | (5,425)                  | (5,425)             |   |
| Proceeds of notes   | 2,074,082                | 2,060,000           | (14,082)                                |
| Proceeds of bonds   | 4,325,000                | 4,325,000           |   |
| Refund of prior year receipts   | (2,500)                  | (2,008)             | 492                                     |
| Advances in   | 154,400                  | 154,400             |   |
| Advances out  | (184,400)                | (154,400)           | 30,000                                  |
| Operating transfers - in  | 624,079                  | 624,079             |   |
| Operating transfers - out   | (711,577)                | (711,577)           |   |
| <b>Total other sources (uses)</b>   | <b>6,279,357</b>         | <b>6,295,767</b>    | <b>16,410</b>                           |
| <b>Excess of revenues and other financing sources<br/>under expenditures and other uses</b> | <b>1,374,706</b>         | <b>1,972,789</b>    | <b>598,083</b>                          |
| Fund balance at beginning of year   | 1,948,791                | 1,948,791           |   |
| Prior year encumbrances appropriated  | 161,642                  | 161,642             |   |
| <b>Fund balance at end of year</b>  | <b>\$ 3,485,139</b>      | <b>\$ 4,083,222</b> | <b>\$ 598,083</b>                       |

*See accompanying notes to the general purpose financial statements*

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**City of Fairview Park, Ohio**  
**Combined Statement of Revenues, Expenses**  
**and Changes in Fund Equity**  
**All Proprietary Fund Types**  
**For the Year Ended December 31, 1999**

|   | <u>Proprietary Fund Types</u> |                             | Totals<br>(Memorandum<br>Only) |
|---|-------------------------------|-----------------------------|--------------------------------|
|   | <u>Enterprise</u>             | <u>Internal<br/>Service</u> |                                |
| Operating Revenues:   |                               |                             |                                |
| Charges for Services  | \$ 2,119,133                  | \$ 519,809                  | \$ 2,638,942                   |
| Tap in Fees   | 3,000                         | 0                           | 3,000                          |
| Rent  | 79,340                        | 0                           | 79,340                         |
| Other Operating Revenues  | 53                            | 81,979                      | 82,032                         |
| <b>Total Operating Revenues</b>                                 | <b>2,201,526</b>              | <b>601,788</b>              | <b>2,803,314</b>               |
| Operating Expenses:   |                               |                             |                                |
| Personal Services   | \$ 500,696                    | \$ 1,185                    | \$ 501,881                     |
| Contractual Services  | 1,034,513                     | 656,940                     | 1,691,453                      |
| Materials and Supplies  | 66,057                        | 0                           | 66,057                         |
| Depreciation  | 65,529                        | 0                           | 65,529                         |
| <b>Total Operating Expenses</b>                                 | <b>1,666,795</b>              | <b>658,125</b>              | <b>2,324,920</b>               |
| Operating Income (Loss)   | 534,731                       | (56,337)                    | 478,394                        |
| Non-Operating Revenues (Expenses):                              |                               |                             |                                |
| Interest Income   | \$ 66,043                     | 0                           | \$ 66,043                      |
| Interest and Fiscal Charges                                     | (57,546)                      | 0                           | (57,546)                       |
| Equity in income from joint venture                             | 19,948                        | 0                           | 19,948                         |
| <b>Total Non-Operating Revenues (Expenses)</b>                  | <b>28,445</b>                 | <b>0</b>                    | <b>28,445</b>                  |
| <b>Income (Loss) Before Operating Transfers</b>                 | <b>563,176</b>                | <b>(56,337)</b>             | <b>506,839</b>                 |
| Operating Transfers - In  | \$ 84,500                     | \$ 2,998                    | \$ 87,498                      |
| <b>Net Income (Loss)</b>  | <b>647,676</b>                | <b>(53,339)</b>             | <b>594,337</b>                 |
| Retained Earnings at Beginning of Year                          | (116,192)                     | (37,054)                    | (153,246)                      |
| Depreciation on Fixed Assets Acquired by<br>Contributed Capital | 51,262                        | 0                           | 51,262                         |
| <b>Retained Earnings at End of Year</b>                         | <b>582,746</b>                | <b>(90,393)</b>             | <b>492,353</b>                 |
| Contributed Capital at Beginning of Year                        | 7,876,410                     | 0                           | 7,876,410                      |
| Depreciation on Fixed Assets Acquired by<br>Contributed Capital | (51,262)                      | 0                           | (51,262)                       |
| <b>Contributed Capital at End of Year</b>                       | <b>7,825,148</b>              | <b>0</b>                    | <b>7,825,148</b>               |
| <b>Total Fund Equity at End of Year</b>                         | <b>\$ 8,407,894</b>           | <b>\$ (90,393)</b>          | <b>\$ 8,317,501</b>            |

See accompanying notes to the general purpose financial statements



**City of Fairview Park, Ohio**  
**Combined Statement of Cash Flows**  
**All Proprietary Fund Types**  
**For the year ended December 31, 1999**

|  | Proprietary Fund Types |                     | Totals -<br>(Memorandum<br>Only) |
|--|------------------------|---------------------|----------------------------------|
|  | Enterprise             | Internal<br>Service |                                  |
| Increase (Decrease) in Cash<br>and Cash Equivalents                |                        |                     |                                  |
| Cash Flows from Operating Activities:                              |                        |                     |                                  |
| Cash received from customers                                       | \$ 2,223,885           | -                   | \$ 2,223,885                     |
| Cash received from quasi-external<br>transactions with other funds | -                      | \$ 550,396          | 550,396                          |
| Cash payments for employee service and benefits                    | (487,699)              | (1,185)             | (488,884)                        |
| Cash payments to goods and services                                | (1,375,437)            | (602,921)           | (1,978,358)                      |
| Other operating revenues   | 53                     | 81,979              | 82,032                           |
| Other operating expenses   | (982)                  | -                   | (982)                            |
| Net Cash Provided by Operating Activities                          | \$ 359,820             | \$ 28,269           | \$ 388,089                       |
| Cash Flows from Noncapital Financing Activities:                   |                        |                     |                                  |
| Operating transfers in   | \$ 84,500              | 2,998               | \$ 87,498                        |
| Net Cash Provided by Noncapital Financing Activities               | \$ 84,500              | 2,998               | \$ 87,498                        |
| Cash Flows from Investing Activities:                              |                        |                     |                                  |
| Interest income  | \$ 75,216              | -                   | \$ 75,216                        |
| Net Cash Provided by Investing Activities                          | \$ 75,216              | -                   | \$ 75,216                        |
| Cash Flows from Capital and Related Financing Activities:          |                        |                     |                                  |
| Proceeds of OPWC loans   | \$ 496,196             | -                   | 496,196                          |
| Payments for capital acquisition                                   | (497,768)              | -                   | (497,768)                        |
| Payment for capital charge   | (103,158)              | -                   | (103,158)                        |
| Principal paid   | (120,000)              | -                   | (120,000)                        |
| Interest paid on bonds, notes and loans                            | (64,750)               | -                   | (64,750)                         |
| Net Cash Used for Capital and Related<br>Financing Activities      | \$ (289,480)           | -                   | \$ (289,480)                     |
| Net Increase (Decrease) in Cash and Cash Equivalents               | 230,056                | 31,267              | 261,323                          |
| Cash and Cash Equivalents at Beginning of Year                     | 1,878,026              | 4,380               | 1,882,406                        |
| Cash and Cash Equivalents at End of Year                           | \$ 2,108,082           | \$ 35,647           | \$ 2,143,729                     |

(Continued)

**City of Fairview Park, Ohio**  
**Combined Statement of Cash Flows**  
**All Proprietary Fund Types - (Continued)**  
**For the year ended December 31, 1999**

|  | Proprietary Fund Types |                     | Totals -             |
|--|------------------------|---------------------|----------------------|
|  | Enterprise             | Internal<br>Service | (Memorandum<br>Only) |
| Reconciliation of Operating Income to<br>Net Cash Provided by Operating Activities:        |                        |                     |                      |
| Operating Income   | \$ 534,731             | \$ (56,337)         | \$ 478,394           |
| Adjustments to Reconcile Operating Income<br>to Net Cash Provided by Operating Activities: |                        |                     |                      |
| Depreciation   | 65,529                 | -                   | 65,529               |
| Changes in Assets and Liabilities:   |                        |                     |                      |
| (Increase) decrease in accounts receivable   | 22,412                 | 30,587              | 52,999               |
| (Increase) decrease in inventory   | (49)                   | -                   | (49)                 |
| (Increase) decrease in investment in joint venture   | (73,206)               | -                   | (73,206)             |
| Increase (decrease) in accounts payable  | 6,001                  | 82,608              | 88,609               |
| Increase (decrease) in accrued wages   | 3,717                  | -                   | 3,717                |
| Increase (decrease) in compensated absences  | 4,752                  | -                   | 4,752                |
| Increase (decrease) in intergovernmental payable   | (205,561)              | -                   | (205,561)            |
| Increase (decrease) in pension obligation payable  | 1,494                  | -                   | 1,494                |
| Increase (decrease) in claims payable  | -                      | (28,589)            | (28,589)             |
| Total Adjustments  | <u>(240,440)</u>       | <u>84,606</u>       | <u>(155,834)</u>     |
| Net Cash Provided by Operating Activities  | <u>\$ 359,820</u>      | <u>\$ 28,269</u>    | <u>\$ 388,089</u>    |

*See accompanying notes to the general purpose financial statements.*

*City of Fairview Park, Ohio*  
Notes To The General Purpose Financial Statements  
For The Year Ended December 31, 1999

**Note 1 - Reporting Entity and Basis of Presentation**

The City of Fairview Park (the City) is a home rule municipal corporation established under the laws of the State of Ohio which operates under its own Charter. The current Charter, which provides for a Mayor/Council form of government, was adopted in 1959.

The Mayor, elected by the voters for a four-year term, is the head of the municipal government for ceremonial, administrative, and executive purposes. As the chief conservator of the peace, she oversees the enforcement of all laws and ordinances. She also appoints all department heads, subject to the approval of Council, and executes all contracts, conveyances, and evidences of indebtedness of the City.

Legislative authority is vested in a nine-member council with five members elected by ward and four members elected at large for two-year staggered terms. Council enacts ordinances and resolutions relating to tax levies, appropriates and borrows money, and accepts bids for materials and services and other municipal purposes.

*A. Reporting Entity*

In evaluating how to define the City for financial reporting purposes, management has considered all agencies, departments and organizations making up the City of Fairview Park and its potential component units consistent with Governmental Accounting Standards Board Statement No. 14, "The Financial Reporting Entity."

The primary government comprises all activities and services which are not legally separate for the City. The City provides various services including public safety (police and fire), highways and streets, parks and recreation, public improvements, community development (planning and zoning), sewers, sanitation, and general administrative and legislative services. The operation of each of these activities is directly controlled by Council through the budgetary process. None of these services are provided by a legally separate organization; therefore, these operations are included in the primary government.

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

The Rocky River Wastewater Treatment Plant is a joint venture among the cities of Fairview Park, Bay Village, Rocky River and Westlake. The plant is governed by a management board consisting of the elected mayors of the four member cities and a fifth person nominated and elected by the mayors. The board has complete authority over all aspects of the plant's operation. The City has an explicit and measurable equity interest in the Rocky River Wastewater Treatment Plant. There exists a residual interest in the assets upon venture's liabilities (See Note 16).

**City of Fairview Park, Ohio**  
Notes To The General Purpose Financial Statements  
For The Year Ended December 31, 1999

**Note 1 - Reporting Entity and Basis of Presentation (continued)**

*A. Reporting Entity (continued)*

The City is associated with the Westshore Council of Governments and Tri-City Park, which are identified as jointly governed organizations. These organizations are presented in Note 18 to the general purpose financial statements.

*B. Basis of Presentation - Fund Accounting*

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

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

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

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

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

*Special Revenue Funds* - These funds are established to account for the proceeds of specific revenue sources (other than amounts relating to major capital projects) that are legally restricted to expenditure for specified purposes.

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

*Capital Projects Funds* - These 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).

**City of Fairview Park, Ohio**  
Notes To The General Purpose Financial Statements  
For The Year Ended December 31, 1999

**Note 1 - Reporting Entity and Basis of Presentation (continued)**

*B. Basis of Presentation - Fund Accounting (continued)*

*Proprietary Fund Types* - Proprietary funds are used to account for the City's ongoing activities which are similar to those found in the private sector. The following are the City's proprietary fund types:

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

*Internal Service Fund* - This fund is used to account for the financing of services provided by one department or agency to other departments or agencies of the City on a cost-reimbursement basis.

*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. The City only utilizes the agency fund type.

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

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

*General Fixed Assets Account Group* - The general fixed assets account group is used to account for all fixed assets of the City other than those accounted for in the proprietary funds.

*General Long-Term Obligations Account Group* - The general long-term obligations account group is used to account for all unmatured long-term indebtedness of the City that is not a specific liability of the proprietary funds.

**Note 2 - Summary of Significant Accounting Policies**

The significant accounting policies followed in the preparation of these financial statements are summarized below. These policies conform to generally accepted accounting principals (GAAP) for local governmental units as prescribed in the statements issued by the Governmental Accounting Standards Board (GASB) and other recognized authoritative sources. The City also applies Financial Accounting Standards Board Statements and Interpretations issued prior to November 30, 1989, to its proprietary activities, provided they do not conflict with or contradict GASB pronouncements.

*City of Fairview Park, Ohio*  
Notes To The General Purpose Financial Statements  
For The Year Ended December 31, 1999

**Note 2 - Summary of Significant Accounting Policies (continued)**

*A. Measurement Focus and Basis of Accounting*

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

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

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements and relates to the timing of the measurements made. The basis of accounting and reporting treatment applied to a fund is determined by its measurement focus.

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

In applying the susceptible to accrual concept under the modified accrual basis, the following revenue sources are deemed both measurable and available: investment earnings, state-levied locally shared taxes (including gasoline tax) and income taxes withheld by employers.

The City reports deferred revenues on its combined balance sheet. Deferred revenues arise when a potential revenue does not meet both the measurable and available criteria for recognition in the current period. In subsequent periods, when both revenue recognition criteria are met, the liability for deferred revenue is removed from the combined balance sheet and revenue is recognized. Current and delinquent property taxes measurable as of December 31, 1999, whose availability is indeterminate and which are not intended to finance current period obligations, have been recorded as a receivable and deferred revenue. Levied special assessments are measurable and have been recorded as a receivable. Since all assessments are due outside of the availability period, the entire amount has been deferred.

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

*City of Fairview Park, Ohio*  
Notes To The General Purpose Financial Statements  
For The Year Ended December 31, 1999

**Note 2 - Summary of Significant Accounting Policies (continued)**

*A. Measurement Focus and Basis of Accounting (continued)*

The accrual basis of accounting is utilized for reporting purposes by the proprietary fund types. Revenues are recognized when they are earned and become measurable and expenses are recognized when they are incurred, if measurable. Unbilled service charges receivable are recognized as revenue at year end.

*B. Budgetary Data*

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources and the appropriation ordinance, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriation ordinance are subject to amendment throughout the year with the legal restriction that the appropriations cannot exceed estimated resources as certified. All funds, other than agency funds, are legally required to be budgeted and appropriated. Even though annual budgets are legally adopted, proprietary budgetary statements have not been presented since they are not required under GAAP.

All disbursements require appropriation authority. The legal level of budgetary control is at the fund level with the exception of the General Fund, which is at the department level. Any budgetary modifications at this level may only be made by resolution of the City Council.

Advances in and Advances out are not required to be budgeted, since they represent a temporary cash advance and are intended to be repaid.

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

*Estimated Resources* - The County Budget Commission determines if the budget substantiates a need to levy all or part of previously authorized property taxes and reviews estimated revenue. The Commission certifies its actions to the City by September 1. As part of this certification, the City receives the official certificate of estimated resources, which states the projected revenue of each fund. Prior to December 31, the City must revise its budget so that the total contemplated expenditures from any fund during the ensuing fiscal year will not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriation ordinance. On or about January 1, the certificate of estimated resources is amended to include unencumbered fund balances at December 31 of the preceding year. The certificate may be further amended during the year if the Finance Director determines, and the Budget Commission agrees, that an estimate needs to be either increased or decreased. The amounts reported on the budgetary statements reflect the amounts in the final amended official certificate of estimated resources issued during 1999.

*City of Fairview Park, Ohio*  
Notes To The General Purpose Financial Statements  
For The Year Ended December 31, 1999

**Note 2 - Summary of Significant Accounting Policies (continued)**

*B. Budgetary Data (continued)*

*Appropriations* - A temporary appropriation ordinance to control expenditures may be passed on or about January 1 of each year for the period January 1 to March 31. An annual appropriation ordinance must be passed by April 1 of each year for the period January 1 to December 31. The appropriation ordinance fixes spending authority at the fund level with the exception of the General Fund, which is at the department level. The appropriation ordinance may be amended during the year as new information becomes available. Total fund appropriations may not exceed current estimated resources as certified. The allocation of appropriations among departments within a fund, with the exception of the General Fund, may be modified during the year by Management. Appropriations among departments within the General Fund may be modified during the year only by ordinance of Council. During the year, several supplemental appropriation measures were passed. However, none were significant in amount. The budget figures which appear in the statement of budgetary comparisons represent the final appropriation amounts, including all amendments and modifications.

*Encumbrances* - Encumbrances outstanding at year end represent the estimated amount of expenditures that will ultimately result if unperformed contracts in process (for example, purchase orders and contracted services) are completed. On a GAAP basis, encumbrances outstanding at year end are reported as reservations of fund balances for subsequent year expenditures in the governmental funds and reported in the notes to the general purpose financial statements for proprietary funds.

*Lapsing of Appropriations* - At the close of each year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriations.

*C. Cash and Cash Equivalents*

Cash received by the City is deposited into several bank accounts. Monies from all funds, including the proprietary funds, are maintained in these accounts or temporarily used to purchase short-term investments. Individual fund integrity is maintained through the City's records.

For purposes of the combined statement of cash flows and for presentation on the combined balance sheet, investments with an original maturity of three months or less are considered to be cash equivalents. Interest earnings accrue to the general fund except that relate to certain special revenue, capital projects and enterprise funds.

Interest revenue credited to the General Fund during 1999 amounted to \$200,890, which includes interest assigned from other City funds.



*City of Fairview Park, Ohio*  
Notes To The General Purpose Financial Statements  
For The Year Ended December 31, 1999

**Note 2 - Summary of Significant Accounting Policies (continued)**

*D. Inventory*

Inventories of governmental funds are stated at cost while the inventories of the proprietary funds are stated at the lower of cost or market. For all funds, cost is determined on a first-in, first-out basis. The costs of inventory items are recorded as expenditures in the governmental fund types when purchased and as expenses in the proprietary fund types when used. Reported materials and supplies inventory is equally offset by a fund balance reserve in the governmental funds which indicates that it does not constitute available expendable resources even though it is a component of net current assets.

*E. Investment in Joint Venture*

The investment in the joint venture is reported using the equity method of accounting.

*F. Prepaid Items*

Payments made to vendors for services that will benefit periods beyond December 31, 1999 are recorded as prepaid items by using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which services are consumed.

*G. Interfund Assets and Liabilities*

Receivables and payables resulting from transactions between funds for services provided or goods received and agency fund assets due to operating funds are classified as "due from other funds" or "due to other funds" on the balance sheet. For 1999, there were no such transactions. Short-term interfund loans are classified as "interfund receivables/payables."

*H. Fixed Assets and Depreciation*

General fixed assets are not capitalized in the funds used to acquire or construct them. Instead capital acquisition and construction are reflected as expenditures in governmental funds, and the related assets are reported in the general fixed assets account group. Fixed assets utilized in proprietary funds are capitalized in the specific funds.

All purchased fixed assets are valued at cost where historical records are available and at an estimated historical cost when no historical records exist. Donated fixed assets are valued at their estimated fair market value on the date received. The City maintains a capitalization policy of \$1,000.

Improvements are capitalized. The costs of normal maintenance and repairs that do not add to the value of an asset or materially extend an asset's life are not capitalized. Interest incurred during the construction of general fixed assets is also not capitalized.

Public domain ("infrastructure") general fixed assets consisting of roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems are not capitalized, as these assets are immovable and of value only to the City.

*City of Fairview Park, Ohio*  
Notes To The General Purpose Financial Statements  
For The Year Ended December 31, 1999

**Note 2 - Summary of Significant Account Policies (continued)**

*H. Fixed Assets and Depreciation*

Assets in the general fixed assets account group are not depreciated. Depreciation of buildings, equipment, vehicles, and sewer lines in the proprietary fund types is computed using the straight-line method over an estimated useful life. Improvements to fund fixed assets are depreciated over the useful lives of the related fixed assets. The estimated useful lives are as follows:

|                       |            |
|-----------------------|------------|
| Equipment             | 3-25 years |
| Vehicles              | 3-25 years |
| Building Improvements | 40 years   |
| Sewer Lines           | 40 years   |

*I. Accrued Liabilities and Long-Term Obligations*

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

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

*J. Compensated Absences*

The liability for compensated absences is based on the provisions of Governmental Accounting Standards Board Statement No. 16, "Accounting for Compensated Absences." Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means.

Sick leave benefits are accrued as a liability using the vesting method. The liability is based upon sick leave accumulated at December 31, 1999 for those employees who the City has identified as probable to receive termination benefit payments in the future.

For governmental funds, the current portion of unpaid compensated absences is the amount expected to be paid using expendable available resources. These amounts are recorded in the account "compensated absences payable" in the fund from which the employees who have accumulated unpaid leave are paid. The remainder is reported in the general long-term obligations account group. In proprietary funds, the entire amount of compensated absences is reported as a fund liability.

*City of Fairview Park, Ohio*  
Notes To The General Purpose Financial Statements  
For The Year Ended December 31, 1999

**Note 2 - Summary of Significant Account Policies (continued)**

*K. Fund Equity*

Reservations of fund balances are established to identify the existence of assets that, because of their non-monetary nature or lack of liquidity, represent financial resources not available for current appropriations or expenditures including amounts that are legally segregated for a specific future use. Fund balances are reserved for inventories, prepaid items, encumbrances and budget stabilization.

*L. Interfund Transactions*

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

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

*M. Estimates*

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

*N. Total - Memorandum Only Columns*

The total columns on the general purpose financial statements are captioned "Totals (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 or cash flows in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

**Note 3 - Restatement of Prior Year's Retained Earnings**

A valuation of the Rocky River Wastewater Treatment Plant joint venture disclosed the following overstatement of balances in the prior year.

|  | Sanitary<br>Sewer   |
|--|---------------------|
| Retained Earnings,<br>As previously reported, 12/31/98 | \$ (55,784)         |
| Restatement  | <u>(61,272)</u>     |
| Retained Earnings, As restated, 1/1/99                 | <u>\$ (117,056)</u> |

*City of Fairview Park, Ohio*  
Notes To The General Purpose Financial Statements  
For The Year Ended December 31, 1999

**Note 4 - Budgetary Basis of Accounting**

While reporting financial position, results of operations, and changes in fund balance/retained earnings on the basis of generally accepted accounting principles (GAAP basis) the budgetary basis as provided by law is based upon accounting for transactions on a basis of cash receipts, disbursements and encumbrances.

The Combined Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual (Non-GAAP Basis) - All Governmental Fund Types are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget and to demonstrate compliance with State statute.

The major differences between the budget basis and the GAAP basis (Generally Accepted Accounting Principles) are:

1. Revenues are recorded when received in cash (Budget) as opposed to when susceptible to accrual (GAAP).
2. Expenditures/expenses are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).
3. Encumbrances are treated as expenditures for all funds (budget) rather than as a reservation of fund balance for governmental fund types (GAAP).
4. Proceeds and principal payments on short-term note obligations are reported on the operating statement (budget) as opposed to balance sheet transactions (GAAP).

The following tables summarize the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements on a fund type basis:

|  | Excess of Revenues and Other Financing Sources<br>Over (Under) Expenditures and Other Uses<br>All Governmental Fund Types |                            |                         |                             |
|--|---|----------------------------|-------------------------|-----------------------------|
|  | <u>General</u>  | <u>Special<br/>Revenue</u> | <u>Debt<br/>Service</u> | <u>Capital<br/>Projects</u> |
| GAAP Basis                                 | \$ 166,168  | \$ 2,209,205               | \$ (50,255)             | \$ 1,012,231                |
| Net Adjustment for<br>Revenue Accruals     | (62,792)  | 45,222                     | 2,130,299               | (7,364)                     |
| Net Adjustment for<br>Expenditure Accruals | 63,670  | (10,406)                   | (2,080,000)             | 160,217                     |
| Encumbrances                               | <u>(229,292)</u>  | <u>(19,007)</u>            | <u>-</u>                | <u>(1,355,107)</u>          |
| Budget Basis                               | <u>\$ (62,246)</u>  | <u>\$ 2,225,014</u>        | <u>\$ 44</u>            | <u>\$ (190,023)</u>         |

*City of Fairview Park, Ohio*  
Notes To The General Purpose Financial Statements  
For The Year Ended December 31, 1999

**Note 5 - Accountability and Compliance**

*A. Fund Deficits*

The following funds had deficit fund balances/retained earnings as of December 31, 1999:

|  |           |
|--|-----------|
| <i>Special Revenue Funds</i>             |           |
| Street Construction Maint.<br>and Repair | \$ (284)  |
| State Grants                             | (2,000)   |
| <i>Debt Service Fund</i>                 |           |
| Bond Retirement                          | (49,408)  |
| <i>Internal Service Fund</i>             |           |
| Health Insurance Reserve                 | (112,020) |

The State Grants Special Revenue fund deficit resulted from the recognition of liabilities for advances made during the year. The General Fund is liable for any deficit and provides operating transfers when cash is required, not when accruals occur.

The deficits in the Street Construction Maintenance and Repair Special Revenue fund, the Debt Service Bond Retirement fund and the Health Insurance Reserve Internal Service fund resulted from the conversion to generally accepted accounting principles. Management is analyzing this situation to determine the appropriate steps to eliminate the deficits.

*B. Noncompliance*

The City did not properly encumber a significant portion of expenditures contrary to Ohio Revised Code Section 5705.41 (D).

**Note 6 - Deposits and Investments**

State statues classify monies held by the City into three categories.

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

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

**City of Fairview Park, Ohio**  
Notes To The General Purpose Financial Statements  
For The Year Ended December 31, 1999

**Note 6 - Deposits and Investments (continued)**

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

Interim monies may be invested in the following securities:

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

Besides the above six statutory requirements, the City's investment policy of November 20, 1989, states that the City may invest in the following categories:

1. Commercial paper note issues of United States corporations having assets that exceed \$500 million. Such notes are to be rated "prime" (P-1) by Moody's Investor's Service and (A-1) by Standard & Poor's and must mature no later than 180 days after the date of purchase by the City; and
2. Bankers acceptances from members of the Federal Deposit Insurance Corporation which are eligible for purchase by the Federal Reserve System and which mature no later than 180 days after the date of purchase by the City.

*City of Fairview Park, Ohio*  
Notes To The General Purpose Financial Statements  
For The Year Ended December 31, 1999

**Note 6 - Deposits and Investments (continued)**

The City's investment policy also states that investments in government securities may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

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

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

During 1999, investments were limited to repurchase agreements and commercial paper. Commercial paper investments are stated at amortized cost and have a remaining maturity at the time of purchase of one year or less.

GASB Statement 3 "Deposits with Financial Institutions, Investments (including Repurchase Agreements), and Reverse Repurchase Agreements" requires disclosures to help assess actual and potential future deposit and investment market and credit risks. The following information regarding deposits and investments is presented using the categories of risk identified in GASB Statement 3.

*Deposits* - At year-end, the carrying amount of the City's deposits was \$101,790 and the bank balance was \$187,131. Of the bank balance:

1. \$170,795 was covered by federal depository insurance.
2. \$16,336 was uninsured and uncollateralized. Although the securities held by the pledging financial institutions's trust department or agent but not in the City's name and all State statutory requirements for the investment of money had been followed, noncompliance with federal requirements could potentially subject the City to a successful claim by the FDIC.

*Investments* - Investments are classified under the guidelines of GASB Statement No. 3 into three categories, Category 1 includes investments that are insured or registered or are held by the city or its agent in the City's name. Category 2 includes uninsured and unregistered investments which are held by the counterparty's trust department or agent in the City's name. Category 3 includes uninsured and unregistered investments which are held by the counterparty, or by its trust department or agent but not in the City's name.

*City of Fairview Park, Ohio*  
Notes To The General Purpose Financial Statements  
For The Year Ended December 31, 1999

**Note 6 - Deposits and Investments (continued)**

|                   | Category<br>3 | Amortized<br>Cost |
|-------------------|---------------|-------------------|
| Commercial Paper  | \$ 7,805,251  | \$ 7,805,251      |
| Total Investments | \$ 7,805,251  | \$ 7,805,251      |

The classification of cash and cash equivalents and investments on the combined financial statements is based on criteria set forth in GASB Statement No. 9. Cash and cash equivalents are defined to include investments with original maturities of three months or less and cash and investments of the cash management pool.

A reconciliation between the classification of cash and investments on the combined financial statements and the classification per GASB Statement No. 3 is as follows:

|                      | Cash and Cash<br>Equivalents/Deposits | Investments  |
|----------------------|---------------------------------------|--------------|
| GASB Statement No. 9 | \$7,907,041                           | \$ 0         |
| Investments:         |                                       |              |
| Commercial Paper     | (7,805,251)                           | 7,805,251    |
| GASB Statement No. 3 | \$ 101,790                            | \$ 7,805,251 |

**Note 7 - Taxes**

*A. Property Taxes*

Property taxes include amounts levied against all real, public utility and tangible personal property located in the City. Taxes collected from real property (other than public utility) in one calendar year are levied by October 1 in the preceding calendar year on assessed values as of January 1 of the preceding year, the lien date. Assessed values are established by State law at 35 percent of appraised market value. All property is required to be revalued every six years. The last revaluation was completed in 1997. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, payment is due December 31 with the remainder payable by June 20, unless extended.



**City of Fairview Park, Ohio**  
Notes To The General Purpose Financial Statements  
For The Year Ended December 31, 1999

**Note 7 - Taxes (continued)**

*A. Property Taxes (continued)*

Taxes collected from tangible personal property (other than public utility) in one calendar year are levied in the prior calendar year on assessed values during and at the close of the most recent fiscal year of the taxpayer that ended on or before March 31 of that calendar year, and at the tax rates determined in the preceding year. Tangible personal property used in business (except for public utilities) is currently assessed for ad valorem taxation purposes at 25 percent of its true value. Amounts paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30 with the remainder payable by September 20.

Public utility real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the year preceding the tax collection year, the lien date. Certain public utility tangible property currently is assessed at varying percentages of its true value. Public utility property taxes are assessed and payable on the same dates as real property taxes described previously.

The County Treasurer collects property taxes on behalf of all taxing districts in the County, including the City of Fairview Park. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes receivable represent real and tangible personal property taxes, public utility taxes and outstanding delinquencies which are measureable at December 31, 1999. Although total property tax collections for the next fiscal year are measureable, amounts to be received during the availability period are not subject to reasonable estimate at December 31, 1999 nor are they intended to finance 1999 operations. The receivable is, therefore, offset by deferred revenue.

The full tax rate for all City operations for the year ended December 31, 1999 was \$11.80 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 1999 property tax receipts were based was as follows:

|                                  |                      |
|----------------------------------|----------------------|
| Real Property                    | \$324,605,540        |
| Public Utility Personal Property | 9,610,600            |
| Tangible Personal Property       | <u>11,895,084</u>    |
| Total Assessed Value             | <u>\$346,111,224</u> |

*B. Income Taxes*

The City levies a municipal income tax of 1.5 percent on all salaries, wages, commissions and other compensation, and net profits earned within the City as well as incomes of residents earned outside of the City. In the latter case, the City allows a credit of 75 percent of the tax paid to another municipality to a maximum of the total amount assessed with a limit to the credit of 1.25 percent.

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

*City of Fairview Park, Ohio*  
Notes To The General Purpose Financial Statements  
For The Year Ended December 31, 1999

**Note 8 - Receivables**

Receivables at December 31, 1999 primarily consisted of taxes, accounts (billings for user charged services), intergovernmental receivables, entitlement or shared revenues and special assessments. All receivables are considered fully collectible.

A summary of the principal items of intergovernmental receivables follows:

| <u>Intergovernmental Receivables</u>       | <u>Amount</u>     |
|--|-------------------|
| <b>General Fund:</b>                       |                   |
| Workers comp. reimbursement                | \$ 3,903          |
| Court fines                                | 16,932            |
| Estate taxes                               | <u>118,852</u>    |
| <i>Total General Fund</i>                  | <u>\$ 139,687</u> |
| <b>Special Revenue Funds:</b>              |                   |
| Street Construction Maintenance and Repair |                   |
| Perm tax                                   | \$ 7,911          |
| State/Local highway                        | 6,666             |
| State Highway                              |                   |
| Perm Tax                                   | 641               |
| DARE                                       |                   |
| Grant                                      | 11,860            |
| DUI education fund                         |                   |
| Fines and forfeitures                      | <u>210</u>        |
| <i>Total Special Revenue Funds</i>         | <u>\$ 27,288</u>  |
| <b>Total</b>                               | <u>\$ 166,975</u> |

**Note 9 - Fixed Assets**

A summary of the enterprise funds' fixed assets at December 31, 1999 as follows:

|                               |                     |
|-------------------------------|---------------------|
| Equipment                     | \$ 80,093           |
| Sewer Lines                   | <u>3,403,257</u>    |
| Total Fixed Assets            | 3,483,350           |
| Less Accumulated Depreciation | <u>(803,300)</u>    |
| Net Fixed Assets              | <u>\$ 2,680,050</u> |

**City of Fairview Park, Ohio**  
Notes To The General Purpose Financial Statements  
For The Year Ended December 31, 1999

**Note 9 - Fixed Assets (continued)**

A summary of changes in general fixed assets during 1999 follows:

|                                    | Balance<br><u>January 1, 1999</u> | <u>Additions</u>         | <u>Deductions</u>  | Balance<br><u>December 31, 1999</u> |
|------------------------------------|-----------------------------------|--------------------------|--------------------|-------------------------------------|
| Land                               | \$ 275,202                        | \$ 0                     | \$ 0               | \$ 275,202                          |
| Buildings                          | 2,185,800                         | 0                        | 0                  | 2,185,800                           |
| Equipment -<br>Vehicles, furniture | 4,030,100                         | 625,453                  | 0                  | 4,655,553                           |
| Construction in<br>progress        | <u>0</u>                          | <u>160,066</u>           | <u>0</u>           | <u>160,066</u>                      |
| <b>Total</b>                       | <b><u>\$ 6,491,102</u></b>        | <b><u>\$ 785,519</u></b> | <b><u>\$ 0</u></b> | <b><u>\$ 7,276,621</u></b>          |

**Note 10 - Contingencies**

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

**Note 11 - Risk Management**

The City of Fairview Park is exposed to various risks of loss related to tort; theft of, damage to, and destruction of assets, errors and omissions, injuries to employees and natural disasters.

During 1999, the City contracted for various types of insurance as follows:

| <u>Company</u>     | <u>Type of Coverage</u>              | <u>Deductible</u>                       |
|--------------------|--------------------------------------|---|
| Reliance           | Boilers and Machinery                | \$1,000                                 |
| Reliance           | Comprehensive Auto                   | 1,000                                   |
| Reliance           | Property and Equipment/Inland Marine | 1,000 for Property<br>250 for Equipment |
| Reliance           | General Liability                    | 0                                       |
| Reliance           | Law Enforcement                      | 5,000                                   |
| Reliance           | Public Officials                     | 10,000                                  |
| Reliance           | Ambulance/Fire Errors and Omissions  | 0                                       |
| Guarantee National | Umbrella                             | 0                                       |

Workers compensation coverage is provided by the State. The City pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

There has not been a significant reduction in commercial coverage from the prior year and settled claims have not exceeded coverage in any of the last five years.

*City of Fairview Park, Ohio*  
Notes To The General Purpose Financial Statements  
For The Year Ended December 31, 1999

**Note 11 - Risk Management (continued)**

Through October 1999, the City has elected to provide medical benefits through a self-insured program. The maintenance of these benefits are accounted for in the Health Insurance Reserve fund. A third party administrator processed and paid the claims. An excess coverage insurance (stop loss) policy covered annual claims in excess of \$35,000 per individual and \$1,000,000 for the City as a whole. In November 1999, the City converted its health insurance program from its self-insured program to a fully insured program.

Based on a review of claims paid from January through May 2000, the claims liability was \$43,432. The incurred but unreported claims at December 31, 1999 is included in the claims liability. This reporting is in compliance with the requirements of Governmental Accounting standards Board Statement No. 10 which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses.

Changes in the fund's claims liability amount for the last two years follow:

|      | <u>Balance at</u><br><u>Beginning of Year</u> | <u>Current Year</u><br><u>Claims</u> | <u>Claim</u><br><u>Payments</u> | <u>Balance at</u><br><u>End of Year</u> |
|------|---|--------------------------------------|---------------------------------|---|
| 1998 | \$ 82,188                                     | 541,083                              | 551,250                         | 72,021                                  |
| 1999 | \$ 72,021                                     | 541,051                              | 569,640                         | 43,432                                  |

**City of Fairview Park, Ohio**  
**Notes To The General Purpose Financial Statements**  
**For The Year Ended December 31, 1999**

**Note 12 - Long-Term Obligations**

Changes in the long-term obligations of the City during 1999 were as follows:

|  | Outstanding<br>12/31/98 | Additions           | (Reductions)        | Outstanding<br>12/31/99 |
|--|-------------------------|---------------------|---------------------|-------------------------|
| <i>General Long-Term Obligations</i>                                 |                         |                     |                     |                         |
| <i>Notes Payable</i>   |                         |                     |                     |                         |
| Fire Apparatus - 4.10%   | \$ 380,000              | \$ 0                | \$ 380,000          | 0                       |
| Fire Apparatus - 4%  | 0                       | 380,000             | 380,000             | 0                       |
| Service Equipment - 4.10%  | 170,000                 | 0                   | 170,000             | 0                       |
| Service Equipment - 4%   | 0                       | 170,000             | 170,000             | 0                       |
| Fire Equipment - 4.10%   | 110,000                 | 0                   | 110,000             | 0                       |
| Multipurpose - 4%  | 0                       | 1,300,000           | 1,300,000           | 0                       |
| Pension - 4%   | 0                       | 120,000             | 120,000             | 0                       |
| Service Equipment - 4%   | 0                       | 90,000              | 90,000              | 0                       |
| <i>Total Notes</i>   | 660,000                 | 2,060,000           | 2,720,000           | 0                       |
| <i>Bonds Payable</i>   |                         |                     |                     |                         |
| Park Improvements - 3.7%-5.3%  | 0                       | 2,200,000           | 0                   | 2,200,000               |
| Senior Center - 3.7%-5.3%  | 0                       | 1,345,000           | 0                   | 1,345,000               |
| Fire Equipment - 3.7%-5.3%   | 0                       | 390,000             | 0                   | 390,000                 |
| Public Service - 3.7%-5.3%   | 0                       | 175,000             | 0                   | 175,000                 |
| Pension Liability - 3.7%-5.3%  | 0                       | 120,000             | 0                   | 120,000                 |
| Public Service - 3.7%-5.3%   | 0                       | 95,000              | 0                   | 95,000                  |
| <i>Total Bonds</i>   | 0                       | 4,325,000           | 0                   | 4,325,000               |
| Police and Fire Pension Liability                                    | 163,621                 | 0                   | 163,621             | 0                       |
| Compensated Absences   | 831,378                 | 356,852             | 0                   | 1,188,230               |
| Pension Obligation   | 304,143                 | 19,556              | 0                   | 323,699                 |
| Medicare Obligation  | 2,098                   | 2,347               | 0                   | 4,445                   |
| <i>Total General Long-Term Obligations</i>                           | <u>1,961,240</u>        | <u>6,763,755</u>    | <u>2,883,621</u>    | <u>5,841,374</u>        |
| <i>Enterprise Fund Obligations</i>                                   |                         |                     |                     |                         |
| 1998 OPWC Sanitary Sewer -<br>0% interest                            | 45,817                  | 496,196             | 0                   | 542,013                 |
| 1986 7.00% Sanitary Sewer<br>Improvement General<br>Obligation Bonds | <u>925,000</u>          | <u>0</u>            | <u>120,000</u>      | <u>805,000</u>          |
| <b>GRAND TOTAL</b>   | <u>\$ 2,932,057</u>     | <u>\$ 7,259,951</u> | <u>\$ 3,003,621</u> | <u>\$ 7,188,387</u>     |

The activity of the compensated absences are netted for practical purposes. Police and fire pension liability will be paid from the general fund. Compensated absences reported in the "compensated absences payable" account will be paid from the fund from which the employees' salaries are paid. Long-term pension obligations and Medicare will be paid from the fund from which the employees' salaries are paid. Enterprise general obligation bonds and Ohio Public Works Commission loans will be paid from user charges.

*City of Fairview Park, Ohio*  
Notes To The General Purpose Financial Statements  
For The Year Ended December 31, 1999

**Note 12 - Long-Term Obligations (continued)**

General obligation bonds will be paid from the General Bond Retirement Debt Service fund. The proceeds of the bonds were used to refund the general obligation bond anticipation notes used to improve and expand the City's park and recreational facilities, construct the senior center, acquire equipment and vehicles and pay the unfunded pension liability.

The City's overall legal debt margin was \$32,016,679 at December 31, 1999. Principal and interest requirements to retire long-term obligations outstanding at December 31, 1999 are as follows:

| <u>Year Ended</u> | <u>Sewer General<br/>Obligation<br/>Bonds</u> | <u>General<br/>Obligation<br/>Bonds</u> | <u>OPWC<br/>Loans</u> |
|-------------------|---|---|-----------------------|
| 2000              | \$ 171,350                                    | \$ 435,118                              | \$ 26,678             |
| 2001              | 163,300                                       | 441,608                                 | 36,134                |
| 2002              | 155,250                                       | 381,562                                 | 36,134                |
| 2003              | 147,200                                       | 383,470                                 | 36,134                |
| 2004              | 139,150                                       | 379,860                                 | 36,134                |
| 2005-2009         | 254,150                                       | 1,718,550                               | 180,671               |
| 2010-2014         | 0   | 1,458,650                               | 180,671               |
| 2015-2019         | <u>0</u>                                      | <u>1,471,286</u>                        | <u>9,457</u>          |
| Total             | <u>\$ 1,030,400</u>                           | <u>\$ 6,670,104</u>                     | <u>\$ 542,013</u>     |

**Note 13 - Other Employee Benefits**

*Compensated Absences*

The criteria for determining vacation and sick leave liabilities are derived from negotiated agreements and State laws. Employees earn vacation and sick leave at different rates which are also affected by length of service. Vacation can be carried over at different rates depending on the department and only with the Mayor's approval. The carry over vacation must be taken by February 28 of the following year. Sick leave accrual is continuous, without limit. Overtime worked is always paid to employees on the paycheck for the period in which it was worked.

Upon retirement, an employee can be paid for one half of their accumulated hours of sick leave up to 960 hours, except fire department employees, who are paid for one half of their accumulated sick leave up to 1,196 hours. Upon retirement, termination, or death of the employee, accrued vacation is paid for time the employees have earned but not used.

As of December 31, 1999, the liability for unpaid compensated absences was \$1,312,587 for the entire City.

*City of Fairview Park, Ohio*  
Notes To The General Purpose Financial Statements  
For The Year Ended December 31, 1999

**Note 14 - Defined Benefit Pension Plans**

*A. Public Employees Retirement System (PERS)*

All City full-time employees, other than Police and Firemen, participate in the Public Employees Retirement System of Ohio (PERS), a cost sharing multiple-employer public employee retirement system administered by the Public Employees Retirement Board. PERS provides basic retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. Benefits are established by Chapter 145 of the Ohio Revised Code. PERS issues a stand-alone financial report which may be obtained by writing to the Public Employees Retirement System, 277 East Town Street, Columbus, Ohio, 43215-4642.

Plan members are required to contribute 8.5 percent of their annual covered salary to fund pension obligations and the City is required to contribute 9.35 percent. Contributions are authorized by State statute. The contribution rates are determined actuarially. The City's required contributions to PERS for the years ended December 31, 1999, 1998, and 1997 were \$253,554, \$343,367, and \$204,458 respectively. The full amount has been contributed for 1998 and 1997. 74.1 percent has been contributed for 1999 with the remainder being reported as a liability in the General Long-Term Obligations Account Group and the Enterprise fund.

*B. Police and Firemen's Disability and Pension*

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

Police and firefighters are required to contribute 10 percent of their annual covered salary to fund pension obligations, while the City is required to contribute 12.5 percent for police and 17.0 percent for firefighters to fund pension obligations. Contributions are authorized by State statute. The City's contributions to the PFDPF for police and firefighters were \$188,929 and \$257,284 for the year ended December 31, 1999, \$279,083 and \$371,784 for 1998 and \$171,939 and \$246,371 for 1997. The full amount has been contributed for 1998 and 1997. 73.3 and 73.3 percent respectively, have been contributed for 1999 with the remainder being reported as a liability within the General Long-Term Obligations Account Group.

*City of Fairview Park, Ohio*  
Notes To The General Purpose Financial Statements  
For The Year Ended December 31, 1999

**Note 15 - Postemployment Benefits**

*A. Public Employees Retirement System (PERS)*

The Public Employees Retirement System of Ohio (PERS) provides postretirement health care coverage to age and service employees with ten or more years of qualifying Ohio service credit and to primary survivor recipients of such retirees. Health care coverage for disability recipients is available. The health care coverage provided by the retirement system is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 12. A portion of each employees contribution to PERS is set aside for the funding of postretirement health care based on the authority granted by State statute. The 1999 employer contribution rate was 13.55 percent of covered payroll for employees; 4.2 percent was the portion that was used to fund health care.

Benefits are funded on a pay-as-you-go basis. OPEB are financed through employer contributions and investment earnings. The contributions allocated to retiree health and Medicare, along with investments income on allocated assets and periodic adjustments in health care provisions, are expected to be sufficient to sustain the program indefinitely. During 1999, OPEB expenditures made by PERS were \$523,599,349. As of December 31, 1999, the unaudited estimated net assets available for future OPEB payments were \$9,870,285,641. At December 31, 1999, the total number of benefit recipients eligible for OPEB through PERS was 118,062. The City's actual contributions for 1999 which were used to fund OPEB were \$113,896.

During 1997, PERS 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 percent of member covered payroll, are used to fund health care expenses. Under the prior method, accrued liabilities and normal cost rates were determined for retiree health coverage.

*B. Police and Firemen's Disability Pension Fund*

The Police and Firemen's Disability and Pension Fund (the "PFDPF") provides postretirement 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 full-time or on a 2/3 basis. The health care coverage provided by the retirement system is considered an Other Postemployment Benefit as described in GASB Statement No. 12. The Ohio Revised Code provides the authority allowing the Police and Firemen's Disability and Pension Fund's board of trustees to provide health care coverage and states that health care cost paid from the Police and Firemen's Disability and Pension Fund shall be included in the employer's contribution rate.

Health care funding and accounting is on a pay-as-you-go basis. The total police employer contribution is 19.5 percent of covered payroll and the total firefighter employer contribution rate is 24 percent of covered payroll, of which 7 percent of covered payroll is applied to the postemployment health care program during 1999. 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.



**City of Fairview Park, Ohio**  
Notes To The General Purpose Financial Statements  
For The Year Ended December 31, 1999

**Note 15 - Postemployment Benefits (continued)**

The City's actual contributions for 1999 that were used to fund postemployment benefits were \$105,800 for police and \$105,940 for fire. The number of participants eligible to receive health care benefits as of December 31, 1998 (the latest information available) was 11,424 for police and 9,186 for firefighters. The Fund's total health care expenses for the year ending December 31, 1998 (the latest information available) was \$78,596,790, which was net of member contributions of \$5,331,515.

**Note 16 - Joint Venture - Rocky River Wastewater Treatment Plant**

The Rocky River Wastewater Treatment Plant (the "Plant") is a joint venture among the cities of Fairview Park, Bay Village, Rocky River and Westlake. The Plant is governed by a management board consisting of the elected mayors of the four member cities and a fifth person nominated and elected by the mayors. The board has complete authority over all aspects of the Plant's operations. The Plant supplies all participating residents of the member cities with sewer services. Each city owns the sewage liens located in its city and bills its residents for usage. Continued existence of the Plant is dependent on the City's continued participation, and the City has an equity interest in the Plant. The City's equity interest is \$5,115,494 which represents 17.19 percent of the total equity in the Plant. The Plant is not accumulating significant financial resources or experiencing fiscal stress which would cause additional financial benefit or burden on the City. Complete financial statements can be obtained from the City of Rocky River, 21012 Hilliard Ave., Rocky River, Ohio 44116.

**Note 17 - Segment Information**

The City maintains two enterprise funds to account for its sewer and recreation operations. Segment information for these operations for the year ended December 31, 1999 is as follows:

|                         | <u>Sanitary<br/>Sewer</u> | <u>Gilles-Sweet</u> | <u>Total</u> |
|-------------------------|---------------------------|---------------------|--------------|
| Operating revenues      | \$2,122,186               | \$ 79,340           | \$2,201,526  |
| Operating expenses      |                           |                     |              |
| before depreciation     | 1,499,218                 | 102,048             | 1,601,266    |
| Depreciation expense    | 65,529                    | 0                   | 65,529       |
| Operating income/(loss) | 557,439                   | (22,708)            | 534,731      |
| Non-operating revenues  |                           |                     |              |
| (expenses)              | 28,445                    | 0                   | 28,445       |
| Transfers in            | 0                         | 84,500              | 84,500       |
| Net income              | 585,884                   | 61,792              | 647,676      |
| Net working capital     | 2,237,161                 | 62,656              | 2,299,817    |
| Total assets            | 10,100,232                | 75,032              | 10,175,264   |
| Long-term liabilities   | 1,687,467                 | 0                   | 1,687,467    |
| Total equity/(deficit)  | 520,090                   | 62,656              | 582,746      |
| Fixed asset additions   | 497,768                   | 0                   | 497,768      |

*City of Fairview Park, Ohio*  
Notes To The General Purpose Financial Statements  
For The Year Ended December 31, 1999

**Note 18 - Jointly Governed Organizations**

A. *Westshore Council of Governments*

The Westshore Council of Governments (the "Council") is comprised the Cities of Bay Village, Fairview Park, Lakewood, North Olmsted, Rocky River and Westlake. The Council helps foster cooperation between municipalities in areas effecting health, safety, welfare, education, economic conditions and regional development. The board is comprised of the Council including budgeting, appropriating, contracting, and designating management. Budgets are adopted by the board. Each City's degree of control is limited to its representation on the board.

In 1999, the City contributed \$29,912 to the Council, which represented 10.5 percent of total contributions. The Council has established two subsidiary organizations, the Westshore Hazardous Materials Committee ("HAZMAT") which provides hazardous material protection and assistance, and the Westshore Enforcement Bureau which provides extra assistance to cities in the form of a SWAT Team. Complete financial statements can be obtained from the City of Rocky River, P.O. Box 16088, Rocky River, Ohio 44146-0088.

B. *Tri-City Park*

The Tri-City Park (the "Park") provides a recreational park to the cities of Rocky River, Westlake and Fairview Park. The Park is governed by a board consisting of the elected mayors of the three cities. The board exercises total control over the operation of the Park including budgeting, appropriating, contracting, and designating management. Budgets are adopted by the board. Each city's degree of control is limited to its representation on the board. In 1999 the City contributed \$37,211 to the Park. Complete financial statements can be obtained from the City of Westlake, 27216 Hilliard, Westlake, Ohio 44145.

**Note 19 - Capital Lease**

The City has entered into a lease agreement for financing the acquisition of capital equipment. This lease qualifies as a capital lease for accounting purposes (title transfers at the end of the lease term) and, therefore, has been recorded at the present value of the future minimum lease payments as of the date of inception.

**City of Fairview Park, Ohio**  
**Notes To The General Purpose Financial Statements**  
**For The Year Ended December 31, 1999**

**Note 19 - Capital Lease (continued)**

The following is a schedule of future minimum lease payments under this capital lease and the present value of the net minimum lease payments at December 31, 1999:

| <u>Year</u>                                       | <u>General long-<br/>Term debt</u> |
|---|------------------------------------|
| 2000  | \$ 32,521                          |
| 2001  | 32,521                             |
| 2002  | 32,521                             |
| 2003  | 32,521                             |
| 2004  | 32,521                             |
| 2005-2009   | <u>146,346</u>                     |
| Total minimum lease payment                       | 308,951                            |
| Less: Amount representing interest                | <u>61,788</u>                      |
| Present value of future minimum<br>lease payments | <u>\$ 247,163</u>                  |

**COMBINING,  
INDIVIDUAL FUND  
AND  
ACCOUNT GROUP  
STATEMENTS AND SCHEDULES**

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*City of Fairview Park, Ohio*

**General Fund**

The General Fund is the general operating fund of the City. It is used to account for all financial resources of the City, except for those required by law or contract to be accounted for in another fund. The following is the "Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual (Non - GAAP Budget Basis)," as required by law for the level of appropriations as budgeted by the City.

**City of Fairview Park, Ohio**  
 Schedule of Revenues, Expenditures, and Changes in Fund Balances -  
 Budget and Actual (Non - GAAP Budget Basis) -  
 General Fund

Year Ended December 31, 1999

|   | Revised<br>Budget | Actual           | Variance<br>Favorable/<br>(Unfavorable) |
|---|-------------------|------------------|---|
| <b>Revenues</b>                               |                   |                  |   |
| Municipal income tax                          | \$ 3,320,930      | \$ 3,312,258     | \$ (8,672)                              |
| Property and other taxes                      | 2,555,062         | 2,554,849        | (213)                                   |
| Intergovernmental                             | 1,751,525         | 1,751,525        |   |
| Charges for services                          | 16,260            | 25,202           | 8,942                                   |
| Licenses and permits                          | 160,450           | 152,640          | (7,810)                                 |
| Fines and forfeitures                         | 114,310           | 121,442          | 7,132                                   |
| Interest                                      | 163,000           | 188,708          | 25,708                                  |
| Rent  | 10,230            | 10,634           | 404                                     |
| Miscellaneous                                 | 13,000            | 21,009           | 8,009                                   |
| <b>Total Revenues</b>                         | <b>8,104,767</b>  | <b>8,138,267</b> | <b>33,500</b>                           |
| <b>Expenditures</b>                           |                   |                  |   |
| Current:                                      |                   |                  |   |
| General government:                           |                   |                  |   |
| Board of appeals                              | 340               | 339              | 1                                       |
| Mayors office                                 | 120,458           | 119,179          | 1,279                                   |
| Service director                              | 210,045           | 209,716          | 329                                     |
| Finance department                            | 341,073           | 338,642          | 2,431                                   |
| Legal department                              | 121,870           | 121,855          | 15                                      |
| Engineering                                   | 31,376            | 31,319           | 57                                      |
| Municipal land/building                       | 502,996           | 501,924          | 1,072                                   |
| Civil service                                 | 11,934            | 11,483           | 451                                     |
| County & state fees                           | 294,015           | 294,346          | (331)                                   |
| Legislative                                   | 92,379            | 91,542           | 837                                     |
| Other administrative                          | 110,130           | 110,139          | (9)                                     |
| <b>Total general government</b>               | <b>1,836,616</b>  | <b>1,830,484</b> | <b>6,132</b>                            |
| Security of persons and property:             |                   |                  |   |
| Police department                             | 2,146,135         | 2,143,584        | 2,551                                   |
| Traffic control                               | 122,104           | 121,698          | 406                                     |
| Fire department                               | 1,560,777         | 1,554,477        | 6,300                                   |
| <b>Total security of persons and property</b> | <b>3,829,016</b>  | <b>3,819,759</b> | <b>9,257</b>                            |

Continued

**City of Fairview Park, Ohio**  
 Schedule of Revenues, Expenditures, and Changes in Fund Balances -  
 Budget and Actual (Non - GAAP Budget Basis) -  
 General Fund - Continued

|   | Revised<br>Budget | Actual            | Variance<br>Favorable/<br>(Unfavorable) |
|---|-------------------|-------------------|---|
| <b>Expenditures - Continued</b>   |                   |                   |   |
| Public health and welfare:  |                   |                   |   |
| Public health   | 51,917            | 51,917            |   |
| <b>Total public health and welfare</b>  | <b>51,917</b>     | <b>51,917</b>     |   |
| Transportation:   |                   |                   |   |
| Street maintenance  | 25,000            | 25,000            |   |
| Motor vehicle maintenance   | 334,446           | 333,131           | 1,315                                   |
| <b>Total transportation</b>   | <b>359,446</b>    | <b>358,131</b>    | <b>1,315</b>                            |
| Community environment   |                   |                   |   |
| Planning  | 8,346             | 8,344             | 2                                       |
| Building department   | 234,156           | 234,194           | (38)                                    |
| Solid waste disposal  | 807,061           | 807,977           | (916)                                   |
| Architectural board   | 7,360             | 7,358             | 2                                       |
| Senior life office  | 159,732           | 159,871           | (139)                                   |
| <b>Total community environment</b>  | <b>1,216,655</b>  | <b>1,217,744</b>  | <b>(1,089)</b>                          |
| Leisure time activities:  |                   |                   |   |
| Parks   | 534,383           | 534,301           | 82                                      |
| <b>Total leisure time activities</b>  | <b>534,383</b>    | <b>534,301</b>    | <b>82</b>                               |
| <b>Total expenditures</b>   | <b>7,828,033</b>  | <b>7,812,336</b>  | <b>15,697</b>                           |
| <b>Excess of revenues under expenditures</b>  | <b>276,734</b>    | <b>325,931</b>    | <b>49,197</b>                           |
| <b>Other financing sources (uses)</b>   |                   |                   |   |
| Advances in   | 70,400            | 70,400            |   |
| Advances out  | (114,000)         | (84,000)          | 30,000                                  |
| Operating transfers - out   | (374,577)         | (374,577)         |   |
| <b>Total other sources (uses)</b>   | <b>(418,177)</b>  | <b>(388,177)</b>  | <b>30,000</b>                           |
| <b>Excess of revenues and other financing sources<br/>  under expenditures and other uses</b> | <b>(141,443)</b>  | <b>(62,246)</b>   | <b>79,197</b>                           |
| Fund balance at beginning of year   | 725,436           | 725,436           |   |
| Prior Year Encumbrances Appropriated  | 4,466             | 4,466             |   |
| <b>Fund balance at end of year</b>  | <b>\$ 588,459</b> | <b>\$ 667,656</b> | <b>\$ 79,197</b>                        |



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*City of Fairview Park, Ohio*

**Special Revenue Funds**

**Street Construction Maintenance and Repair Fund**

To account for the receipts of restricted funds and expenditures use in the maintenance and repair of City streets.

**State Highway Fund**

To account for the receipt of restricted funds and expenditures use in the maintenance of state highways located in the City of Fairview Park.

**Recreation Fund**

To provide for the receipt of recreation funds from recreation programs and recreation millage and account for recreation expenditures.

**Police and Fire Pension Fund**

To account for receipt of millage collected for police & fire pensions and account for expenditures in regards to police and fire pensions.

**S.A.V.E. Fund**

Stop A Vandal Easily funded from general fund, to be used for reward for information in regards to solving crimes.

**Street Lighting Fund**

To account for the receipt of special assessment monies levied for the providing of street lighting of City roads.

**Fire Operating Levy**

To account for the receipt of millage collected to pay salaries and fringe benefits of the fire department.

*City of Fairview Park, Ohio*

**Special Revenue Funds - continued**

**Federal Grants Fund**

To account for the receipt and expenditures of Federal Projects.

**State Grants Fund**

To account for the receipt and expenditures of State Projects.

**Fairview Park Sidewalk**

To account for the transfer of general fund monies used in the improvement of City sidewalks.

**Bain Park Restoration Fund**

To receipt rental income and donations for funds used in Bain Cabin.

**Law Enforcement Trust**

To receipt funds seized in the commitment of a felony and awarded to the City of Fairview Park and to be used in purchases of capital equipment for use in the Police Department.

**D.U. I. Education Fund**

To receipt funds received Federal Government, State of Ohio or Cuyahoga County to be used in D.U.I. education and equipment used in D.U.I. enforcement.

**P.O.P.A.S. Fund**

To receipt funds received from traffic violations issued by Auxiliary Police and impound fees from motor vehicles. These funds are to be used for the purchases of police equipment.

**New Levy/Project Account**

Monies transferred from the Recreation Fund to be used for park land acquisition.

*City of Fairview Park, Ohio*

**Special Revenue Funds - continued**

**Cable TV Franchise Fee Fund**

To account for revenue received from the cable franchises and record those expenses allowed by City Council.

**DARE Fund**

To account for donations and Federal Grants received and expenditures made for drug education.

**Emergency Medical Systems**

To record fees charged for ambulance service and to record expenditures made for Fire Department equipment.

**City of Fairview Park, Ohio**

**Combining Balance Sheet - Special Revenue Funds**

December 31, 1999

|  | Street<br>Construction<br>Maintenance<br>and Repair | State<br>Highway | Recreation          | SAVE          |
|--|---|------------------|---------------------|---------------|
| <b>Assets and other debits:</b>                    |   |                  |                     |               |
| Cash and cash equivalents                          | \$ 2,528  | \$ 4,764         | \$ 2,470,943        | \$ 400        |
| Receivables (net of allowances for uncollectibles) |   |                  |                     |               |
| Taxes  |   |                  | 294,859             |               |
| Intergovernmental                                  | 14,577  | 641              |                     |               |
| Special assessments                                |   |                  |                     |               |
| Interfund receivable                               |   |                  |                     |               |
| Materials and supplies inventory                   | 8,237   | 20,107           |                     |               |
| <b>Total assets</b>                                | <b>\$ 25,342</b>                                    | <b>\$ 25,512</b> | <b>\$ 2,765,802</b> | <b>\$ 400</b> |
| <b>Liabilities:</b>                                |   |                  |                     |               |
| Accounts payable                                   | \$ 16,811   |                  | \$ 90               |               |
| Contracts payable                                  |   |                  | 7,893               |               |
| Accrued wages and benefits                         | 5,696   |                  | 2,929               |               |
| Compensated absence payable                        | 3,119   |                  | 638                 |               |
| Interfund payable                                  |   |                  |                     |               |
| Intergovernmental payable                          |   |                  |                     |               |
| Deferred revenue                                   |   |                  | 294,859             |               |
| <b>Total liabilities</b>                           | <b>25,626</b>                                       |                  | <b>306,409</b>      |               |
| <b>Fund Equity</b>                                 |   |                  |                     |               |
| Fund balances                                      |   |                  |                     |               |
| Reserved for encumbrances                          |   |                  | \$ 5,437            |               |
| Reserved for inventory                             | \$ 8,237  | \$ 20,107        |                     |               |
| Unreserved - undesignated                          | (8,521)   | 5,405            | 2,453,956           | \$ 400        |
| <b>Total fund equity</b>                           | <b>(284)</b>  | <b>25,512</b>    | <b>2,459,393</b>    | <b>400</b>    |
| <b>Total liabilities and fund equity</b>           | <b>\$ 25,342</b>                                    | <b>\$ 25,512</b> | <b>\$ 2,765,802</b> | <b>\$ 400</b> |

| Street Lighting   | Fire Operating Levy | Federal Grants  | State Grants | Fairview Park Sidewalk | POPAS            |
|-------------------|---------------------|-----------------|--------------|------------------------|------------------|
| \$ 132,996        | \$ 5,391            | \$ 4,863        |              | \$ 4,924               | \$ 51,215        |
|                   | 275,802             |                 |              |                        |                  |
| 223,373           |                     |                 |              |                        |                  |
| <u>\$ 356,369</u> | <u>\$ 281,193</u>   | <u>\$ 4,863</u> | <u>\$ 0</u>  | <u>\$ 4,924</u>        | <u>\$ 51,215</u> |
| \$ 16,757         |                     |                 | \$ 2,000     |                        |                  |
| 223,373           | \$ 275,802          |                 |              |                        |                  |
| 240,130           | 275,802             |                 | 2,000        |                        |                  |
|                   |                     |                 |              | \$ 7,120               |                  |
| \$ 116,239        | \$ 5,391            | \$ 4,863        | \$ (2,000)   | \$ 4,924               | 44,095           |
| 116,239           | 5,391               | 4,863           | (2,000)      | 4,924                  | 51,215           |
| <u>\$ 356,369</u> | <u>\$ 281,193</u>   | <u>\$ 4,863</u> | <u>\$ 0</u>  | <u>\$ 4,924</u>        | <u>\$ 51,215</u> |

(Continued)

*City of Fairview Park, Ohio*

Combining Balance Sheet - Special Revenue Funds - (Continued)

December 31, 1999

|  | New Levy<br>Project<br>Account | Cable TV<br>Franchise<br>Fee | DARE             | Bain<br>Park<br>Restoration |
|--|--------------------------------|------------------------------|------------------|-----------------------------|
| <b>Assets and other debits:</b>                    |                                |                              |                  |                             |
| Cash and cash equivalents                          | \$ 17,977                      | \$ 175,255                   | \$ 15,051        | \$ 14,277                   |
| Receivables (net of allowances for uncollectibles) |                                |                              |                  |                             |
| Taxes  |                                |                              |                  |                             |
| Intergovernmental                                  |                                |                              | 11,860           |                             |
| Special assessments                                |                                |                              |                  |                             |
| Interfund receivable                               |                                |                              |                  |                             |
| Materials and supplies inventory                   |                                |                              |                  |                             |
| <b>Total assets</b>                                | <u>\$ 17,977</u>               | <u>\$ 175,255</u>            | <u>\$ 26,911</u> | <u>\$ 14,277</u>            |
| <b>Liabilities:</b>                                |                                |                              |                  |                             |
| Accounts payable                                   |                                |                              |                  |                             |
| Contracts payable                                  |                                |                              |                  |                             |
| Accrued wages and benefits                         |                                |                              |                  |                             |
| Compensated absence payable                        |                                |                              |                  |                             |
| Interfund payable                                  |                                |                              |                  |                             |
| Intergovernmental payable                          |                                |                              | \$ 5,930         |                             |
| Deferred revenue                                   |                                |                              |                  |                             |
| <b>Total liabilities</b>                           |                                |                              | <u>5,930</u>     |                             |
| <b>Fund Equity</b>                                 |                                |                              |                  |                             |
| Fund balances                                      |                                |                              |                  |                             |
| Reserved for encumbrances                          | \$ 6,300                       |                              |                  |                             |
| Reserved for inventory                             |                                |                              |                  |                             |
| Unreserved - undesignated                          | 11,677                         | \$ 175,255                   | \$ 20,981        | \$ 14,277                   |
| <b>Total fund equity</b>                           | <u>17,977</u>                  | <u>175,255</u>               | <u>20,981</u>    | <u>14,277</u>               |
| <b>Total liabilities and fund equity</b>           | <u>\$ 17,977</u>               | <u>\$ 175,255</u>            | <u>\$ 26,911</u> | <u>\$ 14,277</u>            |

| Law Enforcement Trust | Police and Fire Pension | DUI Education   | Emergency Medical Systems | Total               |
|-----------------------|-------------------------|-----------------|---------------------------|---------------------|
| \$ 21,033             | \$ 2,952                | \$ 3,248        | \$ 6,388                  | 2,934,205           |
|                       | 198,595                 | 210             |                           | 769,256             |
|                       | 5,299                   |                 |                           | 27,288              |
|                       |                         |                 |                           | 223,373             |
|                       |                         |                 |                           | 5,299               |
|                       |                         |                 |                           | 28,344              |
| <u>\$ 21,033</u>      | <u>\$ 206,846</u>       | <u>\$ 3,458</u> | <u>\$ 6,388</u>           | <u>3,987,765</u>    |
|                       |                         |                 |                           | \$ 33,658           |
|                       |                         |                 |                           | 7,893               |
|                       |                         |                 |                           | 8,625               |
|                       |                         |                 |                           | 3,757               |
|                       |                         |                 |                           | 2,000               |
|                       |                         |                 |                           | 5,930               |
|                       | \$ 198,595              |                 |                           | 992,629             |
|                       | <u>198,595</u>          |                 |                           | <u>1,054,492</u>    |
|                       |                         |                 |                           | \$ 18,857           |
|                       |                         |                 |                           | 28,344              |
| \$ 21,033             | \$ 8,251                | \$ 3,458        | \$ 6,388                  | 2,886,072           |
| <u>21,033</u>         | <u>8,251</u>            | <u>3,458</u>    | <u>6,388</u>              | <u>2,933,273</u>    |
| <u>\$ 21,033</u>      | <u>\$ 206,846</u>       | <u>\$ 3,458</u> | <u>\$ 6,388</u>           | <u>\$ 3,987,765</u> |



**City of Fairview Park, Ohio**

**Combining Statement of Revenues, Expenditures and  
Changes in Fund Balances - Special Revenue funds**

For the Year Ended December 31, 1999

|  | Street<br>Construction<br>Maintenance<br>and Repair | State<br>Highway | Recreation          | SAVE          |
|--|---|------------------|---------------------|---------------|
| <b>Revenues:</b>   |   |                  |                     |               |
| Property Taxes   |   |                  | \$ 304,592          |               |
| Intergovernmental  | \$ 193,873  | \$ 15,112        | 40,771              |               |
| Special assessments  |   |                  |                     |               |
| Interest   |   |                  | 31,004              |               |
| Fines, licenses and permits  | 242,716   | 19,747           |                     |               |
| Charges for services   |   |                  | 101,203             |               |
| Miscellaneous  |   |                  | 862                 |               |
| <b>Total revenues</b>  | <b>436,589</b>                                      | <b>34,859</b>    | <b>478,432</b>      |               |
| <b>Expenditures:</b>   |   |                  |                     |               |
| Current:   |   |                  |                     |               |
| Security of persons and property   |   |                  |                     |               |
| Leisure time activities  |   |                  | \$ 376,274          |               |
| General government   |   |                  |                     |               |
| Community environment  |   |                  |                     |               |
| Transportation   | \$ 494,119  | \$ 37,000        |                     |               |
| <b>Total expenditures</b>  | <b>494,119</b>                                      | <b>37,000</b>    | <b>376,274</b>      |               |
| <b>Excess of revenue over<br/>(under) expenditures</b>   | <b>(57,530)</b>                                     | <b>(2,141)</b>   | <b>102,158</b>      |               |
| <b>Other financing sources (uses):</b>   |   |                  |                     |               |
| Proceeds of bonds  |   |                  | \$ 2,200,000        |               |
| Premium and accrued interest   |   |                  | 2,955               |               |
| Operating transfers out  |   |                  |                     |               |
| Operating transfers in   | \$ 20,000   |                  |                     |               |
| <b>Total other financing sources (uses)</b>  | <b>20,000</b>                                       |                  | <b>2,202,955</b>    |               |
| <b>Excess of revenues and other<br/>financing sources over (under)<br/>expenditures and other uses</b> | <b>(37,530)</b>                                     | <b>(2,141)</b>   | <b>2,305,113</b>    |               |
| Fund balance at beginning of year  | 33,534  | 17,858           | 154,280             | \$ 400        |
| Increase (Decrease) in reserve for inventory   | 3,712   | 9,795            |                     |               |
| <b>Fund balance at end of year</b>   | <b>\$ (284)</b>                                     | <b>\$ 25,512</b> | <b>\$ 2,459,393</b> | <b>\$ 400</b> |

| Street<br>Lighting | Fire<br>Operating<br>Levy | Federal<br>Grants | State<br>Grants | Fairview<br>Park<br>Sidewalk | POPAS      |
|--------------------|---------------------------|-------------------|-----------------|------------------------------|------------|
|                    | \$ 283,563                |                   |                 |                              |            |
| \$ 225,147         | 37,768                    | \$ 13,564         |                 |                              |            |
|                    |                           |                   |                 |                              | \$ 130,887 |
| 225,147            | 321,331                   | 13,564            |                 |                              | 130,887    |
| \$ 192,431         | \$ 234,000                |                   |                 |                              | \$ 92,813  |
|                    |                           | \$ 7,978          | \$ 7,079        |                              |            |
| 192,431            | 234,000                   | 7,978             | 7,079           |                              | 92,813     |
| 32,716             | 87,331                    | 5,586             | (7,079)         |                              | 38,074     |
|                    | \$ (243,000)              |                   | \$ 7,079        |                              |            |
|                    | (243,000)                 |                   | 7,079           |                              |            |
| 32,716             | (155,669)                 | 5,586             | 0               |                              | 38,074     |
| 83,523             | 161,060                   | (723)             | (2,000)         | 4,924                        | 13,141     |
| \$ 116,239         | \$ 5,391                  | \$ 4,863          | \$ (2,000)      | \$ 4,924                     | \$ 51,215  |

(Continued)

*City of Fairview Park, Ohio*

Combining Statement of Revenues, Expenditures and  
Changes in Fund Balances - Special Revenue funds - (Continued)

For the Year Ended December 31, 1999

|  | New Levy<br>Project<br>Levy | Cable TV<br>Franchise<br>Fee | DARE             | Bain<br>Park<br>Restoration |
|--|-----------------------------|------------------------------|------------------|-----------------------------|
| <b>Revenues:</b>   |                             |                              |                  |                             |
| Property Taxes   |                             |                              |                  |                             |
| Intergovernmental  |                             |                              | \$ 15,507        |                             |
| Special assessments  |                             |                              |                  |                             |
| Interest   | \$                          | 1,847                        |                  |                             |
| Fines, licenses and permits  |                             | 64,445                       |                  |                             |
| Charges for services   |                             |                              |                  | \$ 4,345                    |
| Miscellaneous  |                             |                              |                  |                             |
| <b>Total revenues</b>  |                             | 66,292                       | 15,507           | 4,345                       |
| <b>Expenditures:</b>   |                             |                              |                  |                             |
| <b>Current:</b>  |                             |                              |                  |                             |
| Security of persons and property   |                             |                              | \$ 3,136         |                             |
| Leisure time activities  |                             |                              |                  |                             |
| General government   | \$                          | 939                          |                  | \$ 1,893                    |
| Community environment  |                             |                              |                  |                             |
| Transportation   |                             |                              |                  |                             |
| <b>Total expenditures</b>  |                             | 939                          | 3,136            | 1,893                       |
| <b>Excess of revenue over<br/>(under) expenditures</b>   |                             | 65,353                       | 12,371           | 2,452                       |
| <b>Other financing sources (uses):</b>   |                             |                              |                  |                             |
| Proceeds of bonds  |                             |                              |                  |                             |
| Premium and accrued interest   |                             |                              |                  |                             |
| Operating transfers out  | \$                          | (50,000)                     |                  |                             |
| Operating transfers in   |                             |                              |                  |                             |
| <b>Total other financing sources (uses)</b>  |                             | (50,000)                     |                  |                             |
| <b>Excess of revenues and other<br/>financing sources over (under)<br/>expenditures and other uses</b> |                             | 15,353                       | 12,371           | 2,452                       |
| Fund balance at beginning of year  | \$ 17,977                   | 159,902                      | 8,610            | 11,825                      |
| Increase (Decrease) in reserve for inventory   |                             |                              |                  |                             |
| <b>Fund balance at end of year</b>   | <b>\$ 17,977</b>            | <b>\$ 175,255</b>            | <b>\$ 20,981</b> | <b>\$ 14,277</b>            |

| Law<br>Enforcement<br>Trust | Police<br>and Fire<br>Pension | DUI<br>Education | Emergency<br>Medical<br>Systems | Total        |
|-----------------------------|-------------------------------|------------------|---------------------------------|--------------|
|                             | \$ 182,756                    |                  |                                 | \$ 770,911   |
|                             | 24,462                        |                  |                                 | 341,057      |
|                             |                               |                  |                                 | 225,147      |
|                             |                               |                  |                                 | 32,851       |
| \$ 16,011                   |                               | \$ 2,434         |                                 | 345,353      |
|                             |                               |                  | \$ 34,710                       | 271,145      |
|                             |                               |                  |                                 | 862          |
| 16,011                      | 207,218                       | 2,434            | 34,710                          | 1,987,326    |
| \$ 4,987                    | \$ 762,121                    | \$ 3,304         | \$ 60,081                       | \$ 1,352,873 |
|                             |                               |                  |                                 | 376,274      |
|                             |                               |                  |                                 | 2,832        |
|                             |                               |                  |                                 | 15,057       |
|                             |                               |                  |                                 | 531,119      |
| 4,987                       | 762,121                       | 3,304            | 60,081                          | 2,278,155    |
| 11,024                      | (554,903)                     | (870)            | (25,371)                        | (290,829)    |
|                             | \$ 120,000                    |                  |                                 | \$ 2,320,000 |
|                             |                               |                  |                                 | 2,955        |
|                             |                               |                  |                                 | (293,000)    |
|                             | 443,000                       |                  |                                 | 470,079      |
|                             | 563,000                       |                  |                                 | 2,500,034    |
| 11,024                      | 8,097                         | (870)            | (25,371)                        | 2,209,205    |
| 10,009                      | 154                           | 4,328            | 31,759                          | 710,561      |
|                             |                               |                  |                                 | 13,507       |
| \$ 21,033                   | \$ 8,251                      | \$ 3,458         | \$ 6,388                        | \$ 2,933,273 |

**City of Fairview Park, Ohio**

Combining Schedule of Revenues, Expenditures, and  
Changes in Fund Balances - Budget and Actual (Non - GAAP  
Budget Basis) - Special Revenue Funds  
Year Ended December 31, 1999

|  | <u>Street Construction Maintenance and Repair</u> |                 |   |
|--|---|-----------------|---|
|  | Revised<br>Budget                                 | Actual          | Variance<br>Favorable/<br>(Unfavorable) |
| <b>Revenues</b>  |   |                 |   |
| Property and other taxes   | \$ 192,000  | \$ 201,346      | \$ 9,346                                |
| Intergovernmental  |   |                 |   |
| Special assessments  |   |                 |   |
| Licenses and permits   | 272,456   | 257,227         | (15,229)                                |
| Fines and forfeitures  |   |                 |   |
| Charges for services   |   |                 |   |
| Investment Income  |   |                 |   |
| Miscellaneous  |   |                 |   |
| <b>Total Revenues</b>  | <u>464,456</u>                                    | <u>458,573</u>  | <u>(5,883)</u>                          |
| <b>Expenditures</b>  |   |                 |   |
| Current:   |   |                 |   |
| General government   |   |                 |   |
| Security of persons and property   |   |                 |   |
| Transportation   | 486,154   | 485,644         | 510                                     |
| Community environment  |   |                 |   |
| Leisure time activities  |   |                 |   |
| Capital outlay   |   |                 |   |
| <b>Total expenditures</b>  | <u>486,154</u>                                    | <u>485,644</u>  | <u>510</u>                              |
| <b>Excess of revenues over/(under) expenditures</b>  | <u>(21,698)</u>                                   | <u>(27,071)</u> | <u>(5,373)</u>                          |
| <b>Other financing sources (uses)</b>  |   |                 |   |
| Premium and Accrued Interest   |   |                 |   |
| Proceeds of Bonds  |   |                 |   |
| Proceeds of Notes  |   |                 |   |
| Refund of prior year receipts  |   |                 |   |
| Advances out   |   |                 |   |
| Operating transfers - in   | 20,000  | 20,000          |   |
| Operating transfers - out  |   |                 |   |
| <b>Total other sources (uses)</b>  | <u>20,000</u>                                     | <u>20,000</u>   | <u>0</u>                                |
| <b>Excess of revenues and other financing sources<br/>over/(under) expenditures and other uses</b> | <u>(1,698)</u>                                    | <u>(7,071)</u>  | <u>(5,373)</u>                          |
| Fund balance at beginning of year  | <u>9,539</u>                                      | <u>9,539</u>    |   |
| <b>Fund balance at end of year</b>   | <u>\$ 7,841</u>                                   | <u>\$ 2,468</u> | <u>\$ (5,373)</u>                       |

| State Highway  |           |                                   | Recreation     |              |                                   |
|----------------|-----------|-----------------------------------|----------------|--------------|-----------------------------------|
| Revised Budget | Actual    | Variance Favorable/ (Unfavorable) | Revised Budget | Actual       | Variance Favorable/ (Unfavorable) |
| \$ 14,573      | \$ 15,718 | \$ 1,145                          | \$ 297,300     | \$ 304,592   | \$ 7,292                          |
| 21,464         | 21,464    |                                   | 41,610         | 40,771       | (839)                             |
|                |           |                                   | 111,440        | 103,211      | (8,229)                           |
|                |           |                                   | 17,637         | 31,004       | 13,367                            |
|                |           |                                   | 850            | 862          | 12                                |
| 36,037         | 37,182    | 1,145                             | 468,837        | 480,440      | 11,603                            |
|                |           |                                   |                |              |                                   |
| 37,000         | 37,000    |                                   | 476,943        | 374,838      | 102,105                           |
|                |           |                                   | 476,943        | 374,838      | 102,105                           |
| 37,000         | 37,000    |                                   | (8,106)        | 105,602      | 113,708                           |
| (963)          | 182       | 1,145                             |                |              |                                   |
|                |           |                                   | 2,955          | 2,955        |                                   |
|                |           |                                   | 2,200,000      | 2,200,000    |                                   |
|                |           |                                   | (2,500)        | (2,008)      | 492                               |
|                |           |                                   |                |              |                                   |
| 0              | 0         | 0                                 | 2,200,455      | 2,200,947    | 492                               |
|                |           |                                   | 2,192,349      | 2,306,549    | 114,200                           |
| (963)          | 182       | 1,145                             | 158,867        | 158,867      |                                   |
| 4,582          | 4,582     |                                   |                |              |                                   |
|                |           |                                   |                |              |                                   |
| \$ 3,619       | \$ 4,764  | \$ 1,145                          | \$ 2,351,216   | \$ 2,465,416 | \$ 114,200                        |

Continued

*City of Fairview Park, Ohio*

Combining Schedule of Revenues, Expenditures, and  
Changes in Fund Balances - Budget and Actual (Non - GAAP  
Budget Basis) - Special Revenue Funds - Continued

|  | Police & Fire Pension |                  |   |
|--|-----------------------|------------------|---|
|  | Revised<br>Budget     | Actual           | Variance<br>Favorable/<br>(Unfavorable) |
| <b>Revenues</b>  |                       |                  |   |
| Property and other taxes   | \$ 182,287            | \$ 182,756       | \$ 469                                  |
| Intergovernmental  | 24,022                | 24,462           | 440                                     |
| Special assessments  |                       |                  |   |
| Licenses and permits   |                       |                  |   |
| Fines and forfeitures  |                       |                  |   |
| Charges for services   |                       |                  |   |
| Investment Income  |                       |                  |   |
| Miscellaneous  |                       |                  |   |
| <b>Total Revenues</b>  | <b>206,309</b>        | <b>207,218</b>   | <b>909</b>                              |
| <b>Expenditures</b>  |                       |                  |   |
| Current:   |                       |                  |   |
| General government   |                       |                  |   |
| Security of persons and property   | 762,122               | 762,121          | 1                                       |
| Transportation   |                       |                  |   |
| Community environment  |                       |                  |   |
| Leisure time activities  |                       |                  |   |
| Capital outlay   |                       |                  |   |
| <b>Total expenditures</b>  | <b>762,122</b>        | <b>762,121</b>   | <b>1</b>                                |
| <b>Excess of revenues over/(under) expenditures</b>  | <b>(555,813)</b>      | <b>(554,903)</b> | <b>910</b>                              |
| <b>Other financing sources (uses)</b>  |                       |                  |   |
| Premium and Accrued Interest   |                       |                  |   |
| Proceeds of Bonds  |                       |                  |   |
| Proceeds of Notes  | 114,701               | 114,701          |   |
| Refund of prior year receipts  |                       |                  |   |
| Advances out   |                       |                  |   |
| Operating transfers - in   | 443,000               | 443,000          |   |
| Operating transfers - out  |                       |                  |   |
| <b>Total other sources (uses)</b>  | <b>557,701</b>        | <b>557,701</b>   | <b>0</b>                                |
| <b>Excess of revenues and other financing sources<br/>over/(under) expenditures and other uses</b> | <b>1,888</b>          | <b>2,798</b>     | <b>910</b>                              |
| Fund balance at beginning of year  | 154                   | 154              |   |
| <b>Fund balance at end of year</b>   | <b>\$ 2,042</b>       | <b>\$ 2,952</b>  | <b>\$ 910</b>                           |

| Save           |               |                                   | Street Lighting   |                   |                                   |
|----------------|---------------|-----------------------------------|-------------------|-------------------|-----------------------------------|
| Revised Budget | Actual        | Variance Favorable/ (Unfavorable) | Revised Budget    | Actual            | Variance Favorable/ (Unfavorable) |
|                |               |                                   | \$ 225,147        | \$ 225,147        |                                   |
|                |               |                                   | <u>225,147</u>    | <u>225,147</u>    |                                   |
|                |               |                                   | 201,058           | 190,204           | \$ 10,854                         |
|                |               |                                   | <u>201,058</u>    | <u>190,204</u>    | <u>10,854</u>                     |
|                |               |                                   | 24,089            | 34,943            | 10,854                            |
|                |               |                                   | <u>24,089</u>     | <u>34,943</u>     | <u>10,854</u>                     |
| \$ 400         | \$ 400        |                                   | 98,054            | 98,054            |                                   |
| <u>\$ 400</u>  | <u>\$ 400</u> | <u>\$ 0</u>                       | <u>\$ 122,143</u> | <u>\$ 132,997</u> | <u>\$ 10,854</u>                  |

Continued



*City of Fairview Park, Ohio*

Combining Statement of Revenues, Expenditures, and  
Changes in Fund Balances - Budget and Actual (Non - GAAP  
Budget Basis) - Special Revenue Funds - Continued

|  | Fire Operating Levy |                  |   |
|--|---------------------|------------------|---|
|  | Revised<br>Budget   | Actual           | Variance<br>Favorable/<br>(Unfavorable) |
| <b>Revenues</b>  |                     |                  |   |
| Property and other taxes   | \$ 282,275          | \$ 283,563       | \$ 1,288                                |
| Intergovernmental  | 37,540              | 37,768           | 228                                     |
| Special assessments  |                     |                  |   |
| Licenses and permits   |                     |                  |   |
| Fines and forfeitures  |                     |                  |   |
| Charges for services   |                     |                  |   |
| Investment Income  |                     |                  |   |
| Miscellaneous  |                     |                  |   |
| <b>Total Revenues</b>  | <b>319,815</b>      | <b>321,331</b>   | <b>1,516</b>                            |
| <b>Expenditures</b>  |                     |                  |   |
| Current:   |                     |                  |   |
| General government   |                     |                  |   |
| Security of persons and property   | 234,000             | 234,000          |   |
| Transportation   |                     |                  |   |
| Community environment  |                     |                  |   |
| Leisure time activities  |                     |                  |   |
| Capital outlay   |                     |                  |   |
| <b>Total expenditures</b>  | <b>234,000</b>      | <b>234,000</b>   |   |
| <b>Excess of revenues over/(under) expenditures</b>  | <b>85,815</b>       | <b>87,331</b>    | <b>1,516</b>                            |
| <b>Other financing sources (uses)</b>  |                     |                  |   |
| Premium and Accrued Interest   |                     |                  |   |
| Proceeds of Bonds  |                     |                  |   |
| Proceeds of Notes  |                     |                  |   |
| Refund of prior year receipts  |                     |                  |   |
| Advances out   |                     |                  |   |
| Operating transfers - in   |                     |                  |   |
| Operating transfers - out  | (243,000)           | (243,000)        |   |
| <b>Total other sources (uses)</b>  | <b>(243,000)</b>    | <b>(243,000)</b> |   |
| <b>Excess of revenues and other financing sources<br/>over/(under) expenditures and other uses</b> | <b>(157,185)</b>    | <b>(155,669)</b> | <b>1,516</b>                            |
| Fund balance at beginning of year  | 161,060             | 161,060          |   |
| <b>Fund balance at end of year</b>   | <b>\$ 3,875</b>     | <b>\$ 5,391</b>  | <b>\$ 1,516</b>                         |

| Federal Grants  |                 |                                   | State Grants   |              |                                   |
|-----------------|-----------------|-----------------------------------|----------------|--------------|-----------------------------------|
| Revised Budget  | Actual          | Variance Favorable/ (Unfavorable) | Revised Budget | Actual       | Variance Favorable/ (Unfavorable) |
| \$ 39,801       | \$ 39,803       | \$ 2                              |                |              |                                   |
| <u>39,801</u>   | <u>39,803</u>   | <u>2</u>                          |                |              |                                   |
| 7,979           | 7,978           | 1                                 | \$ 7,079       | \$ 7,079     |                                   |
| <u>7,979</u>    | <u>7,978</u>    | <u>1</u>                          | <u>7,079</u>   | <u>7,079</u> |                                   |
| 31,822          | 31,825          | 3                                 | (7,079)        | (7,079)      |                                   |
| (28,000)        | (28,000)        |                                   | 7,079          | 7,079        |                                   |
| <u>(28,000)</u> | <u>(28,000)</u> |                                   | <u>7,079</u>   | <u>7,079</u> |                                   |
| 3,822           | 3,825           | 3                                 |                |              |                                   |
| 1,038           | 1,038           |                                   |                |              |                                   |
| <u>\$ 4,860</u> | <u>\$ 4,863</u> | <u>\$ 3</u>                       | <u>\$ 0</u>    | <u>\$ 0</u>  | <u>\$ 0</u>                       |

Continued

*City of Fairview Park, Ohio*

Combining Statement of Revenues, Expenditures, and  
Changes in Fund Balances - Budget and Actual (Non - GAAP  
Budget Basis) - Special Revenue Funds - Continued

|  | Fairview Park Sidewalk |          |   |
|--|------------------------|----------|---|
|  | Revised<br>Budget      | Actual   | Variance<br>Favorable/<br>(Unfavorable) |
| <b>Revenues</b>  |                        |          |   |
| Property and other taxes   |                        |          |   |
| Intergovernmental  |                        |          |   |
| Special assessments  |                        |          |   |
| Licenses and permits   |                        |          |   |
| Fines and forfeitures  |                        |          |   |
| Charges for services   |                        |          |   |
| Investment Income  |                        |          |   |
| Miscellaneous  |                        |          |   |
| <b>Total Revenues</b>  |                        |          |   |
| <b>Expenditures</b>  |                        |          |   |
| Current:   |                        |          |   |
| General government   |                        |          |   |
| Security of persons and property   |                        |          |   |
| Transportation   |                        |          |   |
| Community environment  |                        |          |   |
| Leisure time activities  |                        |          |   |
| Capital outlay   |                        |          |   |
| <b>Total expenditures</b>  |                        |          |   |
| <b>Excess of revenues over/(under) expenditures</b>  |                        |          |   |
| <b>Other financing sources (uses)</b>  |                        |          |   |
| Premium and Accrued Interest   |                        |          |   |
| Proceeds of Bonds  |                        |          |   |
| Proceeds of Notes  |                        |          |   |
| Refund of prior year receipts  |                        |          |   |
| Advances out   |                        |          |   |
| Operating transfers - in   |                        |          |   |
| Operating transfers - out  |                        |          |   |
| <b>Total other sources (uses)</b>  |                        |          |   |
| <b>Excess of revenues and other financing sources<br/>over/(under) expenditures and other uses</b> |                        |          |   |
| <br>   |                        |          |   |
| Fund balance at beginning of year  | \$ 4,924               | \$ 4,924 |   |
| <br>   |                        |          |   |
| Fund balance at end of year  | \$ 4,924               | \$ 4,924 | \$ 0                                    |

| Bain Park Restoration |           |                                   | Law Enforcement Trust |           |                                   |
|-----------------------|-----------|-----------------------------------|-----------------------|-----------|-----------------------------------|
| Revised Budget        | Actual    | Variance Favorable/ (Unfavorable) | Revised Budget        | Actual    | Variance Favorable/ (Unfavorable) |
| \$ 4,049              | \$ 4,345  | \$ 296                            | \$ 15,561             | \$ 16,011 | \$ 450                            |
| 4,049                 | 4,345     | 296                               | 15,561                | 16,011    | 450                               |
| 5,000                 | 1,893     | 3,107                             | 5,000                 | 4,987     | 13                                |
| 5,000                 | 1,893     | 3,107                             | 5,000                 | 4,987     | 13                                |
| (951)                 | 2,452     | 3,403                             | 10,561                | 11,024    | 463                               |
| (951)                 | 2,452     | 3,403                             | 10,561                | 11,024    | 463                               |
| 11,824                | 11,824    |                                   | 10,009                | 10,009    |                                   |
| \$ 10,873             | \$ 14,276 | \$ 3,403                          | \$ 20,570             | \$ 21,033 | \$ 463                            |

Continued

**City of Fairview Park, Ohio**

Combining Statement of Revenues, Expenditures, and  
Changes in Fund Balances - Budget and Actual (Non - GAAP  
Budget Basis) - Special Revenue Funds - Continued

|  | DUI Education     |          |   |
|--|-------------------|----------|---|
|  | Revised<br>Budget | Actual   | Variance<br>Favorable/<br>(Unfavorable) |
| <b>Revenues</b>  |                   |          |   |
| Property and other taxes   |                   |          |   |
| Intergovernmental  |                   |          |   |
| Special assessments  |                   |          |   |
| Licenses and permits   |                   |          |   |
| Fines and forfeitures  | \$ 2,409          | \$ 2,409 |   |
| Charges for services   |                   |          |   |
| Investment Income  |                   |          |   |
| Miscellaneous  |                   |          |   |
| <b>Total Revenues</b>  | 2,409             | 2,409    |   |
| <b>Expenditures</b>  |                   |          |   |
| Current:   |                   |          |   |
| General government   |                   |          |   |
| Security of persons and property   | 4,000             | 3,304    | \$ 696                                  |
| Transportation   |                   |          |   |
| Community environment  |                   |          |   |
| Leisure time activities  |                   |          |   |
| Capital outlay   |                   |          |   |
| <b>Total expenditures</b>  | 4,000             | 3,304    | 696                                     |
| <b>Excess of revenues over/(under) expenditures</b>  | (1,591)           | (895)    | 696                                     |
| <b>Other financing sources (uses)</b>  |                   |          |   |
| Premium and Accrued Interest   |                   |          |   |
| Proceeds of Bonds  |                   |          |   |
| Proceeds of Notes  |                   |          |   |
| Refund of prior year receipts  |                   |          |   |
| Advances out   |                   |          |   |
| Operating transfers - in   |                   |          |   |
| Operating transfers - out  |                   |          |   |
| <b>Total other sources (uses)</b>  |                   |          |   |
| <b>Excess of revenues and other financing sources<br/>over/(under) expenditures and other uses</b> | (1,591)           | (895)    | 696                                     |
| Fund balance at beginning of year  | 4,142             | 4,142    |   |
| <b>Fund balance at end of year</b>   | \$ 2,551          | \$ 3,247 | \$ 696                                  |

| POPAS          |        |                                   |
|----------------|--------|-----------------------------------|
| Revised Budget | Actual | Variance Favorable/ (Unfavorable) |

| New Levy/Project Account |        |                                   |
|--------------------------|--------|-----------------------------------|
| Revised Budget           | Actual | Variance Favorable/ (Unfavorable) |

\$ 130,887 \$ 130,887

130,887      130,887

100,085      100,064 \$      21

100,085      100,064      21  
30,802      30,823      21

\$ 16,976 \$ 6,300 \$ 10,676  
16,976      6,300      10,676  
(16,976)      (6,300)      10,676

30,802      30,823      21

(16,976)      (6,300)      10,676

13,271      13,271

17,977      17,977

\$ 44,073 \$ 44,094 \$ 21

\$ 1,001 \$ 11,677 \$ 10,676

Continued

*City of Fairview Park, Ohio*

Combining Statement of Revenues, Expenditures, and  
Changes in Fund Balances - Budget and Actual (Non - GAAP  
Budget Basis) - Special Revenue Funds - Continued

|  | Cable TV Franchise Fee |                   |   |
|--|------------------------|-------------------|---|
|  | Revised<br>Budget      | Actual            | Variance<br>Favorable/<br>(Unfavorable) |
| <b>Revenues</b>  |                        |                   |   |
| Property and other taxes   |                        |                   |   |
| Intergovernmental  |                        |                   |   |
| Special assessments  |                        |                   |   |
| Licenses and permits   | \$ 64,445              | \$ 64,445         |   |
| Fines and forfeitures  |                        |                   |   |
| Charges for services   |                        |                   |   |
| Investment income  | 1,350                  | 1,847             | \$ 497                                  |
| Miscellaneous  |                        |                   |   |
| <b>Total Revenues</b>  | <b>65,795</b>          | <b>66,292</b>     | <b>497</b>                              |
| <b>Expenditures</b>  |                        |                   |   |
| Current:   |                        |                   |   |
| General government   | 60,000                 | 939               | 59,061                                  |
| Security of persons and property   |                        |                   |   |
| Transportation   |                        |                   |   |
| Community environment  |                        |                   |   |
| Leisure time activities  |                        |                   |   |
| Capital outlay   |                        |                   |   |
| <b>Total expenditures</b>  | <b>60,000</b>          | <b>939</b>        | <b>59,061</b>                           |
| <b>Excess of revenues over/(under) expenditures</b>  | <b>5,795</b>           | <b>65,353</b>     | <b>59,558</b>                           |
| <b>Other financing sources (uses)</b>  |                        |                   |   |
| Premium and Accrued Interest   |                        |                   |   |
| Proceeds of Bonds  |                        |                   |   |
| Proceeds of Notes  |                        |                   |   |
| Refund og prior year receipts  |                        |                   |   |
| Advances out   |                        |                   |   |
| Operating transfers - in   |                        |                   |   |
| Operating transfers - out  | (50,000)               | (50,000)          |   |
| <b>Total other sources (uses)</b>  | <b>(50,000)</b>        | <b>(50,000)</b>   |   |
| <b>Excess of revenues and other financing sources<br/>over/(under) expenditures and other uses</b> | <b>(44,205)</b>        | <b>15,353</b>     | <b>59,558</b>                           |
| Fund balance at beginning of year  | 159,903                | 159,903           |   |
| <b>Fund balance at end of year</b>   | <b>\$ 115,698</b>      | <b>\$ 175,256</b> | <b>\$ 59,558</b>                        |

| DARE           |               |                                   | Emergency Medical System |               |                                   |
|----------------|---------------|-----------------------------------|--------------------------|---------------|-----------------------------------|
| Revised Budget | Actual        | Variance Favorable/ (Unfavorable) | Revised Budget           | Actual        | Variance Favorable/ (Unfavorable) |
| \$ 15,507      | \$ 15,507     |                                   | \$ 34,710                | \$ 34,710     |                                   |
| <u>15,507</u>  | <u>15,507</u> |                                   | <u>34,710</u>            | <u>34,710</u> |                                   |
| 17,670         | 3,136         | \$ 14,534                         | 61,574                   | 60,081        | \$ 1,493                          |
| <u>17,670</u>  | <u>3,136</u>  | <u>14,534</u>                     | <u>61,574</u>            | <u>60,081</u> | <u>1,493</u>                      |
| (2,163)        | 12,371        | 14,534                            | (26,864)                 | (25,371)      | 1,493                             |
| <u>2,679</u>   | <u>2,679</u>  |                                   | <u>31,759</u>            | <u>31,759</u> |                                   |
| \$ 516         | \$ 15,050     | \$ 14,534                         | \$ 4,895                 | \$ 6,388      | \$ 1,493                          |

Continued



*City of Fairview Park, Ohio*

Combining Statement of Revenues, Expenditures, and  
Changes in Fund Balances - Budget and Actual (Non - GAAP  
Budget Basis) - Special Revenue Funds - Continued

|  | Totals              |                     | Variance<br>Favorable/<br>(Unfavorable) |
|--|---------------------|---------------------|---|
|  | Revised<br>Budget   | Actual              |   |
| <b>Revenues</b>  |                     |                     |   |
| Property and other taxes   | \$ 761,862          | \$ 770,911          | \$ 9,049                                |
| Intergovernmental  | 365,053             | 375,375             | 10,322                                  |
| Special assessments  | 225,147             | 225,147             |   |
| Licenses and permits   | 358,365             | 343,136             | (15,229)                                |
| Fines and forfeitures  | 17,970              | 18,420              | 450                                     |
| Charges for services   | 281,086             | 273,153             | (7,933)                                 |
| Investment income  | 18,987              | 32,851              | 13,864                                  |
| Miscellaneous  | 850                 | 862                 | 12                                      |
| <b>Total Revenues</b>  | <b>2,029,320</b>    | <b>2,039,855</b>    | <b>10,535</b>                           |
| <b>Expenditures</b>  |                     |                     |   |
| Current:   |                     |                     |   |
| General government   | 65,000              | 2,832               | 62,168                                  |
| Security of persons and property   | 1,385,509           | 1,357,897           | 27,612                                  |
| Transportation   | 523,154             | 522,644             | 510                                     |
| Community environment  | 15,058              | 15,057              | 1                                       |
| Leisure time activities  | 476,943             | 374,838             | 102,105                                 |
| Capital outlay   | 16,976              | 6,300               | 10,676                                  |
| <b>Total expenditures</b>  | <b>2,482,640</b>    | <b>2,279,568</b>    | <b>203,072</b>                          |
| <b>Excess of revenues over/(under) expenditures</b>  | <b>(453,320)</b>    | <b>(239,713)</b>    | <b>213,607</b>                          |
| <b>Other financing sources (uses)</b>  |                     |                     |   |
| Premium and Accrued Interest   | 2,955               | 2,955               |   |
| Proceeds of Bonds  | 2,200,000           | 2,200,000           |   |
| Proceeds of Notes  | 114,701             | 114,701             |   |
| Refund of prior year receipts  | (2,500)             | (2,008)             | 492                                     |
| Advances out   | (28,000)            | (28,000)            |   |
| Operating transfers - in   | 470,079             | 470,079             |   |
| Operating transfers - out  | (293,000)           | (293,000)           |   |
| <b>Total other sources (uses)</b>  | <b>2,464,235</b>    | <b>2,464,727</b>    | <b>492</b>                              |
| <b>Excess of revenues and other financing sources<br/>over/(under) expenditures and other uses</b> | <b>2,010,915</b>    | <b>2,225,014</b>    | <b>214,099</b>                          |
| Fund balance at beginning of year  | 690,182             | 690,182             |   |
| <b>Fund balance at end of year</b>   | <b>\$ 2,701,097</b> | <b>\$ 2,915,196</b> | <b>\$ 214,099</b>                       |

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*City of Fairview Park, Ohio*

**Debt Service Fund**

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

Since there is only one Debt Service Fund and the level of budgetary control is not greater than that presented in the combined general purpose financial statements, no additional financial statements are presented here.

*City of Fairview Park, Ohio*

**Capital Project Funds**

**Permanent Improvement Fund**

To record transfers from general fund, receipt of millage or borrowing for capital equipment and to record expenditures in regard to that equipment.

**Senior Center Collection Fund**

To receipt transfers, donations and proceeds from borrowings. These funds are used in the construction of a new senior center.

**Capital Projects Fund**

To record a portion of the income tax collection of the City of Fairview Park and to record expenditures in regards to street maintenance and new construction within the City.

*City of Fairview Park, Ohio*

Combining Balance Sheet - Capital Projects Funds

December 31, 1999

|   | Permanent<br>Improvement | Senior<br>Center<br>Construction | Capital<br>Projects | Total               |
|---|--------------------------|----------------------------------|---------------------|---------------------|
| <b>Assets</b>                                   |                          |                                  |                     |                     |
| Cash and cash equivalents                       | \$ 142,147               | \$ 1,221,341                     | \$ 500,729          | \$ 1,864,217        |
| Receivables (net allowance for uncollectibles): |                          |                                  |                     |                     |
| Taxes   | 256,631                  |                                  | 176,531             | 433,162             |
| Interfund                                       |                          | 45,000                           |                     | 45,000              |
|   |                          |                                  |                     |                     |
| <b>Total assets</b>                             | <b>\$ 398,778</b>        | <b>\$ 1,266,341</b>              | <b>\$ 677,260</b>   | <b>\$ 2,342,379</b> |
| <br><b>Liabilities</b>                          |                          |                                  |                     |                     |
| Accounts payable                                |                          |                                  | \$ 2,581            | \$ 2,581            |
| Contracts payable                               |                          | \$ 155,442                       | 26,895              | 182,337             |
| Interfund payable                               | \$ 84,000                |                                  |                     | 84,000              |
| Deferred revenue                                | 256,631                  |                                  |                     | 256,631             |
|   |                          |                                  |                     |                     |
| <b>Total liabilities</b>                        | <b>340,631</b>           | <b>155,442</b>                   | <b>29,476</b>       | <b>525,549</b>      |
| <br><b>Fund equity</b>                          |                          |                                  |                     |                     |
| Fund balances:                                  |                          |                                  |                     |                     |
| Reserve for encumbrances                        | \$ 133,812               | \$ 970,659                       | \$ 94,912           | \$ 1,199,383        |
| Undesignated - unreserved                       | (75,665)                 | 140,240                          | 552,872             | 617,447             |
|   |                          |                                  |                     |                     |
| <b>Total fund equity</b>                        | <b>58,147</b>            | <b>1,110,899</b>                 | <b>647,784</b>      | <b>1,816,830</b>    |
|   |                          |                                  |                     |                     |
| <b>Total liabilities and fund equity</b>        | <b>\$ 398,778</b>        | <b>\$ 1,266,341</b>              | <b>\$ 677,260</b>   | <b>\$ 2,342,379</b> |

*City of Fairview Park, Ohio*

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

For the Year Ended December 31, 1999

|   | Permanent<br>Improvement | Senior<br>Center<br>Construction | Capital<br>Projects | Total               |
|---|--------------------------|----------------------------------|---------------------|---------------------|
| <b>Revenues</b>   |                          |                                  |                     |                     |
| Property taxes  | \$ 265,944               |                                  |                     | \$ 265,944          |
| Income taxes  |                          |                                  | \$ 1,094,453        | 1,094,453           |
| Intergovernmental   | 35,470                   |                                  |                     | 35,470              |
| Interest  | 16,236                   | 23,887                           | 32,177              | 72,300              |
| Miscellaneous   |                          | \$ 7,060                         |                     | 7,060               |
| <b>Total revenues</b>   | <b>317,650</b>           | <b>30,947</b>                    | <b>1,126,630</b>    | <b>1,475,227</b>    |
| <b>Expenditures</b>   |                          |                                  |                     |                     |
| Capital outlay  | \$ 304,806               | \$ 315,508                       | \$ 1,166,697        | \$ 1,787,011        |
| Debt service:   |                          |                                  |                     |                     |
| Principal payment   |                          |                                  | 660,000             | 660,000             |
| Interest and fiscal charges   | 26,985                   |                                  |                     | 26,985              |
| <b>Total expenditures</b>   | <b>331,791</b>           | <b>315,508</b>                   | <b>1,826,697</b>    | <b>2,473,996</b>    |
| <b>Excess revenue over (under) expenditures</b>   | <b>(14,141)</b>          | <b>(284,561)</b>                 | <b>(700,067)</b>    | <b>(998,769)</b>    |
| <b>Other financing sources (uses)</b>   |                          |                                  |                     |                     |
| Proceeds of bonds   |                          | \$ 1,345,000                     | \$ 660,000          | 2,005,000           |
| Operating transfers - in  |                          | 50,000                           |                     | 50,000              |
| Operating transfers - out   | \$ (44,000)              |                                  |                     | (44,000)            |
| <b>Total other sources (uses)</b>   | <b>(44,000)</b>          | <b>1,395,000</b>                 | <b>660,000</b>      | <b>2,011,000</b>    |
| <b>Excess (deficiency) of revenues and other financing sources over (under) expenditures and other uses</b> | <b>(58,141)</b>          | <b>1,110,439</b>                 | <b>(40,067)</b>     | <b>1,012,231</b>    |
| Fund balance at beginning of year   | 116,288                  | 460                              | 687,851             | 804,599             |
| <b>Fund balance at end of year</b>  | <b>\$ 58,147</b>         | <b>\$ 1,110,899</b>              | <b>\$ 647,784</b>   | <b>\$ 1,816,830</b> |

**City of Fairview Park, Ohio**  
Combining Schedule of Revenues, Expenditures, and  
Changes in Fund Balances - Budget and Actual (Non - GAAP  
Budget Basis) - Capital Project Funds

Year Ended December 31, 1999

|  | Permanent Improvement |                  |   |
|--|-----------------------|------------------|---|
|  | Revised<br>Budget     | Actual           | Variance<br>Favorable/<br>(Unfavorable) |
| <b>Revenues</b>  |                       |                  |   |
| Municipal income tax   |                       |                  |   |
| Property and other taxes   | \$ 421,306            | \$ 265,944       | \$ (155,362)                            |
| Intergovernmental  | 35,470                | 35,470           |   |
| Miscellaneous  |                       |                  |   |
| Interest   | 15,381                | 15,381           |   |
| <b>Total Revenues</b>  | <b>472,157</b>        | <b>316,795</b>   | <b>(155,362)</b>                        |
| <b>Expenditures</b>  |                       |                  |   |
| Capital outlay:  |                       |                  |   |
| General government   |                       |                  |   |
| Capital outlay   | 595,816               | 438,620          | 157,196                                 |
| <b>Total capital outlay</b>  | <b>595,816</b>        | <b>438,620</b>   | <b>157,196</b>                          |
| Debt service:  |                       |                  |   |
| Principal retirement   |                       |                  |   |
| Interest and fiscal charges  | 26,985                | 26,985           |   |
| <b>Total debt service</b>  | <b>26,985</b>         | <b>26,985</b>    |   |
| <b>Total expenditures</b>  | <b>622,801</b>        | <b>465,605</b>   | <b>157,196</b>                          |
| <b>Excess of revenues over/(under) expenditures</b>  | <b>(150,644)</b>      | <b>(148,810)</b> | <b>1,834</b>                            |
| <b>Other financing sources (uses)</b>  |                       |                  |   |
| Proceeds of notes  |                       |                  |   |
| Advances in  | 84,000                | 84,000           |   |
| Advances out   | (42,400)              | (42,400)         |   |
| Operating transfers - in   |                       |                  |   |
| Operating transfers - out  | (44,000)              | (44,000)         |   |
| <b>Total other sources (uses)</b>  | <b>(2,400)</b>        | <b>(2,400)</b>   |   |
| <b>Excess of revenues and other financing sources<br/>over/(under) expenditures and other uses</b> | <b>(153,044)</b>      | <b>(151,210)</b> | <b>1,834</b>                            |
| Fund balance at beginning of year  | 102                   | 102              |   |
| Prior year encumbrances appropriated   | 157,176               | 157,176          |   |
| <b>Fund balance at end of year</b>   | <b>\$ 4,234</b>       | <b>\$ 6,068</b>  | <b>\$ 1,834</b>                         |

| Senior Center Construction |                    |                                   | Capital Projects |              |                                   |
|----------------------------|--------------------|-----------------------------------|------------------|--------------|-----------------------------------|
| Revised Budget             | Actual             | Variance Favorable/ (Unfavorable) | Revised Budget   | Actual       | Variance Favorable/ (Unfavorable) |
|                            |                    |                                   | \$ 1,063,000     | \$ 1,071,722 | \$ 8,722                          |
| \$ 19,918                  | \$ 7,060<br>23,887 | \$ 7,060<br>3,969                 | 32,000           | 29,399       | (2,601)                           |
| 19,918                     | 30,947             | 11,029                            | 1,095,000        | 1,101,121    | 6,121                             |
| 1,330,000                  | 1,286,448          | 43,552                            | 1,490,766        | 1,234,433    | 256,333                           |
| 1,330,000                  | 1,286,448          | 43,552                            | 1,490,766        | 1,234,433    | 256,333                           |
|                            |                    |                                   | 640,000          | 640,000      |                                   |
|                            |                    |                                   | 640,000          | 640,000      |                                   |
| 1,330,000                  | 1,286,448          | 43,552                            | 2,130,766        | 1,874,433    | 256,333                           |
| (1,310,082)                | (1,255,501)        | 54,581                            | (1,035,766)      | (773,312)    | 262,454                           |
| 1,300,000                  | 1,300,000          |                                   | 654,082          | 640,000      | (14,082)                          |
| 50,000                     | 50,000             |                                   |                  |              |                                   |
| 1,350,000                  | 1,350,000          |                                   | 654,082          | 640,000      | (14,082)                          |
| 39,918                     | 94,499             | 54,581                            | (381,684)        | (133,312)    | 248,372                           |
| 460                        | 460                |                                   | 531,764          | 531,764      |                                   |
| \$ 40,378                  | \$ 94,959          | \$ 54,581                         | \$ 150,080       | \$ 398,452   | \$ 248,372                        |

Continued



**City of Fairview Park, Ohio**  
Combining Schedule of Revenues, Expenditures, and  
Changes in Fund Balances - Budget and Actual (Non - GAAP  
Budget Basis) - Capital Projects Funds - Continued

|  | Totals             |                    |   |
|--|--------------------|--------------------|---|
|  | Revised<br>Budget  | Actual             | Variance<br>Favorable/<br>(Unfavorable) |
| <b>Revenues</b>  |                    |                    |   |
| Municipal income tax   | \$ 1,063,000       | \$ 1,071,722       | \$ 8,722                                |
| Property and other taxes   | 421,306            | 265,944            | (155,362)                               |
| Intergovernmental  | 35,470             | 35,470             |   |
| Miscellaneous  |                    | 7,060              | 7,060                                   |
| Interest   | 67,299             | 68,667             | 1,368                                   |
| <b>Total Revenues</b>  | <b>1,587,075</b>   | <b>1,448,863</b>   | <b>(138,212)</b>                        |
| <b>Expenditures</b>  |                    |                    |   |
| Capital outlay:  |                    |                    |   |
| General government   |                    |                    |   |
| Capital outlay   | 3,416,582          | 2,959,501          | 457,081                                 |
| <b>Total capital outlay</b>  | <b>3,416,582</b>   | <b>2,959,501</b>   | <b>457,081</b>                          |
| Debt service:  |                    |                    |   |
| Principal retirement   | 640,000            | 640,000            |   |
| Interest and fiscal charges  | 26,985             | 26,985             |   |
| <b>Total debt service</b>  | <b>666,985</b>     | <b>666,985</b>     |   |
| <b>Total expenditures</b>  | <b>4,083,567</b>   | <b>3,626,486</b>   | <b>457,081</b>                          |
| <b>Excess of revenues over/(under) expenditures</b>  | <b>(2,496,492)</b> | <b>(2,177,623)</b> | <b>318,869</b>                          |
| <b>Other financing sources (uses)</b>  |                    |                    |   |
| Proceeds of notes  | 1,954,082          | 1,940,000          | (14,082)                                |
| Advances in  | 84,000             | 84,000             |   |
| Advances out   | (42,400)           | (42,400)           |   |
| Operating transfers - in   | 50,000             | 50,000             |   |
| Operating transfers - out  | (44,000)           | (44,000)           |   |
| <b>Total other sources (uses)</b>  | <b>2,001,682</b>   | <b>1,987,600</b>   | <b>(14,082)</b>                         |
| <b>Excess of revenues and other financing sources over/(under) expenditures and other uses</b> | <b>(494,810)</b>   | <b>(190,023)</b>   | <b>304,787</b>                          |
| Fund balance at beginning of year  | 532,326            | 532,326            |   |
| Prior year encumbrances appropriated   | 157,176            | 157,176            |   |
| <b>Fund balance at end of year</b>   | <b>\$ 194,692</b>  | <b>\$ 499,479</b>  | <b>\$ 304,787</b>                       |

*City of Fairview Park, Ohio*

**Enterprise Funds**

**Sanitary Sewer Fund**

To account for the receipt of funds from water and sewer service to the residents of the City, and to account for expenditures in regards to water and sewer service. Also, to account for the expenditure of funds used for the capital improvement of these services.

**Gilles-Sweet Fund**

To account for general fund transfers and the receipt of funds collected from rentals of the Gilles-Sweet Building and to account for the expenditure of funds used for operation and maintenance of this building used to house the Senior Program and Recreation Program of the City.

*City of Fairview Park, Ohio*

Combining Balance Sheet - Enterprise Funds

December 31, 1999

|  | Sanitary<br>Sewer    | Gilles<br>Sweet  | Total                |
|--|----------------------|------------------|----------------------|
| <b>Assets</b>                                      |                      |                  |                      |
| Cash and cash equivalents                          | \$ 2,033,050         | \$ 75,032        | \$ 2,108,082         |
| Receivables (net of allowances for uncollectibles) |                      |                  |                      |
| Accounts   | 271,421              |                  | 271,421              |
| Materials and supplies inventory                   | 217                  |                  | 217                  |
| Investment in joint venture                        | 5,115,494            |                  | 5,115,494            |
| Fixed assets:                                      |                      |                  |                      |
| Equipment  | 80,093               |                  | 80,093               |
| Sewer lines  | 3,403,257            |                  | 3,403,257            |
| Accumulated depreciation                           | (803,300)            |                  | (803,300)            |
| <b>Total assets</b>                                | <b>\$ 10,100,232</b> | <b>\$ 75,032</b> | <b>\$ 10,175,264</b> |
| <b>Liabilities</b>                                 |                      |                  |                      |
| Accounts payable                                   | \$ 120               | \$ 7,485         | \$ 7,605             |
| Accrued wages                                      | 14,195               |                  | 14,195               |
| Compensated absences payable                       | 35,123               | 3,585            | 38,708               |
| Pension obligation payable                         | 13,237               | 1,306            | 14,543               |
| Intergovernmental payable                          | 340,454              |                  | 340,454              |
| Accrued interest payable                           | 4,852                |                  | 4,852                |
| OPWC loan payable                                  | 542,013              |                  | 542,013              |
| General obligation bonds payable                   | 805,000              |                  | 805,000              |
| <b>Total liabilities</b>                           | <b>1,754,994</b>     | <b>12,376</b>    | <b>1,767,370</b>     |
| <b>Fund equity</b>                                 |                      |                  |                      |
| Contributed capital                                | \$ 7,825,148         |                  | \$ 7,825,148         |
| Retained earnings:                                 |                      |                  |                      |
| Undesignated - unreserved                          | 520,090              | \$ 62,656        | 582,746              |
| <b>Total fund equity</b>                           | <b>8,345,238</b>     | <b>62,656</b>    | <b>8,407,894</b>     |
| <b>Total liabilities and fund equity</b>           | <b>\$ 10,100,232</b> | <b>\$ 75,032</b> | <b>\$ 10,175,264</b> |

**City of Fairview Park, Ohio**  
**Combining Statement of Revenues, Expenses and**  
**Changes in Fund Equity - Enterprise Funds**  
**For the Year Ended December 31, 1999**

|   | Sanitary<br>Sewer   | Gilles<br>Sweet  | Total               |
|---|---------------------|------------------|---------------------|
| <b>Operating revenues</b>                                       |                     |                  |                     |
| Charges for services  | \$ 2,119,133        |                  | \$ 2,119,133        |
| Tap in fees   | 3,000               |                  | 3,000               |
| Other operating revenues  | 53                  |                  | 53                  |
| Rent  |                     | \$ 79,340        | 79,340              |
| <b>Total operating revenues</b>                                 | <b>2,122,186</b>    | <b>79,340</b>    | <b>2,201,526</b>    |
| <b>Operating expenses</b>                                       |                     |                  |                     |
| Personal services   | \$ 449,047          | \$ 51,649        | \$ 500,696          |
| Contractual services  | 990,119             | 44,394           | 1,034,513           |
| Materials and supplies  | 60,052              | 6,005            | 66,057              |
| Depreciation  | 65,529              |                  | 65,529              |
| <b>Total operating expenses</b>                                 | <b>1,564,747</b>    | <b>102,048</b>   | <b>1,666,795</b>    |
| <b>Operating Income/(Loss)</b>                                  | <b>557,439</b>      | <b>(22,708)</b>  | <b>534,731</b>      |
| <b>Non-operating revenues/(expenses)</b>                        |                     |                  |                     |
| Interest income   | \$ 66,043           |                  | \$ 66,043           |
| Equity in income from joint venture                             | 19,948              |                  | 19,948              |
| Interest and fiscal charges                                     | (57,546)            |                  | (57,546)            |
| <b>Total non-operating revenues/(expenses)</b>                  | <b>28,445</b>       |                  | <b>28,445</b>       |
| <b>Income/(loss) before operating transfers</b>                 | <b>585,884</b>      | <b>(22,708)</b>  | <b>563,176</b>      |
| Operating transfers in  |                     | \$ 84,500        | \$ 84,500           |
| <b>Net income/ (loss)</b>                                       | <b>585,884</b>      | <b>61,792</b>    | <b>647,676</b>      |
| Depreciation of fixed assets acquired<br>by contributed capital | \$ 51,262           |                  | \$ 51,262           |
| Retained earnings at beginning of year                          | (117,056)           | \$ 864           | (116,192)           |
| Retained earnings at end of year                                | 520,090             | 62,656           | 582,746             |
| Contributed capital at beginning of year                        | 7,876,410           |                  | 7,876,410           |
| Depreciation on fixed assets acquired by<br>contributed capital | (51,262)            |                  | (51,262)            |
| Contributed capital at end of year                              | 7,825,148           |                  | 7,825,148           |
| <b>Fund equity at end of year</b>                               | <b>\$ 8,345,238</b> | <b>\$ 62,656</b> | <b>\$ 8,407,894</b> |

**City of Fairview Park, Ohio**  
**Combining Statement of Cash Flows**  
**All Enterprise Funds**  
**For the year ended December 31, 1999**

|   | <u>Sanitary<br/>Sewer</u> | <u>Gilles-Sweet</u> | <u>Total</u>        |
|---|---------------------------|---------------------|---------------------|
| <b>Increase (Decrease) in Cash<br/>and Cash Equivalents</b>           |                           |                     |                     |
| <b>Cash Flows from Operating Activities:</b>                          |                           |                     |                     |
| Cash received from customers  | \$ 2,143,521              | \$ 80,364           | 2,223,885           |
| Other operating revenues  | 53                        | -                   | 53                  |
| Cash payments for employee service and benefits                       | (440,439)                 | (47,260)            | (487,699)           |
| Cash payments to goods and services                                   | (1,329,062)               | (46,375)            | (1,375,437)         |
| Other operating expenses  | (982)                     | -                   | (982)               |
| <b>Net Cash Provided by Operating Activities</b>                      | <b>\$ 373,091</b>         | <b>\$ (13,271)</b>  | <b>359,820</b>      |
| <b>Cash Flows from Noncapital<br/>Financing Activities:</b>           |                           |                     |                     |
| Operating transfers in  | -                         | \$ 84,500           | 84,500              |
| <b>Net Cash Provided by Noncapital<br/>Financing Activities</b>       | <b>-</b>                  | <b>\$ 84,500</b>    | <b>84,500</b>       |
| <b>Cash Flows from Investing Activities:</b>                          |                           |                     |                     |
| Interest income   | \$ 75,216                 | -                   | 75,216              |
| <b>Net Cash Flows from Investing Activities</b>                       | <b>\$ 75,216</b>          | <b>-</b>            | <b>75,216</b>       |
| <b>Cash Flows from Capital and Related<br/>Financing Activities:</b>  |                           |                     |                     |
| Proceeds of OPWC loans  | \$ 496,196                | -                   | 496,196             |
| Payments for capital acquisition                                      | (497,768)                 | -                   | (497,768)           |
| Payment for capital charge  | (103,158)                 | -                   | (103,158)           |
| Principal paid  | (120,000)                 | -                   | (120,000)           |
| Interest paid on bonds, notes, and loans                              | (64,750)                  | -                   | (64,750)            |
| <b>Net Cash Used for Capital and<br/>Related Financing Activities</b> | <b>\$ (289,480)</b>       | <b>-</b>            | <b>(289,480)</b>    |
| <b>Net Increase (Decrease) in Cash<br/>and Cash Equivalents</b>       | <b>158,827</b>            | <b>71,229</b>       | <b>230,056</b>      |
| <b>Cash and Cash Equivalents<br/>at Beginning of Year</b>             | <b>1,874,223</b>          | <b>3,803</b>        | <b>1,878,026</b>    |
| <b>Cash and Cash Equivalents<br/>at End of Year</b>                   | <b>\$ 2,033,050</b>       | <b>\$ 75,032</b>    | <b>\$ 2,108,082</b> |

(Continued)

**City of Fairview Park, Ohio**  
**Combining Statement of Cash Flows**  
**All Enterprise Funds - continued**  
**For the year ended December 31, 1999**

|  | Sanitary<br>Sewer | Gilles-Sweet      | Total             |
|--|-------------------|-------------------|-------------------|
|  | <u>          </u> | <u>          </u> | <u>          </u> |
| <b>Reconciliation of Operating Income to</b>         |                   |                   |                   |
| <b>Net Cash Provided by Operating Activities:</b>    |                   |                   |                   |
| Operating Income                                     | \$ 557,439        | \$ (22,708)       | 534,731           |
| <br><b>Adjustments to Reconcile Operating Income</b> |                   |                   |                   |
| <b>to Net Cash Provided by Operating Activities:</b> |                   |                   |                   |
| Depreciation   | 65,529            | -                 | 65,529            |
| <br><b>Changes in Assets and Liabilities</b>         |                   |                   |                   |
| (Increase) decrease in accounts receivable           | 21,388            | 1,024             | 22,412            |
| (Increase) decrease in inventory                     | (49)              | -                 | (49)              |
| (Increase) decrease in investment in joint venture   | (73,206)          | -                 | (73,206)          |
| Increase (decrease) in accounts payable              | (982)             | 6,983             | 6,001             |
| Increase (decrease) in accrued wages                 | 4,881             | (1,164)           | 3,717             |
| Increase (decrease) in compensated absences          | 2,241             | 2,511             | 4,752             |
| Increase (decrease) in intergovernmental payable     | (205,561)         | -                 | (205,561)         |
| Increase (decrease) in pension obligation payable    | 1,411             | 83                | 1,494             |
|  | <u>          </u> | <u>          </u> | <u>          </u> |
| <b>Total Adjustments</b>                             | (249,877)         | 9,437             | (240,440)         |
|  | <u>          </u> | <u>          </u> | <u>          </u> |
| <b>Net Cash Provided by Operating Activities</b>     | \$ 373,091        | \$ (13,271)       | 359,820           |

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*City of Fairview Park, Ohio*

**Internal Service Funds**

**Health Insurance Reserve**

To account for expenditures sent to the City's third party administrator to cover health insurance claims incurred by employees of the City. Revenues come from general fund transfers.

**Employee Sect 125 Contributions**

To account for deductions from employee incomes for 125 contributions to their payment to the City's third party administrator.



*City of Fairview Park, Ohio*

Combining Balance Sheet - Internal Service Funds

December 31, 1999

|  | Health Insurance<br>Reserve | Employee<br>Section 125<br>Control | Total            |
|--|-----------------------------|------------------------------------|------------------|
| <b>Assets</b>                            |                             |                                    |                  |
| Cash and cash equivalents                | \$ 14,020                   | \$ 21,627                          | \$ 35,647        |
| <b>Total assets</b>                      | <b>\$ 14,020</b>            | <b>\$ 21,627</b>                   | <b>\$ 35,647</b> |
| <b>Liabilities</b>                       |                             |                                    |                  |
| Accounts payable                         | \$ 82,608                   |                                    | \$ 82,608        |
| Claims payable                           | 43,432                      |                                    | 43,432           |
| <b>Total Liabilities</b>                 | <b>126,040</b>              |                                    | <b>126,040</b>   |
| <b>Fund equity</b>                       |                             |                                    |                  |
| Retained earnings:                       |                             |                                    |                  |
| Undesignated - unreserved                | \$ (112,020)                | \$ 21,627                          | \$ (90,393)      |
| <b>Total fund equity</b>                 | <b>(112,020)</b>            | <b>21,627</b>                      | <b>(90,393)</b>  |
| <b>Total liabilities and fund equity</b> | <b>\$ 14,020</b>            | <b>\$ 21,627</b>                   | <b>\$ 35,647</b> |

**City of Fairview Park, Ohio**  
**Combining Statement of Revenues, Expenses and**  
**Changes in Fund Equity - Internal Service Funds**  
**For the Year Ended December 31, 1999**

|                                   | Health Insurance<br>Reserve | Employee<br>Section 125<br>Control | Total              |
|-----------------------------------|-----------------------------|------------------------------------|--------------------|
| <b>Operating revenues</b>         |                             |                                    |                    |
| Charges for services              | \$ 519,809                  |                                    | \$ 519,809         |
| Miscellaneous revenues            | 63,059                      | \$ 18,920                          | 81,979             |
| <b>Total operating revenues</b>   | <b>582,868</b>              | <b>18,920</b>                      | <b>601,788</b>     |
| <b>Operating expenses</b>         |                             |                                    |                    |
| Personal services                 |                             | \$ 1,185                           | \$ 1,185           |
| Contractual services              | \$ 656,940                  |                                    | 656,940            |
| <b>Total operating expenses</b>   | <b>656,940</b>              | <b>1,185</b>                       | <b>658,125</b>     |
| <b>Operating income/(loss)</b>    | <b>(74,072)</b>             | <b>17,735</b>                      | <b>(56,337)</b>    |
| Operating transfers in            | \$ 2,998                    |                                    | \$ 2,998           |
| <b>Net income/ (loss)</b>         | <b>(71,074)</b>             | <b>17,735</b>                      | <b>(53,339)</b>    |
| Fund equity at beginning of year  | (40,946)                    | 3,892                              | (37,054)           |
| <b>Fund equity at end of year</b> | <b>\$ (112,020)</b>         | <b>\$ 21,627</b>                   | <b>\$ (90,393)</b> |

**City of Fairview Park, Ohio**  
**Combining Statement of Cash Flows**  
**All Internal Service Funds**  
**For the year ended December 31, 1999**

|  | Health<br>Insurance<br>Reserve | Employee<br>Section 125<br>Control | Total            |
|--|--------------------------------|------------------------------------|------------------|
| <b>Increase (Decrease) in Cash<br/>and Cash Equivalents</b>  |                                |                                    |                  |
| <b>Cash Flows from Operating Activities:</b>   |                                |                                    |                  |
| Cash received from quasi-external transactions   | \$ 550,396                     | -                                  | 550,396          |
| Other operating revenues   | 63,059                         | \$ 18,920                          | 81,979           |
| Cash payments for employee service and benefits  | -                              | (1,185)                            | (1,185)          |
| Cash payments to goods and services  | (602,921)                      | -                                  | (602,921)        |
| <b>Net Cash Provided by Operating Activities</b>   | <b>\$ 10,534</b>               | <b>\$ 17,735</b>                   | <b>28,269</b>    |
| <b>Cash Flows from Noncapital<br/>Financing Activities:</b>  |                                |                                    |                  |
| Operating transfers in   | \$ 2,998                       | -                                  | 2,998            |
| <b>Net Cash Provided by Noncapital<br/>Financing Activities</b>                                    | <b>\$ 2,998</b>                | <b>-</b>                           | <b>2,998</b>     |
| <b>Net Increase (Decrease) in Cash<br/>and Cash Equivalents</b>                                    | <b>13,532</b>                  | <b>17,735</b>                      | <b>31,267</b>    |
| <b>Cash and Cash Equivalents<br/>at Beginning of Year</b>  | <b>488</b>                     | <b>3,892</b>                       | <b>4,380</b>     |
| <b>Cash and Cash Equivalents<br/>at End of Year</b>  | <b>\$ 14,020</b>               | <b>\$ 21,627</b>                   | <b>\$ 35,647</b> |
| <b>Reconciliation of Operating Income to<br/>Net Cash Provided by Operating Activities:</b>        |                                |                                    |                  |
| Operating Income   | \$ (74,072)                    | \$ 17,735                          | (56,337)         |
| <b>Adjustments to Reconcile Operating Income<br/>to Net Cash Provided by Operating Activities:</b> |                                |                                    |                  |
| <b>Changes in Assets and Liabilities</b>   |                                |                                    |                  |
| (Increase) decrease in accounts receivable   | 30,587                         | -                                  | 30,587           |
| Increase (decrease) in accounts payable  | 82,608                         | -                                  | 82,608           |
| Increase (decrease) in claims payable  | (28,589)                       | -                                  | (28,589)         |
| <b>Total Adjustments</b>   | <b>84,606</b>                  | <b>-</b>                           | <b>84,606</b>    |
| <b>Net Cash Provided by Operating Activities</b>   | <b>\$ 10,534</b>               | <b>\$ 17,735</b>                   | <b>28,269</b>    |

*City of Fairview Park, Ohio*

**Agency Funds**

**Special Hold Account**

To account for funds paid or donated to the City of Fairview Park and then remitted to a third party who is due those funds.

**Deferred Compensation**

To account for funds received and dispersed from the Tax Deferred Compensation Plan of the City.

**State Building 3% Assessment**

To receipt State of Ohio assessments on building permits and account for payment to the State of Ohio.

**Grade Deposits**

To account for contractor deposits for grade deposits regarding home construction and to record expenses and refunds relating to these projects.

**Street Cleaning Deposits**

To account for contractor deposits for street cleaning after new construction or additions to existing structures and to account for expenses and or refunds in relation to these projects.

**Street Opening**

To account for contractor deposits to guarantee restoration of residents' yards after waterline/sewerline repairs.

**Rezoning Deposits**

To account for deposits for rezoning issues and to account for expenses incurred by the City in relation to these rezoning requests.

**Architect Deposits**

To account for funds deposited for architect review of new construction within the City and to record expenses in regard to that review or the refund of unused deposits.

*City of Fairview Park, Ohio*

**Agency Funds - continued**

**Sidewalk Deposits**

To account for funds deposited for sidewalk construction in regards to new construction in the City of Fairview Park, and to record the expenses or refunds relating to that sidewalk.

**Senior Life Donation**

To record donations to the Senior Life Program and to record expenditures relating to those donations.

**Survey Sanitary/Storm Storm Collections**

To record deposits for engineering review of plans regarding new construction, as they effect storm water run off and to record expenses incurred or refunds.

**Preliminary Investigation**

To record deposits for engineering review of new subdivision proposals and to record expenses or refunds in regards to those deposits.

City of Fairview Park, Ohio

Combining Schedule of Changes in Assets and  
Liabilities - Agency Funds

For the Year Ended December 31, 1999

|   | Balance<br>January 1,<br>1999 | Additions        | Reductions       | Balance<br>December 31,<br>1999 |
|---|-------------------------------|------------------|------------------|---------------------------------|
| <b>Special hold account</b>             |                               |                  |                  |                                 |
| <b>Assets</b>                           |                               |                  |                  |                                 |
| Cash and cash equivalents               | \$ 6,078                      | \$ 15,311        | \$ 13,280        | \$ 8,109                        |
| <b>Total assets</b>                     | <b>\$ 6,078</b>               | <b>\$ 15,311</b> | <b>\$ 13,280</b> | <b>\$ 8,109</b>                 |
| <b>Liabilities</b>                      |                               |                  |                  |                                 |
| Undistributed monies                    | \$ 6,078                      | \$ 15,311        | \$ 13,280        | \$ 8,109                        |
| <b>Total liabilities</b>                | <b>\$ 6,078</b>               | <b>\$ 15,311</b> | <b>\$ 13,280</b> | <b>\$ 8,109</b>                 |
| <br><b>State building 3% assessment</b> |                               |                  |                  |                                 |
| <b>Assets</b>                           |                               |                  |                  |                                 |
| Cash and cash equivalents               | \$ 308                        | \$ 779           | \$ 1,015         | \$ 72                           |
| <b>Total assets</b>                     | <b>\$ 308</b>                 | <b>\$ 779</b>    | <b>\$ 1,015</b>  | <b>\$ 72</b>                    |
| <b>Liabilities</b>                      |                               |                  |                  |                                 |
| Intergovernmental payable               | \$ 308                        | \$ 779           | \$ 1,015         | \$ 72                           |
| <b>Total liabilities</b>                | <b>\$ 308</b>                 | <b>\$ 779</b>    | <b>\$ 1,015</b>  | <b>\$ 72</b>                    |

City of Fairview Park, Ohio

Combining Schedule of Changes in Assets and  
Liabilities - Agency Funds - (continued)

For the Year Ended December 31, 1999

|   | Balance<br>January 1,<br>1999 | Additions         | Reductions        | Balance<br>December 31,<br>1999 |
|---|-------------------------------|-------------------|-------------------|---------------------------------|
| <b>Deferred compensation</b>                    |                               |                   |                   |                                 |
| <b>Assets</b>                                   |                               |                   |                   |                                 |
| Deposits with deferred<br>compensation agencies | \$ 447,117                    | \$ 470,468        | \$ 917,585        | \$ 0                            |
| <b>Total assets</b>                             | <b>\$ 447,117</b>             | <b>\$ 470,468</b> | <b>\$ 917,585</b> | <b>\$ 0</b>                     |
| <b>Liabilities</b>                              |                               |                   |                   |                                 |
| Deferred compensation<br>payable                | \$ 447,117                    | \$ 470,468        | \$ 917,585        | \$ 0                            |
| <b>Total liabilities</b>                        | <b>\$ 447,117</b>             | <b>\$ 470,468</b> | <b>\$ 917,585</b> | <b>\$ 0</b>                     |
| <br><b>Grade deposits</b>                       |                               |                   |                   |                                 |
| <b>Assets</b>                                   |                               |                   |                   |                                 |
| Cash and cash equivalents                       | \$ 3,489                      | \$ 750            | \$ 2,015          | \$ 2,224                        |
| <b>Total assets</b>                             | <b>\$ 3,489</b>               | <b>\$ 750</b>     | <b>\$ 2,015</b>   | <b>\$ 2,224</b>                 |
| <b>Liabilities</b>                              |                               |                   |                   |                                 |
| Deposits held due to others                     | \$ 3,489                      | \$ 750            | \$ 2,015          | \$ 2,224                        |
| <b>Total liabilities</b>                        | <b>\$ 3,489</b>               | <b>\$ 750</b>     | <b>\$ 2,015</b>   | <b>\$ 2,224</b>                 |

City of Fairview Park, Ohio

Combining Schedule of Changes in Assets and  
Liabilities - Agency Funds - (continued)

For the Year Ended December 31, 1999

|                             | Balance<br>January 1,<br>1999 | Additions     | Reductions    | Balance<br>December 31,<br>1999 |
|-----------------------------|-------------------------------|---------------|---------------|---------------------------------|
| <b>Street cleaning</b>      |                               |               |               |                                 |
| <b>Assets</b>               |                               |               |               |                                 |
| Cash and cash equivalents   | \$ 2,150                      | \$ 100        | \$ 600        | \$ 1,650                        |
| <b>Total assets</b>         | <b>\$ 2,150</b>               | <b>\$ 100</b> | <b>\$ 600</b> | <b>\$ 1,650</b>                 |
| <b>Liabilities</b>          |                               |               |               |                                 |
| Deposits held due to others | \$ 2,150                      | \$ 100        | 600           | \$ 1,650                        |
| <b>Total liabilities</b>    | <b>\$ 2,150</b>               | <b>\$ 100</b> | <b>\$ 600</b> | <b>\$ 1,650</b>                 |
| <br><b>Street opening</b>   |                               |               |               |                                 |
| <b>Assets</b>               |                               |               |               |                                 |
| Cash and cash equivalents   | \$ 2,444                      | \$ 250        | \$ 250        | \$ 2,444                        |
| <b>Total assets</b>         | <b>\$ 2,444</b>               | <b>\$ 250</b> | <b>\$ 250</b> | <b>\$ 2,444</b>                 |
| <b>Liabilities</b>          |                               |               |               |                                 |
| Deposits held due to others | \$ 2,444                      | \$ 250        | \$ 250        | \$ 2,444                        |
| <b>Total liabilities</b>    | <b>\$ 2,444</b>               | <b>\$ 250</b> | <b>\$ 250</b> | <b>\$ 2,444</b>                 |



City of Fairview Park, Ohio

Combining Schedule of Changes in Assets and  
Liabilities - Agency Funds - (continued)

For the Year Ended December 31, 1999

|                             | Balance<br>January 1,<br>1999 | Additions       | Reductions      | Balance<br>December 31,<br>1999 |
|-----------------------------|-------------------------------|-----------------|-----------------|---------------------------------|
| <b>Rezoning</b>             |                               |                 |                 |                                 |
| <b>Assets</b>               |                               |                 |                 |                                 |
| Cash and cash equivalents   | \$ 500                        |                 | \$ 500          | \$ 0                            |
| <b>Total assets</b>         | <b>\$ 500</b>                 |                 | <b>\$ 500</b>   | <b>\$ 0</b>                     |
| <b>Liabilities</b>          |                               |                 |                 |                                 |
| Deposits held due to others | \$ 500                        |                 | \$ 500          | \$ 0                            |
| <b>Total liabilities</b>    | <b>\$ 500</b>                 |                 | <b>\$ 500</b>   | <b>\$ 0</b>                     |
| <br><b>Architect</b>        |                               |                 |                 |                                 |
| <b>Assets</b>               |                               |                 |                 |                                 |
| Cash and cash equivalents   | \$ 1,027                      | \$ 1,613        | \$ 2,568        | \$ 72                           |
| <b>Total assets</b>         | <b>\$ 1,027</b>               | <b>\$ 1,613</b> | <b>\$ 2,568</b> | <b>\$ 72</b>                    |
| <b>Liabilities</b>          |                               |                 |                 |                                 |
| Accounts payable            | \$ 955                        |                 | \$ 955          | \$ 0                            |
| Deposits held due to others | 72                            | 1,613           | 1,613           | 72                              |
| <b>Total liabilities</b>    | <b>\$ 1,027</b>               | <b>\$ 1,613</b> | <b>\$ 2,568</b> | <b>\$ 72</b>                    |

City of Fairview Park, Ohio

Combining Schedule of Changes in Assets and  
Liabilities - Agency Funds - (continued)

For the Year Ended December 31, 1999

|  | Balance<br>January 1,<br>1999 | Additions       | Reductions      | Balance<br>December 31,<br>1999 |
|--|-------------------------------|-----------------|-----------------|---------------------------------|
| <b>Senior life donation</b>            |                               |                 |                 |                                 |
| <b>Assets</b>                          |                               |                 |                 |                                 |
| Cash and cash equivalents              | \$ 17,159                     | \$ 6,014        | \$ 4,531        | \$ 18,642                       |
| <b>Total assets</b>                    | <b>\$ 17,159</b>              | <b>\$ 6,014</b> | <b>\$ 4,531</b> | <b>\$ 18,642</b>                |
| <b>Liabilities</b>                     |                               |                 |                 |                                 |
| Undistributed monies                   | \$ 17,159                     | \$ 6,014        | \$ 4,531        | \$ 18,642                       |
| <b>Total liabilities</b>               | <b>\$ 17,159</b>              | <b>\$ 6,014</b> | <b>\$ 4,531</b> | <b>\$ 18,642</b>                |
| <br><b>Survey sanitary storm sewer</b> |                               |                 |                 |                                 |
| <b>Assets</b>                          |                               |                 |                 |                                 |
| Cash and cash equivalents              | \$ 572                        |                 | \$ 150          | \$ 422                          |
| <b>Total assets</b>                    | <b>\$ 572</b>                 |                 | <b>\$ 150</b>   | <b>\$ 422</b>                   |
| <b>Liabilities</b>                     |                               |                 |                 |                                 |
| Deposits held due to others            | \$ 572                        |                 | \$ 150          | \$ 422                          |
| <b>Total liabilities</b>               | <b>\$ 572</b>                 |                 | <b>\$ 150</b>   | <b>\$ 422</b>                   |

City of Fairview Park, Ohio

Combining Schedule of Changes in Assets and  
Liabilities - Agency Funds - (continued)

For the Year Ended December 31, 1999

|                                      | Balance<br>January 1,<br>1999 | Additions     | Reductions    | Balance<br>December 31,<br>1999 |
|--------------------------------------|-------------------------------|---------------|---------------|---------------------------------|
| <b>Sidewalk deposits</b>             |                               |               |               |                                 |
| <b>Assets</b>                        |                               |               |               |                                 |
| Cash and cash equivalents            | \$ 973                        |               |               | \$ 973                          |
| <b>Total assets</b>                  | <b>\$ 973</b>                 |               |               | <b>\$ 973</b>                   |
| <b>Liabilities</b>                   |                               |               |               |                                 |
| Deposits held due to others          | \$ 973                        |               |               | \$ 973                          |
| <b>Total liabilities</b>             | <b>\$ 973</b>                 |               |               | <b>\$ 973</b>                   |
| <br><b>Preliminary investigation</b> |                               |               |               |                                 |
| <b>Assets</b>                        |                               |               |               |                                 |
| Cash and cash equivalents            | \$ 250                        | \$ 189        | \$ 289        | \$ 150                          |
| <b>Total assets</b>                  | <b>\$ 250</b>                 | <b>\$ 189</b> | <b>\$ 289</b> | <b>\$ 150</b>                   |
| <b>Liabilities</b>                   |                               |               |               |                                 |
| Undistributed monies                 | \$ 250                        | \$ 189        | \$ 289        | \$ 150                          |
| <b>Total liabilities</b>             | <b>\$ 250</b>                 | <b>\$ 189</b> | <b>\$ 289</b> | <b>\$ 150</b>                   |

City of Fairview Park, Ohio

Combining Schedule of Changes in Assets and  
Liabilities - Agency Funds - (continued)

For the Year Ended December 31, 1999

|   | Balance<br>January 1,<br>1999 | Additions         | Reductions        | Balance<br>December 31,<br>1999 |
|---|-------------------------------|-------------------|-------------------|---------------------------------|
| <b>Total agency funds</b>                       |                               |                   |                   |                                 |
| <b>Assets</b>                                   |                               |                   |                   |                                 |
| Cash and cash equivalents                       | \$ 34,950                     | \$ 25,006         | \$ 25,198         | \$ 34,758                       |
| Deposits with deferred<br>compensation agencies | 447,117                       | 470,468           | 917,585           | 0                               |
| <b>Total assets</b>                             | <u>\$ 482,067</u>             | <u>\$ 495,474</u> | <u>\$ 942,783</u> | <u>\$ 34,758</u>                |
| <b>Liabilities</b>                              |                               |                   |                   |                                 |
| Accounts payable                                | \$ 955                        |                   | 955               | \$ 0                            |
| Intergovernmental payable                       | 308                           | \$ 779            | \$ 1,015          | 72                              |
| Undistributed monies                            | 23,487                        | 21,514            | 18,100            | 26,901                          |
| Deposits held due to others                     | 10,200                        | 2,713             | 5,128             | 7,785                           |
| Deferred compensation payable                   | 447,117                       | 470,468           | 917,585           | 0                               |
| <b>Total liabilities</b>                        | <u>\$ 482,067</u>             | <u>\$ 495,474</u> | <u>\$ 942,783</u> | <u>\$ 34,758</u>                |

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*City of Fairview Park, Ohio*

**General Fixed Assets Account Group**

The General Fixed Asset Account Group accounts for the cost of the following types of long-lived assets utilized by Governmental Fund Types:

- Land
- Buildings
- Vehicles, equipment and furnishings

*City of Fairview Park, Ohio*

Schedule of General Fixed Assets by Sources

December 31, 1999

|   |                           |
|---|---------------------------|
| <b>General fixed assets</b>                     |                           |
| Land  | \$275,202                 |
| Buildings                                       | 2,185,800                 |
| Vehicles, equipment and furnishings             | 4,655,553                 |
| Construction in progress                        | <u>160,066</u>            |
| <b>Total general fixed assets</b>               | <u><u>\$7,276,621</u></u> |
| <b>Investment in general fixed assets</b>       |                           |
| General fund                                    | \$4,178,413               |
| Capital projects funds                          | <u>3,098,208</u>          |
| <b>Total investment in general fixed assets</b> | <u><u>\$7,276,621</u></u> |

*City of Fairview Park, Ohio*

Schedule of General Fixed Assets - By Function and Activity

December 31, 1999

|                                   | Land and<br>Land<br>Improve. | Buildings          | Machinery<br>and<br>Equipment | Construction<br>in<br>Progress | Total              |
|-----------------------------------|------------------------------|--------------------|-------------------------------|--------------------------------|--------------------|
| General government                |                              | \$1,784,500        | \$211,210                     |                                | \$1,995,710        |
| Security of persons and property  |                              |                    | 1,478,297                     |                                | 1,478,297          |
| Transportation                    |                              | 109,700            | 2,404,800                     |                                | 2,514,500          |
| Leisure time activities           |                              | 291,600            |                               |                                | 291,600            |
| Capital outlay                    | \$275,202                    |                    | 561,246                       | 160,066                        | 996,514            |
| <b>Total general fixed assets</b> | <b>\$275,202</b>             | <b>\$2,185,800</b> | <b>\$4,655,553</b>            | <b>\$160,066</b>               | <b>\$7,276,621</b> |



*City of Fairview Park, Ohio*

Schedule of Changes in General Fixed Assets - By  
Function and Activity

For the Year Ended December 31, 1999

|                                   | Balance<br>January 1,<br>1999 | Additions        | Disposals  | Balance<br>December 31,<br>1999 |
|-----------------------------------|-------------------------------|------------------|------------|---------------------------------|
| General government                | \$1,947,800                   | \$47,910         |            | \$1,995,710                     |
| Security of persons and property  | 1,462,000                     | 16,297           |            | 1,478,297                       |
| Transportation                    | 2,514,500                     |                  |            | 2,514,500                       |
| Leisure time activities           | 291,600                       |                  |            | 291,600                         |
| Capital outlay                    | 275,202                       | 721,312          |            | 996,514                         |
| <b>Total general fixed assets</b> | <b>\$6,491,102</b>            | <b>\$785,519</b> | <b>\$0</b> | <b>\$7,276,621</b>              |

## **Statistical Section**

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*City of Fairview Park, Ohio*

General Government Expenditures by Function (1)

Last Ten Fiscal Years

| Year | Security<br>of Persons | Public<br>Health | Leisure time<br>Activities | Community<br>Environment | Basic<br>Utility | Transportation |
|------|------------------------|------------------|----------------------------|--------------------------|------------------|----------------|
| 1990 | \$3,216,117            | \$37,549         | \$464,609                  | \$802,675                |                  | \$486,147      |
| 1991 | 3,447,564              | 38,100           | 493,716                    | 851,791                  | 103,865          | 567,572        |
| 1992 | 3,603,373              | 40,690           | 468,497                    | 915,867                  | 266,200          | 504,128        |
| 1993 | 3,880,141              | 41,420           | 650,925                    | 1,155,671                |                  | 592,774        |
| 1994 | 3,720,991              | 62,788           | 465,145                    | 938,893                  |                  | 579,409        |
| 1995 | 3,908,845              | 48,200           | 454,573                    | 901,892                  |                  | 528,495        |
| 1996 | 4,260,854              | 45,692           | 497,464                    | 1,069,420                |                  | 821,747        |
| 1997 | 4,292,831              | 48,801           | 661,233                    | 1,015,362                |                  | 855,497        |
| 1998 | 4,879,587              | 54,695           | 815,042                    | 1,293,452                |                  | 802,226        |
| 1999 | 5,061,879              | 51,917           | 907,820                    | 1,203,078                |                  | 888,275        |

| General<br>Government | Capital<br>Outlay | Debt (2)<br>Service | Total               |
|-----------------------|-------------------|---------------------|---------------------|
| \$2,207,073           | \$1,159,163       | \$513,074           | \$8,886,407         |
| 2,323,872             | 1,806,116         | 1,310,730           | \$10,943,326        |
| 2,275,134             | 631,970           | 2,410,984           | \$11,116,843        |
| 1,827,129             | 520,957           | 84,205              | \$8,753,222         |
| 1,648,203             | 559,003           | 74,674              | \$8,049,106         |
| 1,774,933             | 1,855,837         | 87,726              | \$9,560,501         |
| 1,529,385             | 1,029,453         | 85,531              | \$9,339,546         |
| 1,508,402             | 817,679           | 845,245             | \$10,045,050        |
| 1,606,178             | 1,028,635         | 694,829             | \$11,174,644        |
| <b>1,638,614</b>      | <b>2,044,297</b>  | <b>838,558</b>      | <b>\$12,634,438</b> |

(1) Includes all governmental fund type expenditures.

(2) Represents all interest paid on bonds and notes in addition to payments made to reduce the principal or the actual amount borrowed. Does not include the gross effect of note rollovers.

*City of Fairview Park, Ohio*

General Government Revenue by Source (1)

Last Ten Fiscal Years

| Year | Local Taxes | Intergovernmental | Charges for Services | Fees, Licenses, Fines & Forfeitures | Special Assessments |
|------|-------------|-------------------|----------------------|-------------------------------------|---------------------|
| 1990 | \$5,197,005 | \$1,497,748       | \$106,827            | \$257,467                           |                     |
| 1991 | 5,717,686   | 1,533,935         | 103,297              | 233,363                             | 176,662             |
| 1992 | 5,937,047   | 1,521,302         | 74,891               | 260,627                             | 172,962             |
| 1993 | 5,474,823   | 2,379,975         | 205,288              | 203,553                             | 183,712             |
| 1994 | 5,865,500   | 1,814,240         | 316,888              | 202,663                             | 184,746             |
| 1995 | 7,386,405   | 1,784,757         | 233,979              | 264,652                             | 210,238             |
| 1996 | 6,752,261   | 2,235,336         | 260,093              | 201,965                             | 202,753             |
| 1997 | 7,225,336   | 2,355,695         | 287,899              | 288,055                             | 201,116             |
| 1998 | 7,624,393   | 2,541,790         | 200,803              | 709,147                             | 208,184             |
| 1999 | 7,965,255   | 2,025,185         | 297,431              | 619,283                             | 225,147             |

| Interest       | Rentals       | Miscellaneous | Total             |
|----------------|---------------|---------------|-------------------|
|                |               | \$210,037     | \$7,269,084       |
|                |               | 172,941       | 7,937,884         |
|                |               | 576,243       | 8,543,072         |
| \$30,652       |               | 15,844        | 8,493,847         |
| 16,659         |               | 33,438        | 8,434,134         |
| 68,009         |               | 9,912         | 9,957,952         |
| 80,094         | \$14,002      | 3,526         | 9,750,030         |
| 102,740        | 10,166        | 153,364       | 10,624,371        |
| 145,130        | 11,610        | 241,260       | 11,682,317        |
| <b>306,041</b> | <b>10,634</b> | <b>27,750</b> | <b>11,476,726</b> |

(1) Includes all governmental fund type revenues.

*City of Fairview Park, Ohio*

Property Tax Levies and Collections

Last Ten Fiscal Years

| Collection Year | Current Tax Levy | (1)<br>Current Tax Collections | Percent Levy Collected | Outstanding Delinquent Taxes | Percent of Outstanding Delinquent Taxes to Current Tax Levy |
|-----------------|------------------|--------------------------------|------------------------|------------------------------|---|
| 1990            | \$2,307,091      | \$2,230,124                    | 96.7%                  | \$56,384                     | 2.4%  |
| 1991            | 2,320,428        | 2,238,658                      | 96.5                   | 54,559                       | 2.4   |
| 1992            | 2,718,526        | 2,620,927                      | 96.4                   | 69,208                       | 2.5   |
| 1993            | 2,737,667        | 2,605,822                      | 95.2                   | 77,797                       | 2.8   |
| 1994            | 2,730,776        | 2,615,937                      | 95.8                   | 86,470                       | 3.2   |
| 1995            | 3,320,485        | 3,139,095                      | 94.5                   | 100,238                      | 3.0   |
| 1996            | 3,317,865        | 2,991,656                      | 90.2                   | 124,456                      | 3.8   |
| 1997            | 3,702,214        | 3,522,103                      | 95.1                   | 143,595                      | 3.9   |
| 1998            | 4,006,690        | 3,750,044                      | 93.6                   | 109,207                      | 2.7   |
| 1999            | 3,879,470        | 3,797,785                      | 97.9                   | 104,185                      | 2.7   |

(1) Represents amounts collected by the County for the City during the year indicated.

Source: Cuyahoga County Auditor



City of Fairview Park, Ohio

Assessed and Estimated Value of All Taxable Property (1)

Last Ten Fiscal Years

| Collection Year | Real Property  |                        | Public Utility Tangible Property |                        | Tangible Personal Property |                        | Total          |                        | Ratio of Assessed Value to Estimated Actual Value |
|-----------------|----------------|------------------------|----------------------------------|------------------------|----------------------------|------------------------|----------------|------------------------|---|
|                 | Assessed Value | Estimated Actual Value | Assessed Value                   | Estimated Actual Value | Assessed Value             | Estimated Actual Value | Assessed Value | Estimated Actual Value |   |
| 1990            | \$209,802,310  | \$599,435,171          | \$9,844,980                      | \$11,187,477           | \$9,206,039                | \$36,824,156           | \$228,853,329  | \$647,446,804          | 35.35%  |
| 1991            | 210,535,070    | 601,528,771            | 9,893,760                        | 11,242,909             | 8,722,650                  | 34,890,600             | 229,151,480    | 647,662,280            | 35.38   |
| 1992            | 255,132,340    | 728,949,543            | 10,157,790                       | 11,542,943             | 9,400,213                  | 37,600,852             | 274,690,343    | 778,093,338            | 35.30   |
| 1993            | 254,814,170    | 728,040,486            | 10,217,510                       | 11,610,807             | 9,315,935                  | 37,263,740             | 274,347,615    | 776,915,033            | 35.31   |
| 1994            | 253,775,800    | 725,073,714            | 10,122,770                       | 11,503,148             | 8,836,304                  | 35,345,216             | 272,734,874    | 771,922,078            | 35.33   |
| 1995            | 288,878,080    | 825,365,943            | 10,242,190                       | 11,638,852             | 11,126,369                 | 44,505,476             | 310,246,639    | 881,510,271            | 35.19   |
| 1996            | 288,260,820    | 823,602,343            | 9,793,290                        | 11,128,739             | 11,327,056                 | 45,308,224             | 309,381,166    | 880,039,306            | 35.16   |
| 1997            | 293,690,410    | 839,115,457            | 9,588,730                        | 10,896,284             | 11,394,515                 | 45,578,060             | 314,673,655    | 895,589,801            | 35.14   |
| 1998            | 317,905,830    | 908,302,371            | 9,385,270                        | 10,665,080             | 11,819,544                 | 47,278,176             | 339,110,644    | 966,245,627            | 35.10   |
| 1999            | 324,605,540    | 927,444,400            | 9,610,600                        | 10,921,136             | 11,895,084                 | 47,580,336             | 346,111,224    | 985,945,872            | 35.10   |

(1) The assessed valuation is computed at approximately the following percentage of estimated actual value:

- a) real property - 35%,
- b) public utility tangible property - 88%,
- c) tangible personal property - 1990-1999 - 25%.

Source: Cuyahoga County Auditor

*City of Fairview Park, Ohio*

Property Tax Rates - Direct and Overlapping Governments  
(Per \$1,000 of Assessed Value)

Last Ten Fiscal Years

| Tax Year | Collection Year | City  | (1)<br>County and<br>Special<br>Taxing<br>Districts | Fairview Park<br>School<br>District | Berea<br>School<br>District | Rocky River<br>School<br>District | Polaris<br>JVSD | Total  |
|----------|-----------------|-------|---|-------------------------------------|-----------------------------|-----------------------------------|-----------------|--------|
| 1990     | 1991            | 11.90 | 17.80   | 62.40                               | N/A                         | 59.20                             | 2.50            | 153.80 |
| 1991     | 1992            | 11.90 | 17.80   | 61.20                               | N/A                         | 58.40                             | 2.50            | 151.80 |
| 1992     | 1993            | 11.90 | 17.80   | 69.20                               | 51.10                       | 59.50                             | 2.50            | 212.00 |
| 1993     | 1994            | 11.90 | 17.80   | 71.30                               | 57.00                       | 59.40                             | 2.50            | 219.90 |
| 1994     | 1995            | 12.80 | 18.20   | 70.50                               | 56.90                       | 58.90                             | 2.50            | 219.80 |
| 1995     | 1996            | 10.40 | 18.00   | 78.60                               | 57.00                       | 58.40                             | 2.40            | 224.80 |
| 1996     | 1997            | 11.80 | 18.00   | 78.40                               | 57.90                       | 60.90                             | 2.40            | 229.40 |
| 1997     | 1998            | 11.80 | 18.00   | 78.10                               | 57.90                       | 64.40                             | 2.40            | 232.60 |
| 1998     | 1999            | 11.80 | 16.70   | 76.20                               | 58.00                       | 64.70                             | 2.40            | 229.80 |
| 1999     | 2000            | 11.80 | 16.70   | 76.20                               | 63.90                       | 68.60                             | 2.40            | 239.60 |

(1) Cleveland Metropolitan Park District, Cuyahoga Community College District, Cleveland-Cuyahoga County Port Authority and Cuyahoga County Library and Cuyahoga County Services.

N/A Berea School District not included with Fairview Park City at that time.

Source: Cuyahoga County Auditor

*City of Fairview Park, Ohio*

Property Tax Rates - Compared to Charter Limitations  
(Per \$1,000 of Assessed Value)

Last Ten Fiscal Years

| Tax Year/<br>Collection<br>Year | General<br>Fund | Recreation<br>Purposes | Permanent<br>Improvement | Police<br>Pension | Fire<br>Pension | Fire<br>Levy | Bond<br>Retirement | Total<br>City<br>Millage |
|---------------------------------|-----------------|------------------------|--------------------------|-------------------|-----------------|--------------|--------------------|--------------------------|
| 1990/1991                       | 9.90            | 0.60                   | n/a                      | 0.30              | 0.30            | n/a          | 0.80               | 11.90                    |
| 1991/1992                       | 10.06           | 0.60                   | n/a                      | 0.30              | 0.30            | n/a          | 0.64               | 11.90                    |
| 1992/1993                       | 10.04           | 0.60                   | n/a                      | 0.30              | 0.30            | n/a          | 0.66               | 11.90                    |
| 1993/1994                       | 10.14           | 0.60                   | n/a                      | 0.30              | 0.30            | n/a          | 0.56               | 11.90                    |
| 1994/1995                       | 10.24           | 0.60                   | 0.90                     | 0.30              | 0.30            | n/a          | 0.46               | 12.80                    |
| 1995/1996                       | 8.33            | 0.60                   | 0.87                     | 0.30              | 0.30            | n/a          | n/a                | 10.40                    |
| 1996/1997                       | 8.33            | 1.00                   | 0.87                     | 0.30              | 0.30            | 1.00         | n/a                | 11.80                    |
| 1997/1998                       | 8.33            | 1.00                   | 0.87                     | 0.30              | 0.30            | 1.00         | n/a                | 11.80                    |
| 1998/1999                       | 8.33            | 1.00                   | 0.87                     | 0.30              | 0.30            | 1.00         | n/a                | 11.80                    |
| 1999/2000                       | 8.33            | 1.00                   | 0.87                     | 0.30              | 0.30            | 1.00         | n/a                | 11.80                    |

Source: Cuyahoga County Auditor

*City of Fairview Park, Ohio*

Special Assessment Billings and Collections

Last Five Years - (2)

| <u>Collection<br/>Year</u> | <u>Amount<br/>Billed</u> | <sup>(1)</sup><br><u>Amount<br/>Collected</u> | <u>Percent<br/>Collected</u> |
|----------------------------|--------------------------|---|------------------------------|
| 1995                       | \$212,248                | \$209,628                                     | 98.8%                        |
| 1996                       | 205,208                  | 200,876                                       | 97.9                         |
| 1997                       | 201,726                  | 199,453                                       | 98.9                         |
| 1998                       | 201,951                  | 197,935                                       | 98.0                         |
| 1999                       | 223,373                  | 200,841                                       | 89.9                         |

(1) Collections made by County Auditor only.

(2) Information prior to collection year 1995 not available from the County Auditor.

Source: Cuyahoga County Auditor

*City of Fairview Park, Ohio*

Computation of Legal Debt Margin - Statutory Debt Limitations

December 31, 1999

**Statutory (direct) debt limitations**

|   |                  |                            |
|---|------------------|----------------------------|
| Overall debt limitation 10-1/2% of assessed valuation |                  | \$36,341,679               |
| Gross indebtness                                      | \$5,672,013      |                            |
| Less - debt not subject to limitation                 | <u>1,347,013</u> |                            |
| Debt within 10-1/2% limitation                        | 4,325,000        |                            |
| Less - amount available in debt service fund          | <u>0</u>         | 4,325,000                  |
| <b>Legal debt margin within 10-1/2% limitation</b>    |                  | <u><b>\$32,016,679</b></u> |

Unvoted debt limitation 5-1/2% of assessed valuation

|   |                  |                            |
|---|------------------|----------------------------|
| Gross indebtness                                  | \$5,672,013      | \$19,036,117               |
| Less - debt not subject to limitation             | <u>1,347,013</u> |                            |
| Debt within 5-1/2% limitation                     | 4,325,000        |                            |
| Less - amount available in debt service fund      | <u>0</u>         | 4,325,000                  |
| <b>Legal debt margin within 5-1/2% limitation</b> |                  | <u><b>\$14,711,117</b></u> |

*City of Fairview Park, Ohio*

Computation of Legal Debt Margin - Constitutional Debt Limitations

December 31, 1999

|  |                            |
|--|----------------------------|
| <b>Constitutional (indirect) debt limitation</b> |                            |
| Overall debt limitation authorized by Charter    | <b>10.00 mills</b>         |
| Encumbered millage as of December 31, 1999       | <b>3.1080 mills</b>        |
| <b>Available millage as of December 31, 1999</b> | <b><u>6.8920 mills</u></b> |

Assumes maturity over a twenty year period with 5.5% annual interest.

*City of Fairview Park, Ohio*

Computation of Direct and Overlapping Debt

December 31, 1999

| <u>Jurisdiction</u>                             | <u>Debt<br/>Outstanding</u> | <u>Percentage<br/>Applicable to<br/>City of Fairview<br/>Park, Ohio</u> | <u>Amount<br/>Applicable to<br/>City of Fairview<br/>Park, Ohio</u> |
|---|-----------------------------|---|---|
| City of Fairview Park                           | \$5,672,013                 | 100.00%   | \$5,672,013   |
| Fairview Park City School District              | 5,149,993                   | 100.00  | 5,149,000   |
| Rocky River City School District                | 31,609,128                  | 9.86  | 3,116,660   |
| Cuyahoga County                                 | 141,004,636                 | 1.35  | 1,903,563   |
| Greater Cleveland Regional<br>Transit Authority | 101,865,000                 | 1.35  | 1,375,178   |
| Polaris Joint Vocational School                 | <u>none</u>                 | <u>none</u>   | <u>none</u>   |
| Total Overlapping Debt                          | \$285,300,770               |   | \$17,216,414  |

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

Source: Cuyahoga County Auditor

*City of Fairview Park, Ohio*

Ratio of Net General Debt to Assessed Value  
and Net Debt Per Capita

Last Ten Fiscal Years

| Fiscal Year | Population    | Assessed Value     | Gross Debt       | Special Assessment/<br>General Obligation Debt | General Obligation Debt |
|-------------|---------------|--------------------|------------------|--|-------------------------|
| 1990        | 18,028        | \$228,853,329      | \$3,610,000      | \$20,050                                       | \$3,589,950             |
| 1991        | 18,028        | 229,151,480        | 4,201,000        | 16,040   | 4,184,960               |
| 1992        | 18,028        | 274,690,343        | 3,927,000        | 12,030   | 3,914,970               |
| 1993        | 18,028        | 274,347,615        | 3,323,000        | 8,019  | 3,314,981               |
| 1994        | 18,028        | 272,734,874        | 2,759,000        | 4,009  | 2,754,991               |
| 1995        | 18,028        | 310,246,639        | 3,065,000        |  | 3,065,000               |
| 1996        | 18,028        | 309,381,166        | 2,425,000        |  | 2,425,000               |
| 1997        | 18,028        | 314,673,655        | 1,870,000        |  | 1,870,000               |
| 1998        | 18,028        | 339,110,644        | 1,630,817        |  | 1,630,817               |
| <b>1999</b> | <b>18,028</b> | <b>346,111,224</b> | <b>5,672,013</b> |  | <b>5,130,000</b>        |



| General<br>Obligation Debt<br>Service Money<br>Available | (1)<br>Net General<br>Obligation<br>Debt | (1)<br>Ratio of Net<br>Debt to<br>Assessed<br>Valuation | (1)<br>Net<br>General<br>Obligation<br>Debt Per<br>Capita |
|--|--|---|---|
| \$54,419   | \$3,535,531                              | 1.5   | 196   |
| 56,208   | 4,128,752                                | 1.8   | 229   |
| 44,017   | 3,870,953                                | 1.4   | 215   |
| 1,413  | 3,313,568                                | 1.2   | 184   |
| 25,147   | 2,729,844                                | 1.0   | 151   |
| 25,499   | 3,039,501                                | 1.0   | 169   |
| 200  | 2,424,800                                | 0.8   | 135   |
| 4  | 1,869,996                                | 0.6   | 104   |
| 847  | 1,629,970                                | 0.5   | 90  |
| <b>0</b>   | <b>5,130,000</b>                         | <b>1.5</b>  | <b>285</b>  |

(1) Does not include Special Assessment or OPWC Debt.

Source: Cuyahoga County Auditor

*City of Fairview Park, Ohio*

Ratio of Annual Debt Service Expenditures for  
General Bonded Debt to Total General Fund Expenditures

Last Ten Fiscal Years

| Year        | (1)<br>General<br>Obligation<br>Principal | General<br>Obligation<br>Interest | (2)<br>General<br>Obligation<br>Debt Service | Total<br>General Fund<br>Operating<br>Expenditures | Ratio of General<br>Obligation<br>Debt Service<br>to General Fund<br>Operating<br>Expenditures |
|-------------|---|-----------------------------------|--|--|--|
| 1990        | \$124,990                                 | \$142,371                         | \$267,361                                    | \$5,299,934  | 5.04%  |
| 1991        | 124,990                                   | 133,634                           | 258,624                                      | 5,616,595  | 4.60   |
| 1992        | 124,990                                   | 124,897                           | 249,887                                      | 5,598,422  | 4.46   |
| 1993        | 124,990                                   | 116,160                           | 241,150                                      | 6,212,221  | 3.88   |
| 1994        | 124,990                                   | 107,424                           | 232,414                                      | 5,938,727  | 3.91   |
| 1995        | 124,990                                   | 98,687                            | 223,677                                      | 6,067,778  | 3.69   |
| 1996        | 120,000                                   | 89,950                            | 209,950                                      | 6,746,493  | 3.11   |
| 1997        | 120,000                                   | 81,550                            | 201,550                                      | 6,491,957  | 3.10   |
| 1998        | 120,000                                   | 73,150                            | 193,150                                      | 7,291,247  | 2.65   |
| <b>1999</b> | <b>120,000</b>                            | <b>133,123</b>                    | <b>253,123</b>                               | <b>7,730,714</b>                                   | <b>3.27</b>  |

(1) Does not include the rollover of principal due under bond anticipation notes.

(2) Debt service on General Obligation Bonds and Notes does not include debt service on Special Assessment Bonds and Notes.

*City of Fairview Park, Ohio*

Demographic Statistics

Last Ten Fiscal Years

| Year        | (1)<br>Population | (2) Rocky River<br>City School<br>District | Fairview Park<br>City School<br>District | (3) Cuyahoga<br>County<br>Unemployment<br>Rate |
|-------------|-------------------|--|--|--|
| 1990        | 18,028            |  | 1,741                                    | 4.80%  |
| 1991        | 18,028            |  | 1,781                                    | 5.50   |
| 1992        | 18,028            |  | 1,827                                    | 6.70   |
| 1993        | 18,028            |  | 1,855                                    | 6.30   |
| 1994        | 18,028            |  | 1,976                                    | 4.40   |
| 1995        | 18,028            |  | 1,997                                    | 4.70   |
| 1996        | 18,028            |  | 2,052                                    | 5.20   |
| 1997        | 18,028            |  | 2,091                                    | 4.80   |
| 1998        | 18,028            | 16   | 2,076                                    | 4.50   |
| <b>1999</b> | <b>18,028</b>     | <b>16</b>                                  | <b>1,974</b>                             | <b>4.50</b>                                    |

(1) 1990 Census Statistics

(2) Rocky River Board of Education (Rocky River, Fairview Park). Board of Education did not keep attendance records of children from the City of Fairview Park prior to 1998.

(3) Ohio Bureau of Employment Services Labor Marketing Information Department.

*City of Fairview Park, Ohio*

Construction, Bank Deposits and Assessed Property Taxes

Last Ten Fiscal Years

| Year | (1)<br>Residential &<br>Commercial<br>Construction<br>Value | (1)<br>Residential &<br>Commercial<br>Construction<br>Units | (2)<br>County Bank<br>Deposits (In<br>Thousands) | (3 and 4)<br>Total Assessed<br>Property Values |
|------|---|---|--|--|
| 1990 | \$3,020,640   | 400   | \$19,188,641                                     | \$228,853,329                                  |
| 1991 | 3,628,066   | 404   | 18,392,243                                       | 229,151,480                                    |
| 1992 | 6,995,300   | 404   |  | 274,690,343                                    |
| 1993 | 5,995,176   | 372   | 21,900,421                                       | 274,347,615                                    |
| 1994 | 4,414,399   | 341   | 20,885,453                                       | 272,734,874                                    |
| 1995 | 12,855,065  | 366   | 22,694,304                                       | 310,246,639                                    |
| 1996 | 7,897,348   | 382   | 27,068,211                                       | 309,381,166                                    |
| 1997 | 7,207,918   | 416   | 53,941,971                                       | 314,673,655                                    |
| 1998 | 6,046,691   | 400   | 58,904,596                                       | 339,110,644                                    |
| 1999 | <b>4,697,708</b>  | <b>348</b>  | <b>57,816,942</b>                                | <b>346,111,224</b>                             |

(1) City of Fairview Park Building Department.

(2) Federal Reserve Bank of Cleveland (total demand, time and savings deposits in Cuyahoga County).

(3) Cuyahoga County Auditor's Office.

(4) Represents the values assessed for taxation which range from 25% to 88% of estimated true value.

*City of Fairview Park, Ohio*

Principal Taxpayers - Real Property

December 31, 1999

| Taxpayer                            | Assessed<br>Value    | Percent of<br>Total<br>Assessed<br>Value |
|-------------------------------------|----------------------|--|
| Westgate Joint Venture              | \$ 15,187,070        | 4.39%                                    |
| Z & Sons Limited Partnership        | 6,572,270            | 1.90                                     |
| Cleveland Electric Illuminating Co. | 3,340,820            | 0.97                                     |
| Ohio Bell Telephone Co              | 2,695,510            | 0.78                                     |
| Higbee Co.                          | 2,450,000            | 0.71                                     |
| Professional Inv. of America        | 2,441,150            | 0.70                                     |
| Fairview Shopping Center Corp.      | 1,901,900            | 0.55                                     |
| 200 West Apartments                 | 1,802,500            | 0.52                                     |
| East Ohio Gas Co.                   | 1,818,180            | 0.52                                     |
| Fairview Board of Education         | 1,385,590            | 0.40                                     |
|                                     | <u>\$ 39,594,990</u> | <u>11.44</u>                             |
| Total assessed valuation            | <u>\$346,111,224</u> |  |

*City of Fairview Park, Ohio*

Principal Taxpayers - Personal Property

December 31, 1999

| <u>Taxpayer</u>              | <u>Assessed Value</u> | <u>Percent of Total Assessed Value</u> |
|------------------------------|-----------------------|--|
| Kohl's Department Stores     | \$ 816,300            | 0.24%                                  |
| First National Supermarkets  | 796,160               | 0.23                                   |
| Quadax Inc.                  | 222,650               | 0.06                                   |
| Gap, Inc.                    | 166,150               | 0.05                                   |
| R E May, Inc.                | 146,850               | 0.04                                   |
| Reserves Network Inc.        | 132,290               | 0.04                                   |
| Cox Cable Cleveland          | 118,810               | 0.03                                   |
| Schreibman Jewelry, Inc.     | 103,700               | 0.03                                   |
| Musicland Group, Inc.        | 86,980                | 0.03                                   |
| Fairview Photo Service, Inc. | 68,330                | 0.02                                   |
|                              | \$ 2,658,220          | 0.77                                   |
| Total assessed valuation     | <u>\$346,111,224</u>  |  |

*City of Fairview Park, Ohio*

Miscellaneous Statistics

December 31, 1999

|  |                   |
|--|-------------------|
| Date of incorporation                      | 1910              |
| Form of government                         | Mayor-Council     |
| Area                                       | 4.77 square miles |
| Miles of streets                           | 52.9              |
| Number of street lights                    | 1,262             |
| Fire protection:                           |                   |
| Number of stations                         | 1                 |
| Number of full-time firemen and officers   | 26                |
| Police protection:                         |                   |
| Number of stations                         | 1                 |
| Number of full-time policemen and officers | 29                |
| Sewers:                                    |                   |
| Sanitary sewers                            | 50 miles          |
| Water:                                     |                   |
| Water mains                                | 47 miles          |
| Fire hydrants                              | 832               |
| Building permits issued: Residential       | 306               |
| Nonresidential                             | 42                |
| Recreation:                                |                   |
| Number of parks                            | 5                 |
| Employees:                                 |                   |
| Full-time (classified)                     | 117               |
| Part-time                                  | 85                |

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

88 East Broad Street  
P.O. Box 1140  
Columbus, Ohio 43216-1140  
Telephone 614-466-4514  
800-282-0370  
Facsimile 614-466-4490

**CITY OF FAIRVIEW PARK  
CUYAHOGA COUNTY**

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

CLERK OF THE BUREAU

CERTIFIED  
JULY 18, 2000