

CITY OF FAIRVIEW PARK, OHIO

AUDIT REPORT

FOR THE YEAR ENDED DECEMBER 31, 2000

Charles E. Harris and Associates, Inc.
Certified Public Accountants



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

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The Honorable Mayor and City Council
City of Fairview Park
20777 Lorain Rd.
Fairview Park, OH 44126-2018

We have reviewed the independent auditor's report of the City of Fairview Park, Cuyahoga County, prepared by Charles E. Harris & Associates, for the audit period January 1, 2000 through December 31, 2000. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

JIM PETRO
Auditor of State

July 17, 2001

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CITY OF FAIRVIEW PARK, OHIO
AUDIT REPORT
For the Year Ended December 31, 2000

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**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL
REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

The Honorable Mayor and Members of City Council
City of Fairview Park
Fairview Park, Ohio

We have audited the general purpose financial statements of the City of Fairview Park, Ohio as of and for the year ended December 31, 2000 and have issued our report thereon dated June 20, 2001, as listed in the table of contents. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the City's general purpose 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 2000-FP-001. We also noted certain immaterial instances of noncompliance that we have reported to management in a separate letter dated June 20, 2001.

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 general purpose 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 general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

However, we noted other matters involving the internal control over financial reporting that we have reported to the management of the City in a separate letter dated June 20, 2001.

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

Charles E. Harris & Associates, Inc.
June 20, 2001

**CITY OF FAIRVIEW PARK
SCHEDULE OF FINDINGS**

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

Finding Number: 2000-FP-001

Section 5705.41 (D), Revised Code, requires in part, that no subdivision or taxing unit shall make any contract or order any expenditure 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 57 of 94 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.

STATUS OF PRIOR AUDIT'S CITATIONS AND RECOMMENDATIONS

The prior audit report, as of December 31, 1999, included a material citation. The citation was not corrected and is repeated in the current audit report.

City of Fairview Park, Ohio

Comprehensive Annual Financial Report

For the Year Ended December 31, 2000

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, 2000

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Introductory Section



City of Fairview Park

- Established in 1910 -

Department of Finance

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Eileen Ann Patton
Mayor

T. R. Kowalski
Finance Director

June 20, 2001

The Honorable Mayor Eileen Ann Patton
and Members of City Council
20777 Lorain Road
Fairview Park, Ohio 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, 2000.

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 third 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 2000 Census classifications, the City was in the Cleveland Primary Metropolitan Statistical Area (PMSA), comprised of the four counties of Cuyahoga, Geauga, Lake and Medina. It was also in the Cleveland-Akron-Lorain Consolidated Metropolitan Statistical Area (CMSA). 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 2000 population was 17,572. Because of differences in growth rates, the regional shares of the total population have shifted considerably in recent decades (1950-2000). The Midwest's share of the total population fell from 29 to 23 percent. Ohio gained 506,000 people from 1990 to 2000 or 4.7 percent.

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

	Area	<u>Percent of</u> Assessed Valuation of Real Property
Residential	54.5%	81.03%
Commercial/Industrial	9.7	18.97
Public Utility	0.1	0
Governmental (including parks) and 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 completing a major recreational redevelopment in the year 2001 at an estimated cost of \$2,200,000. 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. In the November 2000 election, the voters voted to reduce the size of Council by two at-large members to seven members.

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

In 2000, the re-development of the nine-acre parcel east of City Hall proceeded at a rapid pace. A Brownfield grant/loan was received for \$1,210,000 and together with other private financing and city resources, Phase I of the project began with the purchase of initially of four acres. This property has since been cleared and construction has begun on a 47,000 square foot office building. Two additional acres are in the process of being purchased and will be added to this project. Phase II will begin sometime in 2001 with the purchase of the remaining acreage. Negotiations are underway with a potential end user. The expected total revenue of this development will exceed \$400,000.

The Emerald View Condominium project continues to progress. Twenty-three units are still planned at an average of \$350,000 each. New property tax to be generated is \$8,450 per unit. Of the total of 23 units to date, eleven have been sold and occupied, two have been built but not sold, and ten are to be built. Finally, the developer has also purchased the ten-suite apartment building to the east, which he plans to raze in order to build eight more upscale condos.

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 has been made up with leasing of facilities to certain incubator companies and staff for the Metroparks and the FAA. In addition, NASA will be moving in another 150 of their employees to these buildings in June 2001.

The development of the 9.6 acre parcel at West 227th and Brookpark by Zarembo Development Corporation continues although the recent economic slowdown has temporarily affected their ability to lease sufficiently to commit to a construction schedule at this time. A request for a curb cut on Brookpark Road was granted recently by ODOT and a favorable decision regarding wetlands is expected from all jurisdictions. In addition, Zarembo has obtained the various required city approvals and was subsequently granted a request for a split from the City Planning Commission. When completed, the project is expected to generate \$924,000 in additional revenue.

Jackson's Tavern is now Arthur's. It was enlarged and converted to an upscale restaurant. It opened June 4, 2001. The City has provided extensive consultant services in this regard as well.

Westgate Mall is currently for sale. The city has met with the serious prospective buyer who has indicated their intent to maintain it as such and make certain improvements as well. The city will work closely with this organization to assist in any way to continue to enhance the viability of this facility.

The Metroparks will build a new headquarters at the bottom of Wooster Hill in Fairview Park. Preliminary discussions have already been held between the city and Metroparks officials. Construction will begin later this year. When opened, it will bring 80 new jobs to Fairview Park.

The following businesses opened or relocated within the City:

Relocated Businesses:

Jeffrey A. Grusenmeyer & Assoc. Architects
2100 Realty
Domino's Pizza
Fairview Barber Shop
Polito & Russo, LPA

New Businesses

Hibachi Steak House
Electric Beach
Emerald Necklace Inn
Cannon School of Irish Dance
Gallagher's Travel
J.V, Sidari & Associates
CARS (Complete Auto Repair)
Golden Dollar Store

MAJOR INITIATIVES

The City of Fairview Park continued to maintain its strong financial reserves during 2000. The City's general fund unencumbered cash balance at year end was \$1,201,645. This represents 14.36% of general fund expenditures. The General Fund unencumbered cash balance increased by \$533,989 (80%) during the year 2000.

The City continued its annual street repair program at no extra cost to the residents of the streets repaired. The total spent in 2000 was \$653,800.

The City purchased five new vehicles at a cost of \$52,068 and new service department equipment at a cost of \$54,505 and replaced the fire department driveway at a cost of \$26,137.

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 department level.

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, 2000, and the amounts and percentages of increases and decreases in relation to prior year's revenues.

	<u>1999</u> <u>Amount</u>	<u>2000</u> <u>Amount</u>	<u>Percent</u> <u>of Total</u>	<u>Change</u>	<u>Percent</u> <u>Change</u>
Revenues:					
Property tax revenue	\$ 3,591,082	\$ 3,587,529	26.63	\$ (3,553)	(.10%)
Income tax revenue	4,374,173	3,986,569	29.60	(387,604)	(8.86)
Intergovernmental - 1	2,025,185	4,146,726	30.79	2,121,541	104.75
Special assessments	225,147	226,048	1.68	901	.40
Charges for services	297,431	245,540	1.82	(51,891)	(17.45)
Fines, licenses & permits	619,283	596,309	4.43	(22,974)	(3.71)
Interest - 2	306,041	409,375	3.04	103,334	33.76
Rent	10,634	12,007	.09	1,373	12.91
Miscellaneous - 3	<u>27,750</u>	<u>257,408</u>	<u>1.92</u>	<u>229,658</u>	<u>827.60</u>
Total Revenues	<u>\$ 11,476,726</u>	<u>\$ 13,467,511</u>	<u>100.00%</u>	<u>\$ 1,990,785</u>	<u>17.60%</u>

1 - Intergovernmental revenue increased primarily due to increase in of estate taxes, state rollback and homestead reimbursements, and County Brownfield Grant for the Lorain Road Revitalization Project.

2 - Interest revenue increased due to more sophisticated investing techniques and more available funds to invest.

3 - Miscellaneous revenue increased due to a large workers compensation refund in 2000.

The following schedule presents a summary of general, special revenue, debt service, and capital projects funds expenditures for the year ended December 31, 2000, and the amounts and percentages of increases and decreases in relation to prior year's expenditures.

	<u>1999</u> <u>Amount</u>	<u>2000</u> <u>Amount</u>	<u>Percent</u> <u>of Total</u>	<u>Change</u>	<u>Percent</u> <u>Change</u>
Expenditures:					
Current:					
General government	\$ 1,638,614	\$1,911,286	11.67%	\$ 272,672	16.64%
Security of persons and property - 4	5,061,879	5,565,714	33.99	503,835	9.95
Public Health	51,917	52,784	.32	867	1.67
Transportation	888,275	852,552	5.21	(35,723)	(4.02)
Leisure time activities - 5	907,820	2,122,278	12.96	1,214,458	133.78
Community environment	1,203,078	1,393,372	8.51	190,294	15.82
Capital outlay - 6	2,044,297	4,065,081	24.84	2,020,784	98.85
Debt Service:					
Principal retirement	660,000	230,000	1.40	(430,000)	(65.15)
Interest and fiscal charges	<u>178,558</u>	<u>180,024</u>	<u>1.10</u>	<u>1,466</u>	<u>.82</u>
Total Expenditures	<u>\$12,634,438</u>	<u>\$16,373,091</u>	<u>100.00%</u>	<u>\$ 3,738,653</u>	<u>29.59%</u>

4 - Increase due to police and fire wage increase and planned overtime in fire department due to injuries and illness.

5 - Increase due to capital expenditures to renovate Bohlken Park.

6 - Capital outlay increased primarily due additional street projects, senior center construction and other miscellaneous large equipment purchases.

General Fund Balance

The fund balance of the General Fund increased from \$1,395,519 to \$1,498,146 during 2000, an increase of 7.35%. 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 \$1,918,620 and \$46,540, respectively. Depreciation expense was \$65,889 in the Sanitary Sewer fund. Net Income/(Loss) was \$156,680 and \$(39,838) and total Fund Equity is \$8,501,918 and \$22,818, 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. This fund was discontinued on November 1, 1999 and the only activity in 2000 was an expense run out. 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, 2000, the funds had net incomes of \$97,158 and \$(12,923) and Fund Equity of \$(14,862) and \$8,704, 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, 2000, assets in agency funds totaled \$30,021.

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 2000, \$183,580 of interest was deposited in the General Fund, \$140,533 in the Recreation Fund, \$9,409 in the Permanent Improvement Fund, \$26,197 in the Senior Center Construction Fund, \$49,656 in the Capital Projects Fund and \$89,602 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 \$10,354,000.

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

A loan in the amount of \$1,767,500 from Cuyahoga County was issued to purchase land on Lorain Road for redevelopment. Also a loan in the amount of \$172,998 from a financial institution was issued for Y2k purposes. The City will begin repayment of these loans in the year 2001.

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, 2000, the total legal debt margin was \$30,280,573 with an unvoted debt margin of \$12,975,011.

CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to The City of Fairview Park for its comprehensive annual financial report for the fiscal year ended December 31, 1999. This was the 2nd consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The City is submitting a Popular Annual Financial Report (PAFR) to the GFOA for the first time in 2000. A PAFR is a condensed, user friendly overview of this report.

INDEPENDENT AUDIT

Included in this report is an unqualified audit opinion rendered on the City's financial statements as of December 31, 2000, by our independent auditor, Charles E. Harris and Associates. 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 and Chris H. Ischay, Senior Auditor 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, 2000

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)

Ken Wolf

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

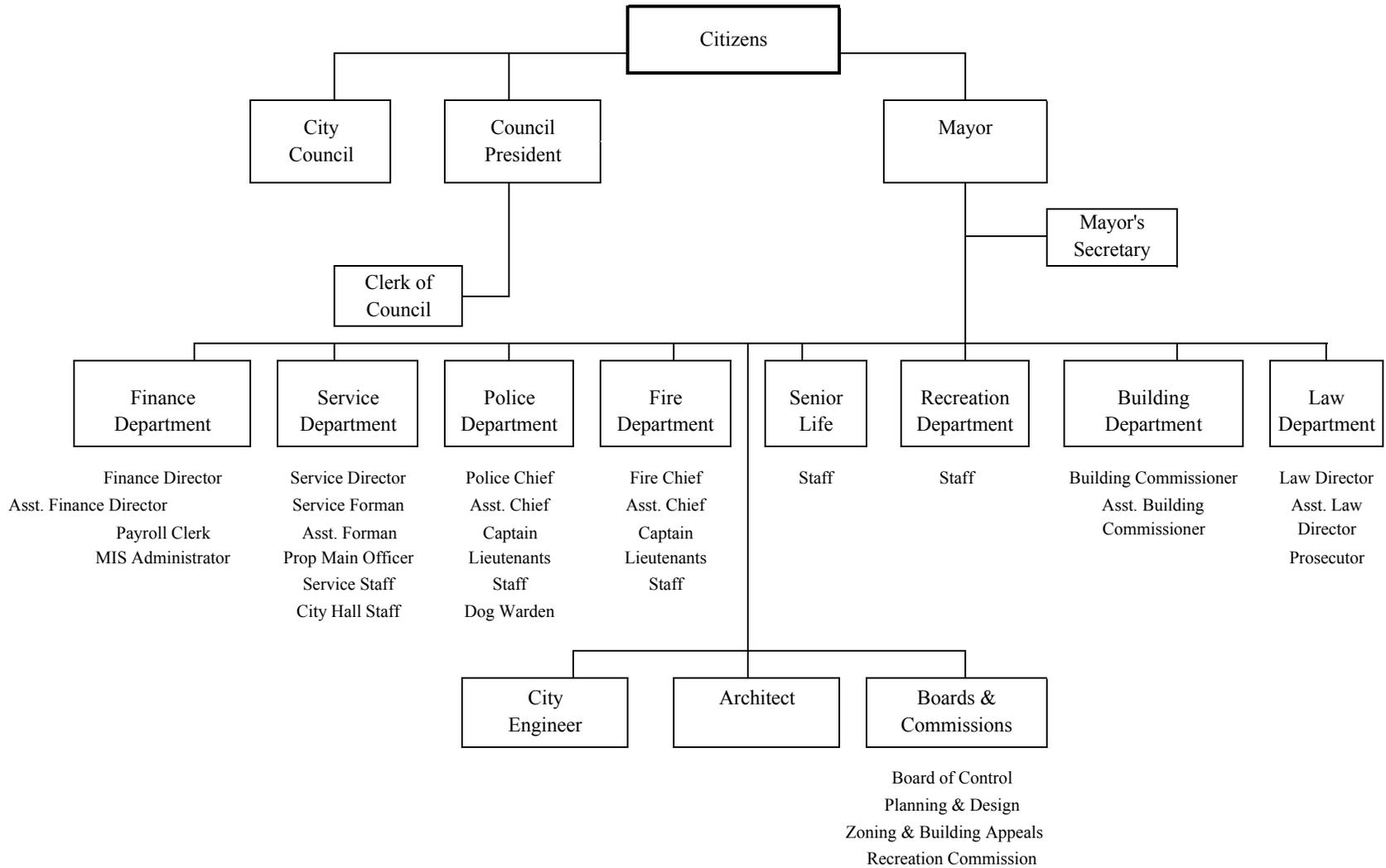
Building Commissioner

Steven Polinski

Senior Life Office

Nell Ellis

City of Fairview Park, Ohio
 Organizational Chart
 December 31, 2000



Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Fairview Park,
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 1999

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



Anne Spray Kinsey
President

Jeffrey L. Esler
Executive Director

Financial Section

Charles E. Harris & Associates, Inc.
Certified Public Accountants

Rockefeller Building
614 W Superior Ave Ste 1242
Cleveland OH 44113-1306
Office phone - (216) 575-1630
Fax - (216) 436-2411

REPORT OF INDEPENDENT ACCOUNTANTS

The Honorable Mayor and City Council
City of Fairview Park
Fairview Park, Ohio

We have audited the accompanying general purpose financial statements of the City of Fairview Park (the City), as of and for the year ended December 31, 2000 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 auditing standards generally accepted in the United States of America applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the City as of December 31, 2000 and the results of its operations and cash flows of its proprietary fund types for the year then ended in conformity with generally accepted accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated June 20, 2001 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. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining and individual fund and account group financial statements and schedules listed in the table of contents are presented for the purposes of additional analysis and are not a required part of the general purpose financial statements of the City. Such information has been subjected to the auditing procedures applied in the audit of the 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 introductory and statistical information as listed in the table of contents and therefore express no opinion thereon.

Charles E. Harris & Associates, Inc.
June 20, 2001

City of Fairview Park, Ohio
 Combined Balance Sheet
 All Fund Types and Account Groups
 December 31, 2000

	Governmental Fund Types				
	General	Special Revenue	Debt Service	Capital Projects	
<u>Assets and Other Debits</u>					
<u>Assets:</u>					
Cash and Cash Equivalents	\$ 1,256,976	\$ 2,301,829	\$ 75,907	\$ 2,232,637	\$
Receivables:					
Taxes	3,002,857	820,666	0	358,357	
Accounts	36,749	0	0	0	
Intergovernmental	359,321	18,920	0	0	
Interfund Receivable	359,400	5,299	0	45,000	
Special Assessments	0	227,164	0	0	
Materials and Supplies Inventory	12,211	14,291	0	0	
Investment in Joint Venture	0	0	0	0	
Fixed Assets:					
Land	0	0	0	0	
Buildings	0	0	0	0	
Vehicles, equipment, and furnishings	0	0	0	0	
Sewer Lines	0	0	0	0	
Less: Accumulated depreciation	0	0	0	0	
<u>Other Debits</u>					
Amount Available in Debt Service Fund for Retirement of General Obligation Bonds	0	0	0	0	
Amount to be Provided from General Government Resources	0	0	0	0	
Total Assets	\$ <u>5,027,514</u>	\$ <u>3,388,169</u>	\$ <u>75,907</u>	\$ <u>2,635,994</u>	\$

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	
\$ 2,559,377	\$ 15,469	\$ 30,021	0	0	\$ 8,472,216
0	0	0	0	0	4,181,880
215,301	0	0	0	0	252,050
0	0	0	0	0	378,241
0	0	0	0	0	409,699
0	0	0	0	0	227,164
109	0	0	0	0	26,611
5,093,448	0	0	0	0	5,093,448
0	0	0	\$ 2,075,342	0	2,075,342
0	0	0	3,774,558	0	3,774,558
80,093	0	0	5,052,748	0	5,132,841
3,403,257	0	0	0	0	3,403,257
(869,189)	0	0	0	0	(869,189)
0	0	0	0	\$ 25,608	25,608
0	0	0	0	7,845,198	7,845,198
<u>\$ 10,482,396</u>	<u>\$ 15,469</u>	<u>\$ 30,021</u>	<u>\$ 10,902,648</u>	<u>\$ 7,870,806</u>	<u>\$ 40,428,924</u>

(continued)

City of Fairview Park, Ohio
 Combined Balance Sheet
 All Fund Types and Account Groups - (continued)
 December 31, 2000

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
<u>Liabilities, Fund Equity and Other Credits</u>				
<u>Liabilities:</u>				
Accounts Payable	\$ 47,452	\$ 5,978	0	\$ 110,059
Contracts Payable	55,479	570,445	0	33,582
Interfund Payable	0	6,100	\$ 50,299	353,300
Intergovernmental Payable	280,170	126	0	0
Accrued Wages and Benefits	125,454	14,661	0	0
Compensated Absences Payable	120,683	4,668	0	0
Pension Obligation Payable	0	0	0	0
Deferred Revenue	2,900,130	1,047,830	0	293,666
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
Notes Payable	0	0	0	0
OWPC Loans Payable	0	0	0	0
General Obligation Bonds Payable	0	0	0	0
Total Liabilities	3,529,368	1,649,808	50,299	790,607
<u>Fund Equity and Other Credits</u>				
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	0	848,164	0	531,208
Reserved for Inventory	12,211	14,291	0	0
Reserved for Debt Service	0	0	25,608	0
Reserved for Budget Stabilization	400,000	0	0	0
Unreserved - Undesignated	1,085,935	875,906	0	1,314,179
Total Fund Equity and Other Credits	1,498,146	1,738,361	25,608	1,845,387
Total Liabilities, Fund Equity and Other Credits	\$5,027,514	3,388,169	75,907	2,635,994

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	
0	0	0	0	0	\$ 163,489
\$ 411,957	0	0	0	0	1,071,463
0	0	0	0	0	409,699
297,229	0	\$ 17	0	0	577,542
12,485	0	0	0	0	152,600
34,796	0	0	0	\$ 1,338,044	1,498,191
9,819	0	0	0	271,097	280,916
0	0	0	0	0	4,241,626
0	0	21,647	0	0	21,647
0	0	8,357	0	0	8,357
4,106	0	0	0	0	4,106
0	0	0	0	226,167	226,167
0	0	0	0	1,940,498	1,940,498
497,268	0	0	0	0	497,268
690,000	0	0	0	4,095,000	4,785,000
<u>1,957,660</u>	<u>0</u>	<u>30,021</u>	<u>0</u>	<u>7,870,806</u>	<u>15,878,569</u>
0	0	0	\$ 10,902,648	0	10,902,648
7,776,070	0	0	0	0	7,776,070
748,666	\$ 15,469	0	0	0	764,135
0	0	0	0	0	1,379,372
0	0	0	0	0	26,502
0	0	0	0	0	25,608
0	0	0	0	0	400,000
0	0	0	0	0	3,276,020
<u>8,524,736</u>	<u>15,469</u>	<u>0</u>	<u>10,902,648</u>	<u>0</u>	<u>24,550,355</u>
<u>10,482,396</u>	<u>15,469</u>	<u>30,021</u>	<u>10,902,648</u>	<u>7,870,806</u>	<u>40,428,924</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, 2000

	Governmental Fund Types				Totals (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	
Revenues:					
Municipal Income Taxes	\$ 2,942,563	0	0	\$ 1,044,006	\$ 3,986,569
Property and Other Taxes	2,553,810	\$ 769,519	0	264,200	3,587,529
Charges for Services	5,790	239,750	0	0	245,540
Licenses and Permits	156,286	334,360	0	0	490,646
Fines and forfeitures	105,663	0	0	0	105,663
Intergovernmental	2,957,049	329,337	0	860,340	4,146,726
Special Assessments	0	226,048	0	0	226,048
Interest	183,580	140,533	0	85,262	409,375
Rent	12,007	0	0	0	12,007
Other	75,254	8,345	0	173,809	257,408
Total Revenues	8,992,002	2,047,892	0	2,427,617	13,467,511
Expenditures:					
Current:					
General Government	\$ 1,908,227	\$ 3,059	0	0	\$ 1,911,286
Security of Persons and Property	4,296,550	1,269,164	0	0	5,565,714
Public Health and Welfare	52,784	0	0	0	52,784
Transportation	338,915	513,637	0	0	852,552
Community Environment	1,385,935	7,437	0	0	1,393,372
Leisure Time Activities	383,696	1,738,582	0	0	2,122,278
Capital Outlay	0	17,788	0	\$ 4,047,293	4,065,081
Debt Service:					
Principal Retirement	0	0	\$ 230,000	0	230,000
Interest and Fiscal Charges	0	0	156,757	23,267	180,024
Total Expenditures	8,366,107	3,549,667	386,757	4,070,560	16,373,091
Excess of Revenues Over (Under) Expenditures	625,895	(1,501,775)	(386,757)	(1,642,943)	(2,905,580)
Other Financing Sources (Uses):					
Proceeds of Notes	\$ 172,998	0	0	\$ 1,767,500	\$ 1,940,498
Refund of Prior Year Receipts	0	\$ (3,227)	0	0	(3,227)
Operating Transfers - In	0	600,548	\$ 461,773	24,000	1,086,321
Operating Transfers - Out	(689,916)	(276,405)	0	(120,000)	(1,086,321)
Total Other Financing Sources (Uses)	(516,918)	320,916	461,773	1,671,500	1,937,271
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses	108,977	(1,180,859)	75,016	28,557	(968,309)
Fund Balances at Beginning of Year	1,395,519	2,933,273	(49,408)	1,816,830	6,096,214
Increase in Reserved for Inventory	(6,350)	(14,053)	0	0	(20,403)
Fund Balances at End of Year	\$ 1,498,146	\$ 1,738,361	\$ 25,608	\$ 1,845,387	\$ 5,107,502

See accompanying notes to the general purpose financial statements.

Budget Basis) - All Governmental Funds
 Combined Statement of Revenues, Expenditures, and
 Changes in Fund Balances - Budget and Actual (Non - GAAP
 Budget Basis) - All Governmental Funds
 Year Ended December 31, 2000

	General Fund		
	Revised Budget	Actual	Variance Favorable/ (Unfavorable)
Revenues			
Municipal income tax	\$ 3,396,105	\$ 3,194,405	(201,700)
Property and other taxes	2,563,550	2,553,810	(9,740)
Intergovernmental	2,606,000	2,781,691	175,691
Special assessments			
Charges for services	21,200	8,863	(12,337)
Licenses and permits	153,270	151,840	(1,430)
Fines and forfeitures	121,950	116,738	(5,212)
Interest	190,000	178,207	(11,793)
Rent	10,630	12,007	1,377
Miscellaneous	15,900	78,133	62,233
Total Revenues	9,078,605	9,075,694	(2,911)
Expenditures			
Current:			
General government	1,724,512	1,635,475	89,037
Security of persons and property	4,351,063	4,218,841	132,222
Public health and welfare	52,784	52,784	
Transportation	336,338	336,337	1
Community environment	1,369,844	1,357,269	12,575
Leisure time activities	379,973	379,973	
Capital outlay			
Debt service			
Principal payment			
Interest and fiscal charges			
Total expenditures	8,214,514	7,980,679	233,835
Excess of revenues under expenditures	864,091	1,095,015	230,924
Other financing sources (uses)			
Proceeds of notes		172,998	172,998
Refund of prior year receipts			
Advances in	84,000	84,000	
Advances out	(357,400)	(357,400)	
Operating transfers - in			
Operating transfers - out	(689,916)	(689,916)	
Total other sources (uses)	(963,316)	(790,318)	172,998
Excess of revenues and other financing sources under expenditures and other uses	(99,225)	304,697	403,922
Fund balance at beginning of year	667,656	667,656	
Prior year encumbrances appropriated	229,292	229,292	
Fund balance at end of year	\$ 797,723	\$ 1,201,645	\$ 403,922

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, 2000

	Special Revenue Funds		
	Revised Budget	Actual	Variance Favorable/ (Unfavorable)
Revenues			
Municipal income tax			
Property and other taxes	\$ 772,991	\$ 769,519	(3,472)
Intergovernmental	354,823	321,663	(33,160)
Special assessments	226,000	226,048	48
Charges for services	274,000	241,311	(32,689)
Licenses and permits	357,000	339,209	(17,791)
Fines and forfeitures	18,400	2,673	(15,727)
Interest	106,099	140,533	34,434
Rent			
Miscellaneous	850	3,444	2,594
Total Revenues	2,110,163	2,044,400	(65,763)
Expenditures			
Current:			
General government	14,275	3,676	10,599
Security of persons and property	1,478,142	1,282,896	195,246
Public health and welfare			
Transportation	521,802	520,020	1,782
Community environment		7,437	(7,437)
Leisure time activities	2,607,929	2,584,828	23,101
Capital outlay	11,573	17,788	(6,215)
Debt service			
Principal payment			
Interest and fiscal charges			
Total expenditures	4,633,721	4,416,645	217,076
Excess of revenues under expenditures	(2,523,558)	(2,372,245)	151,313
Other financing sources (uses)			
Proceeds of notes			
Refund of prior year receipts	(2,500)	(3,227)	(727)
Advances in		4,100	4,100
Advances out			
Operating transfers - in	596,548	600,548	4,000
Operating transfers - out	(272,405)	(276,405)	(4,000)
Total other sources (uses)	321,643	325,016	3,373
Excess of revenues and other financing sources under expenditures and other uses	(2,201,915)	(2,047,229)	154,686
Fund balance at beginning of year	2,915,196	2,915,196	
Prior year encumbrances appropriated			
Fund balance at end of year	\$ 713,281	\$ 867,967	\$ 154,686

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, 2000

	Debt Service Funds		
	Revised Budget	Actual	Variance Favorable/ (Unfavorable)
Revenues			
Municipal income tax			
Property and other taxes			
Intergovernmental			
Special assessments			
Charges for services			
Licenses and permits			
Fines and forfeitures			
Interest			
Rent			
Miscellaneous			
Total Revenues			
Expenditures			
Current:			
General government			
Security of persons and property			
Public health and welfare			
Transportation			
Community environment			
Leisure time activities			
Capital outlay			
Debt service			
Principal payment	\$ 230,000	\$ 230,000	
Interest and fiscal charges	216,593	156,757	59,836
Total expenditures	446,593	386,757	59,836
Excess of revenues under expenditures	(446,593)	(386,757)	(59,836)
Other financing sources (uses)			
Proceeds of notes			
Refund of prior year receipts			
Advances in			
Advances out			
Operating transfers - in	446,593	461,773	15,180
Operating transfers - out			
Total other sources (uses)	446,593	461,773	15,180
Excess of revenues and other financing sources under expenditures and other uses		75,016	(44,656)
Fund balance at beginning of year	891	891	
Prior year encumbrances appropriated			
Fund balance at end of year	\$ 891	\$ 75,907	\$ (44,656)

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, 2000

	Capital Projects Funds		
	Revised Budget	Actual	Variance Favorable/ (Unfavorable)
Revenues			
Municipal income tax	\$ 1,101,000	\$ 1,155,846	\$ 54,846
Property and other taxes	265,929	264,200	(1,729)
Intergovernmental	877,955	860,340	(17,615)
Special assessments			
Charges for services			
Licenses and permits			
Fines and forfeitures			
Interest	97,000	83,660	(13,340)
Rent			
Miscellaneous		173,809	173,809
Total Revenues	2,341,884	2,537,855	195,971
Expenditures			
Current:			
General government			
Security of persons and property			
Public health and welfare			
Transportation			
Community environment			
Leisure time activities			
Capital outlay	3,130,033	4,773,630	(1,643,597)
Debt service			
Principal payment			
Interest and fiscal charges	23,267	23,267	
Total expenditures	3,153,300	4,796,897	(1,643,597)
Excess of revenues under expenditures	(811,416)	(2,259,042)	(1,447,626)
Other financing sources (uses)			
Proceeds of notes	1,987,500	1,767,500	(220,000)
Refund of prior year receipts			
Advances in	350,000	353,300	3,300
Advances out	(84,000)	(84,000)	
Operating transfers - in		24,000	24,000
Operating transfers - out	(120,000)	(120,000)	
Total other sources (uses)	2,133,500	1,940,800	(192,700)
Excess of revenues and other financing sources under expenditures and other uses	1,322,084	(318,242)	(1,640,326)
Fund balance at beginning of year	499,568	499,568	
Prior year encumbrances appropriated	1,355,107	1,355,107	
Fund balance at end of year	\$ 3,176,759	\$ 1,536,433	\$ (1,640,326)

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, 2000

	Totals - Memorandum Only		
	Revised Budget	Actual	Variance Favorable/ (Unfavorable)
Revenues			
Municipal income tax	\$ 4,497,105	\$ 4,350,251	(146,854)
Property and other taxes	3,602,470	3,587,529	(14,941)
Intergovernmental	3,838,778	3,963,694	124,916
Special assessments	226,000	226,048	48
Charges for services	295,200	250,174	(45,026)
Licenses and permits	510,270	491,049	(19,221)
Fines and forfeitures	140,350	119,411	(20,939)
Interest	393,099	402,400	9,301
Rent	10,630	12,007	1,377
Miscellaneous	16,750	255,386	238,636
Total Revenues	13,530,652	13,657,949	127,297
Expenditures			
Current:			
General government	1,738,787	1,639,151	99,636
Security of persons and property	5,829,205	5,501,737	327,468
Public health and welfare	52,784	52,784	
Transportation	858,140	856,357	1,783
Community environment	1,369,844	1,364,706	5,138
Leisure time activities	2,987,902	2,964,801	23,101
Capital outlay	3,141,606	4,791,418	(1,649,812)
Debt service			
Principal payment	230,000	230,000	
Interest and fiscal charges	239,860	180,024	59,836
Total expenditures	16,448,128	17,580,978	(1,132,850)
Excess of revenues under expenditures	(2,917,476)	(3,923,029)	(1,005,553)
Other financing sources (uses)			
Proceeds of notes	1,987,500	1,940,498	(47,002)
Refund of prior year receipts	(2,500)	(3,227)	(727)
Advances in	434,000	441,400	7,400
Advances out	(441,400)	(441,400)	
Operating transfers - in	1,043,141	1,086,321	43,180
Operating transfers - out	(1,082,321)	(1,086,321)	4,000
Total other sources (uses)	1,938,420	1,937,271	6,851
Excess of revenues and other financing sources under expenditures and other uses	(979,056)	(1,985,758)	(998,702)
Fund balance at beginning of year	4,083,311	4,083,311	
Prior year encumbrances appropriated	1,584,399	1,584,399	
Fund balance at end of year	\$ 4,688,654	\$ 3,681,952	\$ (998,702)

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, 2000

	<u>Proprietary Fund Types</u>		Totals (Memorandum Only)
	<u>Enterprise</u>	<u>Internal Service</u>	
Operating Revenues:			
Charges for Services	\$ 1,915,620	\$ 96,954	\$ 2,012,574
Tap in Fees	3,000	0	3,000
Rent	46,540	0	46,540
Other Operating Revenues	<u>0</u>	<u>20,540</u>	<u>20,540</u>
Total Operating Revenues	1,965,160	117,494	2,082,654
Operating Expenses:			
Personal Services	\$ 505,947	\$ 11,632	\$ 517,579
Contractual Services	757,369	0	757,369
Materials and Supplies	40,552	0	40,552
Other Operating Expenses	412,539	0	412,539
Depreciation	<u>65,889</u>	<u>0</u>	<u>65,889</u>
Total Operating Expenses	<u>1,782,296</u>	<u>11,632</u>	<u>1,793,928</u>
Operating Income (Loss)	182,864	105,862	288,726
Non-Operating Revenues (Expenses):			
Interest Income	\$ 89,602	0	\$ 89,602
Interest and Fiscal Charges	(55,604)	0	(55,604)
Equity in income from joint venture	<u>(100,020)</u>	<u>0</u>	<u>(100,020)</u>
Total Non-Operating Revenues (Expenses)	<u>(66,022)</u>	<u>0</u>	<u>(66,022)</u>
Income (Loss) Before Operating Transfers	116,842	105,862	222,704
Operating Transfers - In	0	\$ 21,627	\$ 21,627
Operating Transfers - Out	<u>0</u>	<u>(21,627)</u>	<u>(21,627)</u>
Net Income (Loss)	116,842	105,862	222,704
Retained Earnings at Beginning of Year	582,746	(90,393)	492,353
Depreciation on Fixed Assets Acquired by Contributed Capital	<u>49,078</u>	<u>0</u>	<u>49,078</u>
Retained Earnings at End of Year	748,666	15,469	764,135
Contributed Capital at Beginning of Year	7,825,148	0	7,825,148
Depreciation on Fixed Assets Acquired by Contributed Capital	<u>(49,078)</u>	<u>0</u>	<u>(49,078)</u>
Contributed Capital at End of Year	<u>7,776,070</u>	<u>0</u>	<u>7,776,070</u>
Total Fund Equity at End of Year	<u>\$ 8,524,736</u>	<u>\$ 15,469</u>	<u>\$ 8,540,205</u>

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, 2000

	<u>Proprietary Fund Types</u>		<u>Totals - (Memorandum Only)</u>
	<u>Enterprise</u>	<u>Internal Service</u>	
Increase (Decrease) in Cash and Cash Equivalents:			
Cash Flows from Operating Activities:			
Cash received from customers	\$ 2,021,280	0	\$ 2,021,280
Cash received from quasi-external transactions with other funds	0	\$ 70,194	70,194
Cash payments for employee service and benefits	(516,312)	(11,632)	(527,944)
Cash payments to goods and services	(926,478)	(99,280)	(1,025,758)
Other operating revenues	0	20,540	20,540
Other operating expenses	<u>(702)</u>	<u>0</u>	<u>(702)</u>
Net Cash Provided by Operating Activities	\$ 577,788	\$ (20,178)	\$ 557,610
Cash Flows from Noncapital Financing Activities:			
Operating transfers in	0	\$ 21,627	\$ 21,627
Operating transfers out	<u>0</u>	<u>(21,627)</u>	<u>(21,627)</u>
Net Cash Provided by Noncapital Financing Activities	0	0	0
Cash Flows from Investing Activities:			
Interest income	<u>\$ 89,602</u>	<u>0</u>	<u>\$ 89,602</u>
Net Cash Provided by Investing Activities	\$ 89,602	0	\$ 89,602
Cash Flows from Capital and Related Financing Activities:			
Principal paid on OPWC loans	\$ (44,745)	0	(44,745)
Principal paid on bonds	(115,000)	0	(115,000)
Interest paid on bonds, notes and loans	<u>(56,350)</u>	<u>0</u>	<u>(56,350)</u>
Net Cash Used for Capital and Related Financing Activities	\$ (216,095)	0	\$ (216,095)
Net Increase (Decrease) in Cash and Cash Equivalent	451,295	(20,178)	431,117
Cash and Cash Equivalents at Beginning of Year	<u>2,108,082</u>	<u>35,647</u>	<u>2,143,729</u>
Cash and Cash Equivalents at End of Year	<u>\$ 2,559,377</u>	<u>\$ 15,469</u>	<u>\$ 2,574,846</u>

(Continued)

City of Fairview Park, Ohio
 Combined Statement of Cash Flows
 All Proprietary Fund Types - (Continued)
 For the year ended December 31, 2000

	Proprietary Fund Types		Totals -
	Enterprise	Internal Service	(Memorandum Only)
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:			
Operating Income	\$ 182,864	\$ 105,862	\$ 288,726
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:			
Depreciation	65,889	0	65,889
Changes in Assets and Liabilities:			
(Increase) decrease in accounts receivable	56,120	0	56,120
(Increase) decrease in inventory	108	0	108
(Increase) decrease in investment in joint venture	(77,974)	0	(77,974)
Increase (decrease) in accounts payable	(7,605)	(82,608)	(90,213)
Increase (decrease) in contracts payable	411,957		411,957
Increase (decrease) in accrued wages	(1,710)	0	(1,710)
Increase (decrease) in compensated absences	(3,912)	0	(3,912)
Increase (decrease) in intergovernmental payable	(43,225)	0	(43,225)
Increase (decrease) in pension obligation payable	(4,724)	0	(4,724)
Increase (decrease) in claims payable	0	(43,432)	(43,432)
Total Adjustments	329,035	(126,040)	202,995
Net Cash Provided by Operating Activities	\$ 577,788	\$ (20,178)	\$ 557,610

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, 2000

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 seven-member council with five members elected by ward and two 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, 2000

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 17 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, 2000

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, 2000

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, 2000 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, 2000

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 2000.

City of Fairview Park, Ohio
Notes To The General Purpose Financial Statements
For The Year Ended December 31, 2000

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 2000 amounted to \$183,580, 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, 2000

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, 2000 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 2000, 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, 2000

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, 2000 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, 2000

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.

City of Fairview Park, Ohio
Notes To The General Purpose Financial Statements
For The Year Ended December 31, 2000

Note 3 - 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 Over (Under) Expenditures and Other Uses All Governmental Fund Types			
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>
GAAP Basis	\$ 108,977	\$ (1,180,859)	\$ 75,016	\$ 28,557
Net Adjustment for Revenue Accruals	167,692	(3,492)	-	463,538
Net Adjustment for Expenditure Accruals	45,694	551,974	-	(125,277)
Encumbrances	<u>(17,666)</u>	<u>(1,414,852)</u>	<u>-</u>	<u>(685,060)</u>
Budget Basis	<u>\$ 304,697</u>	<u>\$ (2,047,229)</u>	<u>\$ 75,016</u>	<u>\$ (318,242)</u>

City of Fairview Park, Ohio
Notes To The General Purpose Financial Statements
For The Year Ended December 31, 2000

Note 4 - Accountability and Compliance

A. Fund Deficits

The following funds had deficit fund balances/retained earnings as of December 31, 2000:

<i>Special Revenue Funds</i>	
State Grants	\$(6,030)
<i>Capital Projects Funds</i>	
Permanent Improvement	(588)

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 Capital Projects Permanent Improvement 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).

Section 5705.36, Revised Code, requires the City obtain a reduced amended certificate of estimated resources when it is known that estimated receipts will exceed actual receipts. Various Special Revenue, Capital Projects, and Enterprise Funds were found to have estimated receipts exceeding actual receipts.

Note 5 - 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, 2000

Note 5 - 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, 2000

Note 5 - 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 2000, 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 \$765,265 and the bank balance was \$779,841. Of the bank balance:

1. \$210,064 was covered by federal depository insurance.
2. \$569,777 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, 2000

Note 6 - Deposits and Investments (continued)

	Category <u>3</u>	Amortized Cost
STAR OHIO	-	\$ 3,442,469
Commercial Paper	\$ 4,264,482	<u>4,264,482</u>
Total Investments	<u>\$ 4,264,482</u>	<u>\$ 7,706,951</u>

The City has investments in The State Treasurer's Investment Pool (STAR OHIO) is not a categorized investment because it is not evidenced by the securities that exist.

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 <u>Equivalents/Deposits</u>	<u>Investments</u>
GASB Statement No. 9	\$7,781,254	\$ 690,962
CD's over 90 days	690,962	(690,962)
STAR OHIO	(3,442,469)	3,442,469
Investments:		
Commercial Paper	<u>(4,264,482)</u>	<u>4,264,482</u>
GASB Statement No. 3	<u>\$ 765,265</u>	<u>\$ 7,706,951</u>

Note 6 - 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, 2000

Note 6 - 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, 2000. 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, 2000 nor are they intended to finance 2000 operations. The receivable is, therefore, offset by deferred revenue.

The full tax rate for all City operations for the year ended December 31, 2000 was \$11.80 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2000 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, 2000

Note 7 - Receivables

Receivables at December 31, 2000 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>
General Fund:	
Court fines	\$ 5,857
Estate taxes	<u>353,464</u>
<i>Total General Fund</i>	<u>\$ 359,321</u>
 Special Revenue Funds:	
Street Construction Maintenance and Repair	
Perm tax	\$ 7,941
State/Local highway	5,915
State Highway	
Perm Tax	1,124
POPAS	
Fines and forfeitures	3,339
DUI education fund	
Fines and forfeitures	<u>601</u>
<i>Total Special Revenue Funds</i>	<u>\$ 18,920</u>
Total	<u>\$ 378,241</u>

Note 8- Fixed Assets

A summary of the enterprise funds' fixed assets at December 31, 2000 as follows:

Equipment	\$ 80,093
Sewer Lines	<u>3,403,257</u>
Total Fixed Assets	3,483,350
Less Accumulated Depreciation	<u>(869,189)</u>
Net Fixed Assets	<u>\$ 2,614,161</u>

City of Fairview Park, Ohio
Notes To The General Purpose Financial Statements
For The Year Ended December 31, 2000

Note 8 - Fixed Assets (continued)

A summary of changes in general fixed assets during 2000 follows:

	<u>Balance</u> <u>January 1, 2000</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>December 31, 2000</u>
Land	\$ 275,202	\$ 1,800,140	\$ 0	\$ 2,075,342
Buildings	2,185,800	1,588,758	0	3,774,558
Equipment - Vehicles, furniture	4,655,553	397,195	0	5,052,748
Construction in progress	<u>160,066</u>	<u>1,407,442</u>	<u>1,567,508</u>	<u>0</u>
Total	<u>\$ 7,276,621</u>	<u>\$ 5,193,535</u>	<u>\$ 1,567,508</u>	<u>\$ 10,902,648</u>

Note 9 - 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 10 - 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 2000, 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 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, 2000

Note 10 - 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.

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

	<u>Balance at</u> <u>Beginning of Year</u>	<u>Current Year</u> <u>Claims</u>	<u>Claim</u> <u>Payments</u>	<u>Balance at</u> <u>End of Year</u>
1999	\$ 72,021	541,051	569,640	43,432
2000	\$ 43,432	29,088	72,520	-

City of Fairview Park, Ohio
Notes To The General Purpose Financial Statements
For The Year Ended December 31, 2000

Note 11 - Long-Term Obligations

Changes in the long-term obligations of the City during 2000 were as follows:

	Outstanding 12/31/99	Additions	(Reductions)	Outstanding 12/31/00
<i>General Long-Term Obligations</i>				
Bonds Payable				
Park Improvements - 3.7%-5.3%	2,200,000	0	70,000	2,130,000
Senior Center - 3.7%-5.3%	1,345,000	0	45,000	1,300,000
Fire Equipment - 3.7%-5.3%	390,000	0	30,000	360,000
Public Service - 3.7%-5.3%	175,000	0	35,000	140,000
Pension Liability - 3.7%-5.3%	120,000	0	5,000	115,000
Public Service - 3.7%-5.3%	95,000	0	45,000	50,000
<i>Total Bonds</i>	4,325,000	0	230,000	4,095,000
Brownsfield Loans	0	1,767,500	0	1,767,500
Year 2000 Loan	0	172,998	0	172,998
Capital Lease Payable	247,163	0	20,996	226,167
Compensated Absences	1,188,230	149,814	0	1,338,044
Pension Obligation	323,699	0	52,602	271,097
Medicare Obligation	4,445	0	4,445	0
Total General Long-Term Obligations	6,088,537	2,090,312	308,040	7,870,786
<i>Enterprise Fund Obligations</i>				
1998 OPWC Sanitary Sewer - 0% interest	542,013	0	44,745	497,268
1986 7.00% Sanitary Sewer Improvement General Obligation Bonds	805,000	0	115,000	690,000
GRAND TOTAL	\$ 7,435,550	\$ 2,090,312	\$ 467,788	\$ 9,058,074

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 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, 2000

Note 11 - 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 \$30,280,181 at December 31, 2000. Principal and interest requirements to retire long-term obligations outstanding at December 31, 2000 are as follows:

<u>Year Ended</u>	<u>Sewer General Obligation Bonds</u>	<u>General Obligation Bonds</u>	<u>OPWC Loans</u>
2001	\$ 163,300	\$ 441,608	\$ 18,067
2002	155,250	381,562	36,134
2003	147,200	383,470	36,134
2004	139,150	379,860	36,134
2005	131,100	340,830	36,134
2006-2010	123,050	1,667,670	180,672
2011-2015	0	1,460,035	153,993
2016-2020	<u>0</u>	<u>1,179,950</u>	<u>0</u>
Total	<u>\$ 859,050</u>	<u>\$ 6,234,985</u>	<u>\$ 497,268</u>

Note 12 - 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, 2000, the liability for unpaid compensated absences was \$1,498,191 for the entire City.

City of Fairview Park, Ohio
Notes To The General Purpose Financial Statements
For The Year Ended December 31, 2000

Note 13 - 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 10.84 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, 2000, 1999, and 1998 were \$313,099, \$253,554 and \$343,367 respectively. The full amount has been contributed for 1999 and 1998. 74.1 percent has been contributed for 2000 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 \$306,329 and \$415,088 for the year ended December 31, 2000, \$188,929 and \$257,284 for 1999 and \$279,083 and \$371,784 for 1998. The full amount has been contributed for 1999 and 1998. 76.01 and 75.02 percent respectively, have been contributed for 2000 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, 2000

Note 14 - 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 2000 employer contribution rate was 10.84 percent of covered payroll for employees; 4.3 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. As of December 31, 2000, the unaudited estimated net assets available for future OPEB payments were \$10,805,500,000. At December 31, 2000, the total number of active contributing participants eligible for OPEB through PERS was 401,339. The City's actual contributions for 2000 which were used to fund OPEB were \$124,206.

The Retirement Board enacted a temporary employer contribution rate rollback for calender year 2000. The decision to rollback rates was based on the December 31, 1998 actuarial study, which indicated that actuarial assets exceeded actuarial liabilities. The temporary rate rollback was 20% for regular employees and 6% for law enforcement divisions. The Board reallocated employer contributions from 4.20% to 4.30% at the beginning of the year to improve health care financing. The proportion dedicated to funding OPEB increased during the year for those reasons.

B. Police and Firemen's Disability Pension Fund

The Ohio Police and Fire Pension Fund (the "OP&F") 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 7.25 percent of covered payroll is applied to the postemployment health care program during 2000. The allocation is 7.5% for 2001. 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, 2000

Note 14 - Postemployment Benefits (continued)

The City's actual contributions for 2000 that were used to fund postemployment benefits were \$113,954 for police and \$125,357 for fire. The number of participants eligible to receive health care benefits as of December 31, 1999 (the latest information available) was 12,467 for police and 9,807 for firefighters. The Fund's total health care expenses for the year ending December 31, 1999 (the latest information available) was \$95,004,633, which was net of member contributions of \$5,518,098.

Note 15 - 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 \$5,093,448 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 16 - 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, 2000 is as follows:

	<u>Sanitary Sewer</u>	<u>Gilles-Sweet</u>	<u>Total</u>
Operating revenues	\$1,918,620	\$ 46,540	\$1,965,160
Operating expenses			
before depreciation	1,630,029	86,378	1,716,407
Depreciation expense	65,889	0	65,889
Operating income/(loss)	222,702	(39,838)	182,864
Non-operating revenues			
(expenses)	(66,022)	0	(66,022)
Net income	156,680	(39,838)	116,842
Net working capital	2,313,602	22,818	2,336,420
Total assets	10,459,578	22,818	10,482,396
Long-term liabilities	1,484,497	0	1,484,497
Total equity/(deficit)	8,501,918	22,818	8,524,736

City of Fairview Park, Ohio
Notes To The General Purpose Financial Statements
For The Year Ended December 31, 2000

Note 17 - 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 2000, 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 2000 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 18 - 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, 2000

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, 2000:

<u>Year</u>	<u>General long- Term debt</u>
2001	\$ 32,521
2002	32,521
2003	32,521
2004	32,521
2005	32,521
2006-2009	<u>97,563</u>
Total minimum lease payment	260,168
Less: Amount representing interest	<u>(34,001)</u>
Present value of future minimum lease payments	<u>\$ 226,167</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, 2000

	Revised Budget	Actual	Variance Favorable/ (Unfavorable)
Revenues			
Municipal income tax	\$ 3,396,105	\$ 3,194,405	\$ (201,700)
Property and other taxes	2,563,550	2,553,810	(9,740)
Intergovernmental	2,606,000	2,781,691	175,691
Charges for services	21,200	8,863	(12,337)
Licenses and permits	153,270	151,840	(1,430)
Fines and forfeitures	121,950	116,738	(5,212)
Interest	190,000	178,207	(11,793)
Rent	10,630	12,007	1,377
Miscellaneous	15,900	78,133	62,233
Total Revenues	9,078,605	9,075,694	(2,911)
Expenditures			
Current:			
General government:			
Board of appeals	3,684	3,233	451
Mayors office	144,267	144,205	62
Service director	245,126	245,075	51
Finance department	348,273	341,172	7,101
Legal department	138,204	133,203	5,001
Engineering	32,831	32,831	
Municipal land/building	445,525	369,169	76,356
Civil service	1,033	1,033	
County & state fees	130,583	130,582	1
Legislative	104,823	104,823	
Other administrative	130,163	130,149	14
Total general government	1,724,512	1,635,475	89,037
Security of persons and property:			
Police department	2,393,961	2,270,609	123,352
Traffic control	134,242	133,761	481
Fire department	1,822,860	1,814,471	8,389
Total security of persons and property	4,351,063	4,218,841	132,222

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 Budget	Actual	Variance Favorable/ (Unfavorable)
Expenditures - Continued			
Public health and welfare:			
Public health	52,784	52,784	
Total public health and welfare	<u>52,784</u>	<u>52,784</u>	
Transportation:			
Street maintenance	35,000	35,000	
Motor vehicle maintenance	301,338	301,337	1
Total transportation	<u>336,338</u>	<u>336,337</u>	1
Community environment			
Planning	6,640	6,140	500
Building department	275,127	273,344	1,783
Solid waste disposal	890,201	889,004	1,197
Architectural board	3,697	3,696	1
Senior life office	194,179	185,085	9,094
Total community environment	<u>1,369,844</u>	<u>1,357,269</u>	12,575
Leisure time activities:			
Parks	379,973	379,973	
Total leisure time activities	<u>379,973</u>	<u>379,973</u>	
Total expenditures	<u>8,214,514</u>	<u>7,980,679</u>	233,835
Excess of revenues under expenditures	864,091	1,095,015	230,924
Other financing sources (uses)			
Proceeds of Notes		172,998	172,998
Advances in	84,000	84,000	
Advances out	(357,400)	(357,400)	
Operating transfers - out	(689,916)	(689,916)	
Total other sources (uses)	<u>(963,316)</u>	<u>(790,318)</u>	172,998
Excess of revenues and other financing sources under expenditures and other uses	<u>(99,225)</u>	304,697	403,922
Fund balance at beginning of year	667,656	667,656	
Prior Year Encumbrances Appropriated	229,292	229,292	
Fund balance at end of year	<u>\$ 797,723</u>	<u>\$ 1,201,645</u>	<u>\$ 403,922</u>

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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, 2000

	Street Construction Maintenance and Repair	State Highway	Recreation	SAVE
Assets and other debits:				
Cash and cash equivalents	\$ 4,708	\$ 5,448	\$ 1,663,056	\$ 400
Receivables (net of allowances for uncollectibles)				
Taxes			337,547	
Intergovernmental	13,856	1,124		
Special assessments				
Interfund receivable				
Materials and supplies inventory	4,346	9,945		
Total assets	\$ 22,910	\$ 16,517	\$ 2,000,603	\$ 400
Liabilities:				
Accounts payable	\$ 2,456		\$ 754	
Contracts payable	2,379		568,066	
Accrued wages and benefits	11,562		2,617	
Compensated absence payable	4,120		548	
Interfund payable				
Intergovernmental payable	126			
Deferred revenue			337,547	
Total liabilities	20,643		909,532	
Fund Equity				
Fund balances				
Reserved for encumbrances			\$ 837,861	
Reserved for inventory	\$ 4,346	\$ 9,945		
Unreserved - undesignated	(2,079)	6,572	253,210	\$ 400
Total fund equity	2,267	16,517	1,091,071	400
Total liabilities and fund equity	\$ 22,910	\$ 16,517	\$ 2,000,603	\$ 400

Street Lighting	Fire Operating Levy	Federal Grants	State Grants	Fairview Park Sidewalk	POPAS
\$ 181,318	\$ 17,642	\$ 1,456	\$ 70	\$ 4,924	\$ 45,608
	280,591				3,339
227,164					
<u>\$ 408,482</u>	<u>\$ 298,233</u>	<u>\$ 1,456</u>	<u>\$ 70</u>	<u>\$ 4,924</u>	<u>\$ 48,947</u>
\$ 2,768					\$ 482
			\$ 6,100		
<u>227,164</u>	<u>\$ 280,591</u>				
229,932	280,591		6,100		482
\$ 1,628					1,759
176,922	\$ 17,642	\$ 1,456	\$ (6,030)	\$ 4,924	46,706
<u>178,550</u>	<u>17,642</u>	<u>1,456</u>	<u>(6,030)</u>	<u>4,924</u>	<u>48,465</u>
<u>\$ 408,482</u>	<u>\$ 298,233</u>	<u>\$ 1,456</u>	<u>\$ 70</u>	<u>\$ 4,924</u>	<u>\$ 48,947</u>

(Continued)

City of Fairview Park, Ohio

Combining Balance Sheet - Special Revenue Funds - (Continued)

December 31, 2000

	New Levy Project Account		Cable TV Franchise Fee		DARE		Bain Park Restoration
Assets and other debits:							
Cash and cash equivalents	\$	189	\$	254,543	\$	2	\$ 16,118
Receivables (net of allowances for uncollectibles)							
Taxes							
Intergovernmental							
Special assessments							
Interfund receivable							
Materials and supplies inventory							
Total assets	\$	189	\$	254,543	\$	2	\$ 16,118
Liabilities:							
Accounts payable							
Contracts payable							
Accrued wages and benefits							
Compensated absence payable							
Interfund payable							
Intergovernmental payable							
Deferred revenue							
Total liabilities							
Fund Equity							
Fund balances							
Reserved for encumbrances	\$	6,300					\$ 616
Reserved for inventory							
Unreserved - undesignated		(6,111)	\$	254,543	\$	2	15,502
Total fund equity		189		254,543		2	16,118
Total liabilities and fund equity	\$	189	\$	254,543	\$	2	\$ 16,118

Law Enforcement Trust	Police and Fire Pension	DUI Education	Emergency Medical Systems	Total
\$ 21,421	\$ 52,190	\$ 3,526	\$ 29,210	2,301,829
	202,528	601		820,666
	5,299			18,920
				227,164
				5,299
				14,291
<u>\$ 21,421</u>	<u>\$ 260,017</u>	<u>\$ 4,127</u>	<u>\$ 29,210</u>	<u>3,388,169</u>

\$ 5,978
570,445
14,661
4,668
6,100
126
1,047,830
1,649,808

	\$ 202,528					
	<u>202,528</u>					
					\$ 848,164	
					14,291	
\$ 21,421	\$ 57,489	\$ 4,127	\$ 29,210		875,906	
<u>21,421</u>	<u>57,489</u>	<u>4,127</u>	<u>29,210</u>		<u>1,738,361</u>	
\$ 21,421	\$ 260,017	\$ 4,127	\$ 29,210	\$	3,388,169	

City of Fairview Park, Ohio

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

For the Year Ended December 31, 2000

	Street Construction Maintenance and Repair	State Highway	Recreation	SAVE
Revenues:				
Property Taxes			\$ 303,678	
Intergovernmental	\$ 242,161	\$ 21,377	20,505	
Special assessments				
Interest			140,533	
Fines, licenses and permits	234,218	17,790		
Charges for services			96,891	
Miscellaneous			3,445	
Total revenues	476,379	39,167	565,052	
Expenditures:				
Current:				
Security of persons and property				
Leisure time activities			\$ 1,738,582	
General government				
Community environment				
Transportation	\$ 475,637	\$ 38,000		
Capital Outlay				
Total expenditures	475,637	38,000	1,738,582	
Excess of revenue over (under) expenditures	742	1,167	(1,173,530)	
Other financing sources (uses):				
Refund of prior year receipts			\$ (3,227)	
Operating transfers out			(191,565)	
Operating transfers in	\$ 5,700			
Total other financing sources (uses)	5,700		(194,792)	
Excess of revenues and other financing sources over (under) expenditures and other uses	6,442	1,167	(1,368,322)	
Fund balance at beginning of year	(284)	25,512	2,459,393	\$ 400
Increase (Decrease) in reserve for inventory	(3,891)	(10,162)		
Fund balance at end of year	\$ 2,267	\$ 16,517	\$ 1,091,071	\$ 400

Street Lighting	Fire Operating Levy	Federal Grants	State Grants	Fairview Park Sidewalk	POPAS
\$ 226,048	\$ 283,633 19,008				\$ 115,833
226,048	302,641				115,833
\$ 163,737	\$ 205,550				\$ 118,583
		\$ 3,407	\$ 4,030		
163,737	205,550	3,407	4,030		118,583
62,311	97,091	(3,407)	(4,030)		(2,750)
	\$ (84,840)				
	(84,840)				
62,311	12,251	(3,407)	(4,030)		(2,750)
116,239	5,391	4,863	(2,000)	4,924	51,215
\$ 178,550	\$ 17,642	\$ 1,456	\$ (6,030)	\$ 4,924	\$ 48,465

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, 2000

	New Levy Project Levy	Cable TV Franchise Fee	DARE	Bain Park Restoration
Revenues:				
Property Taxes				
Intergovernmental			\$ 13,983	
Special assessments				
Interest				
Fines, licenses and permits		\$ 79,288		
Charges for services				
Miscellaneous				\$ 4,900
Total revenues		79,288	13,983	4,900
Expenditures:				
Current:				
Security of persons and property			\$ 34,962	
Leisure time activities				
General government				\$ 3,059
Community environment				
Transportation				
Capital Outlay	\$ 17,788			
Total expenditures	17,788		34,962	3,059
Excess of revenue over (under) expenditures	(17,788)	79,288	(20,979)	1,841
Other financing sources (uses):				
Refund of prior year receipts				
Operating transfers out				
Operating transfers in				
Total other financing sources (uses)				
Excess of revenues and other financing sources over (under) expenditures and other uses	(17,788)	79,288	(20,979)	1,841
Fund balance at beginning of year	\$ 17,977	175,255	20,981	14,277
Increase (Decrease) in reserve for inventory				
Fund balance at end of year	\$ 189	\$ 254,543	\$ 2	\$ 16,118

Law Enforcement Trust	Police and Fire Pension	DUI Education	Emergency Medical Systems	Total
	\$ 182,208 12,303			\$ 769,519 329,337 226,048 140,533
\$ 388		\$ 2,676	\$ 27,026	334,360 239,750 8,345
388	194,511	2,676	27,026	2,047,892
	\$ 740,121	\$ 2,007	\$ 4,204	\$ 1,269,164 1,738,582 3,059 7,437 513,637 17,788
	<u>740,121</u>	<u>2,007</u>	<u>4,204</u>	<u>3,549,667</u>
388	(545,610)	669	22,822	(1,501,775)
				\$ (3,227) (276,405) <u>600,548</u> <u>320,916</u>
	\$ <u>594,848</u> 594,848			
388	49,238	669	22,822	(1,180,859)
21,033	8,251	3,458	6,388	2,933,273
				(14,053)
\$ 21,421	\$ 57,489	\$ 4,127	\$ 29,210	\$ 1,738,361

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, 2000

	Street Construction Maintenance and Repair		
	Revised Budget	Actual	Variance Favorable/ (Unfavorable)
Revenues			
Property and other taxes			
Intergovernmental	\$ 220,000	\$ 234,969	\$ 14,969
Special assessments			
Licenses and permits	260,000	242,131	(17,869)
Fines and forfeitures			
Charges for services			
Investment income			
Miscellaneous			
Total Revenues	480,000	477,100	(2,900)
Expenditures			
Current:			
General government			
Security of persons and property			
Transportation	483,802	482,020	1,782
Community environment			
Leisure time activities			
Capital outlay			
Total expenditures	483,802	482,020	1,782
Excess of revenues over/(under) expenditures	(3,802)	(4,920)	(1,118)
Other financing sources (uses)			
Refund of prior year receipts			
Advances in			
Operating transfers - in	5,700	5,700	
Operating transfers - out			
Total other sources (uses)	5,700	5,700	
Excess of revenues and other financing sources over/(under) expenditures and other uses	1,898	780	(1,118)
Fund balance at beginning of year	2,468	2,468	
Fund balance at end of year	\$ 4,366	\$ 3,248	\$ (1,118)

State Highway			Recreation		
Revised Budget	Actual	Variance Favorable/ (Unfavorable)	Revised Budget	Actual	Variance Favorable/ (Unfavorable)
\$ 16,000	\$ 20,894	\$ 4,894	\$ 305,017	\$ 303,679	\$ (1,338)
22,000	17,790	(4,210)	41,093	20,505	(20,588)
			95,250	96,891	1,641
			84,099	140,533	56,434
			850	3,444	2,594
<u>38,000</u>	<u>38,684</u>	<u>684</u>	<u>526,309</u>	<u>565,052</u>	<u>38,743</u>
38,000	38,000		2,607,929	2,584,828	23,101
<u>38,000</u>	<u>38,000</u>		<u>2,607,929</u>	<u>2,584,828</u>	<u>23,101</u>
	684	684	(2,081,620)	(2,019,776)	61,844
			(2,500)	(3,227)	(727)
			(191,565)	(191,565)	
			<u>(194,065)</u>	<u>(194,792)</u>	<u>(727)</u>
	684	684	(2,275,685)	(2,214,568)	61,117
4,764	4,764		2,465,416	2,465,416	
<u>\$ 4,764</u>	<u>\$ 5,448</u>	<u>\$ 684</u>	<u>\$ 189,731</u>	<u>\$ 250,848</u>	<u>\$ 61,117</u>

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 Budget	Actual	Variance Favorable/ (Unfavorable)
Revenues			
Property and other taxes	\$ 182,976	\$ 182,207	\$ (769)
Intergovernmental	24,690	12,304	(12,386)
Special assessments			
Licenses and permits			
Fines and forfeitures			
Charges for services			
Investment income			
Miscellaneous			
Total Revenues	207,666	194,511	(13,155)
Expenditures			
Current:			
General government			
Security of persons and property	798,514	740,121	58,393
Transportation			
Community environment			
Leisure time activities			
Capital outlay			
Total expenditures	798,514	740,121	58,393
Excess of revenues over/(under) expenditures	(590,848)	(545,610)	45,238
Other financing sources (uses)			
Refund of prior year receipts			
Advances in			
Operating transfers - in	590,848	594,848	4,000
Operating transfers - out			
Total other sources (uses)	590,848	594,848	4,000
Excess of revenues and other financing sources over/(under) expenditures and other uses		49,238	49,238
Fund balance at beginning of year	2,952	2,952	
Fund balance at end of year	\$ 2,952	\$ 52,190	\$ 49,238

Save			Street Lighting		
Revised Budget	Actual	Variance Favorable/ (Unfavorable)	Revised Budget	Actual	Variance Favorable/ (Unfavorable)
			\$ 226,000	\$ 226,048	\$ 48
			<u>226,000</u>	<u>226,048</u>	<u>48</u>
			203,000	182,122	20,878
			<u>203,000</u>	<u>182,122</u>	<u>20,878</u>
			<u>23,000</u>	<u>43,926</u>	<u>20,926</u>
			23,000	43,926	20,926
\$ 400	\$ 400		<u>132,997</u>	<u>132,997</u>	
<u>\$ 400</u>	<u>\$ 400</u>	<u>\$ 0</u>	<u>\$ 155,997</u>	<u>\$ 176,923</u>	<u>\$ 20,926</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 Budget	Actual	Variance Favorable/ (Unfavorable)
Revenues			
Property and other taxes	\$ 284,998	\$ 283,633	\$ (1,365)
Intergovernmental	38,040	19,008	(19,032)
Special assessments			
Licenses and permits			
Fines and forfeitures			
Charges for services			
Investment income			
Miscellaneous			
Total Revenues	323,038	302,641	(20,397)
Expenditures			
Current:			
General government			
Security of persons and property	242,190	205,550	36,640
Transportation			
Community environment			
Leisure time activities			
Capital outlay			
Total expenditures	242,190	205,550	36,640
Excess of revenues over/(under) expenditures	80,848	97,091	16,243
Other financing sources (uses)			
Refund of prior year receipts			
Advances in			
Operating transfers - in			
Operating transfers - out	(80,840)	(84,840)	(4,000)
Total other sources (uses)	(80,840)	(84,840)	(4,000)
Excess of revenues and other financing sources over/(under) expenditures and other uses	8	12,251	12,243
Fund balance at beginning of year	5,391	5,391	
Fund balance at end of year	\$ 5,399	\$ 17,642	\$ 12,243

Federal Grants			State Grants		
Revised Budget	Actual	Variance Favorable/ (Unfavorable)	Revised Budget	Actual	Variance Favorable/ (Unfavorable)
	\$ 3,407	\$ (3,407)		\$ 4,030	\$ (4,030)
	<u>3,407</u>	<u>(3,407)</u>		<u>4,030</u>	<u>(4,030)</u>
	<u>(3,407)</u>	<u>(3,407)</u>		<u>(4,030)</u>	<u>(4,030)</u>
				4,100	4,100
				<u>4,100</u>	<u>4,100</u>
				70	70
\$ 4,862	4,862				
\$ 4,862	\$ 1,455	\$ (3,407)	\$ 0	\$ 70	\$ 70

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

Bain Park Restoration		
Revised Budget	Actual	Variance Favorable/ (Unfavorable)
\$ 4,250	\$ 4,900	\$ 650
<u>4,250</u>	<u>4,900</u>	<u>650</u>
14,275	3,676	10,599
<u>14,275</u>	<u>3,676</u>	<u>10,599</u>
<u>(10,025)</u>	<u>1,224</u>	<u>11,249</u>
(10,025)	1,224	11,249
<u>14,276</u>	<u>14,276</u>	
<u>\$ 4,251</u>	<u>\$ 15,500</u>	<u>\$ 11,249</u>

Law Enforcement Trust		
Revised Budget	Actual	Variance Favorable/ (Unfavorable)
\$ 16,400	\$ 388	\$ (16,012)
<u>16,400</u>	<u>388</u>	<u>(16,012)</u>
21,000		21,000
<u>21,000</u>		<u>21,000</u>
<u>(4,600)</u>	<u>388</u>	<u>4,988</u>
(4,600)	388	4,988
<u>21,033</u>	<u>21,033</u>	
<u>\$ 16,433</u>	<u>\$ 21,421</u>	<u>\$ 4,988</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

	DUI Education		
	Revised Budget	Actual	Variance Favorable/ (Unfavorable)
Revenues			
Property and other taxes			
Intergovernmental			
Special assessments			
Licenses and permits			
Fines and forfeitures	\$ 2,000	\$ 2,285	\$ 285
Charges for services			
Investment income			
Miscellaneous			
Total Revenues	2,000	2,285	285
Expenditures			
Current:			
General government			
Security of persons and property	3,250	2,007	1,243
Transportation			
Community environment			
Leisure time activities			
Capital outlay			
Total expenditures	3,250	2,007	1,243
Excess of revenues over/(under) expenditures	(1,250)	278	1,528
Other financing sources (uses)			
Refund of prior year receipts			
Advances in			
Operating transfers - in			
Operating transfers - out			
Total other sources (uses)			
Excess of revenues and other financing sources over/(under) expenditures and other uses	(1,250)	278	1,528
Fund balance at beginning of year	3,247	3,247	
Fund balance at end of year	\$ 1,997	\$ 3,525	\$ 1,528

POPAS		
Revised Budget	Actual	Variance Favorable/ (Unfavorable)
\$ 135,000	\$ 112,494	\$ (22,506)
<u>135,000</u>	<u>112,494</u>	<u>(22,506)</u>
150,000	119,860	30,140
<u>150,000</u>	<u>119,860</u>	<u>30,140</u>
(15,000)	(7,366)	7,634
<u>(15,000)</u>	<u>(7,366)</u>	<u>7,634</u>
44,094	44,094	
<u>44,094</u>	<u>44,094</u>	
\$ 29,094	\$ 36,728	\$ 7,634
<u>\$ 29,094</u>	<u>\$ 36,728</u>	<u>\$ 7,634</u>

New Levy/Project Account		
Revised Budget	Actual	Variance Favorable/ (Unfavorable)
\$ 11,573	\$ 17,788	\$ (6,215)
<u>11,573</u>	<u>17,788</u>	<u>(6,215)</u>
(11,573)	(17,788)	(6,215)
<u>(11,573)</u>	<u>(17,788)</u>	<u>(6,215)</u>
11,677	11,677	
<u>11,677</u>	<u>11,677</u>	
\$ 104	\$ (6,111)	\$ (6,215)
<u>\$ 104</u>	<u>\$ (6,111)</u>	<u>\$ (6,215)</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

	Cable TV Franchise Fee		
	Revised Budget	Actual	Variance Favorable/ (Unfavorable)
Revenues			
Property and other taxes			
Intergovernmental			
Special assessments			
Licenses and permits	\$ 75,000	\$ 79,288	\$ 4,288
Fines and forfeitures			
Charges for services			
Investment income	22,000		(22,000)
Miscellaneous			
Total Revenues	97,000	79,288	(17,712)
Expenditures			
Current:			
General government			
Security of persons and property			
Transportation			
Community environment			
Leisure time activities			
Capital outlay			
Total expenditures			
Excess of revenues over/(under) expenditures	97,000	79,288	(17,712)
Other financing sources (uses)			
Refund of prior year receipts			
Advances in			
Operating transfers - in			
Operating transfers - out			
Total other sources (uses)			
Excess of revenues and other financing sources over/(under) expenditures and other uses	97,000	79,288	(17,712)
Fund balance at beginning of year	175,256	175,256	
Fund balance at end of year	\$ 272,256	\$ 254,544	\$ (17,712)

DARE		
Revised Budget	Actual	Variance Favorable/ (Unfavorable)
\$ 15,000	\$ 13,983	\$ (1,017)
<u>15,000</u>	<u>13,983</u>	<u>(1,017)</u>
15,000	29,032	(14,032)
<u>15,000</u>	<u>29,032</u>	<u>(14,032)</u>
	(15,049)	(15,049)
<u>15,050</u>	<u>15,050</u>	
\$ <u>15,050</u>	\$ <u>1</u>	\$ <u>(15,049)</u>

Emergency Medical System		
Revised Budget	Actual	Variance Favorable/ (Unfavorable)
\$ 39,500	\$ 27,026	\$ (12,474)
<u>39,500</u>	<u>27,026</u>	<u>(12,474)</u>
45,188	4,204	40,984
<u>45,188</u>	<u>4,204</u>	<u>40,984</u>
(5,688)	22,822	28,510
<u>(5,688)</u>	<u>22,822</u>	<u>28,510</u>
6,388	6,388	
<u>6,388</u>	<u>6,388</u>	
\$ <u>700</u>	\$ <u>29,210</u>	\$ <u>28,510</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

	Totals		
	Revised Budget	Actual	Variance Favorable/ (Unfavorable)
Revenues			
Property and other taxes	\$ 772,991	\$ 769,519	\$ (3,472)
Intergovernmental	354,823	321,663	(33,160)
Special assessments	226,000	226,048	48
Licenses and permits	357,000	339,209	(17,791)
Fines and forfeitures	18,400	2,673	(15,727)
Charges for services	274,000	241,311	(32,689)
Investment income	106,099	140,533	34,434
Miscellaneous	850	3,444	2,594
Total Revenues	2,110,163	2,044,400	(65,763)
Expenditures			
Current:			
General government	14,275	3,676	10,599
Security of persons and property	1,478,142	1,282,896	195,246
Transportation	521,802	520,020	1,782
Community environment		7,437	(7,437)
Leisure time activities	2,607,929	2,584,828	23,101
Capital outlay	11,573	17,788	(6,215)
Total expenditures	4,633,721	4,416,645	217,076
Excess of revenues over/(under) expenditures	(2,523,558)	(2,372,245)	151,313
Other financing sources (uses)			
Refund of prior year receipts	(2,500)	(3,227)	(727)
Advances in		4,100	4,100
Operating transfers - in	596,548	600,548	4,000
Operating transfers - out	(272,405)	(276,405)	(4,000)
Total other sources (uses)	321,643	325,016	3,373
Excess of revenues and other financing sources over/(under) expenditures and other uses	(2,201,915)	(2,047,229)	154,686
Fund balance at beginning of year	2,915,196	2,915,196	
Fund balance at end of year	\$ 713,281	\$ 867,967	\$ 154,686

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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.

Lorain Road Revitalization Project

To receipt transfers, donations and proceeds from borrowings. These funds are used to purchase property in the revitalization project.

City of Fairview Park, Ohio

Combining Balance Sheet - Capital Projects Funds

December 31, 2000

	Permanent Improvement	Lorain Road Revitalization	Senior Center Construction	Capital Projects	Total
Assets					
Cash and cash equivalents	\$ 13,712	\$ 1,186,386	\$ 10,321	\$ 1,022,218	\$ 2,232,637
Receivables (net allowance for uncollectibles):					
Taxes	293,666			64,691	358,357
Interfund			45,000		45,000
Total assets	\$ 307,378	\$ 1,186,386	\$ 55,321	\$ 1,086,909	\$ 2,635,994
Liabilities					
Accounts payable		\$ 33,582			\$ 33,582
Contracts payable	\$ 11,000	87,056		\$ 12,003	110,059
Interfund payable	3,300	350,000			353,300
Deferred revenue	293,666				293,666
Total liabilities	307,966	470,638		12,003	790,607
Fund equity					
Fund balances:					
Reserve for encumbrances		\$ 222,536		\$ 308,672	\$ 531,208
Undesignated - unreserved	\$ (588)	493,212	\$ 55,321	766,234	1,314,179
Total fund equity	(588)	715,748	55,321	1,074,906	1,845,387
Total liabilities and fund equity	\$ 307,378	1,186,386	\$ 55,321	\$ 1,086,909	\$ 2,635,994

City of Fairview Park, Ohio

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

For the Year Ended December 31, 2000

	Permanent Improvement	Lorain Road Revitalization	Senior Center Construction	Capital Projects	Total
Revenues					
Property taxes	\$ 264,200				\$ 264,200
Income taxes				\$ 1,044,006	1,044,006
Intergovernmental	17,840	\$ 842,500			860,340
Interest	9,409		\$ 26,197	49,656	85,262
Miscellaneous	1,058	26,526	146,225		173,809
Total revenues	292,507	869,026	172,422	1,093,662	2,427,617
Expenditures					
Capital outlay	\$ 207,975	\$ 1,920,778	\$ 1,252,000	\$ 666,540	\$ 4,047,293
Debt service:					
Interest and fiscal charges	23,267				23,267
Total expenditures	231,242	1,920,778	1,252,000	666,540	4,070,560
Excess revenue over (under) expenditures	61,265	(1,051,752)	(1,079,578)	427,122	(1,642,943)
Other financing sources (uses)					
Proceeds of notes		\$ 1,767,500			1,767,500
Operating transfers - in			\$ 24,000		24,000
Operating transfers - out	\$ (120,000)				(120,000)
Total other sources (uses)	(120,000)	1,767,500	24,000		1,671,500
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other uses	(58,735)	715,748	(1,055,578)	427,122	28,557
Fund balance at beginning of year	58,147		1,110,899	647,784	1,816,830
Fund balance at end of year	\$ (588)	\$ 715,748	\$ 55,321	\$ 1,074,906	\$ 1,845,387

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, 2000

	Permanent Improvement		
	Revised Budget	Actual	Variance Favorable/ (Unfavorable)
Revenues			
Municipal income tax			
Property and other taxes	\$ 265,929	\$ 264,200	\$ (1,729)
Intergovernmental	35,455	17,840	(17,615)
Miscellaneous		1,058	1,058
Interest	15,000	9,032	(5,968)
Total Revenues	316,384	292,130	(24,254)
Expenditures			
Capital outlay:			
General government			
Capital outlay	87,733	207,975	(120,242)
Total capital outlay	87,733	207,975	(120,242)
Debt service:			
Interest and fiscal charges	23,267	23,267	
Total debt service	23,267	23,267	
Total expenditures	111,000	231,242	(120,242)
Excess of revenues over/(under) expenditures	205,384	60,888	(144,496)
Other financing sources (uses)			
Proceeds of notes			
Advances in		3,300	3,300
Advances out	(84,000)	(84,000)	
Operating transfers - in			
Operating transfers - out	(120,000)	(120,000)	
Total other sources (uses)	(204,000)	(200,700)	3,300
Excess of revenues and other financing sources over/(under) expenditures and other uses	1,384	(139,812)	(141,196)
Fund balance at beginning of year	6,068	6,068	
Prior year encumbrances appropriated	133,813	133,813	
Fund balance at end of year	\$ 141,265	\$ 69	\$ (141,196)

Senior Center Construction			Capital Projects		
Revised Budget	Actual	Variance Favorable/ (Unfavorable)	Revised Budget	Actual	Variance Favorable/ (Unfavorable)
			\$ 1,101,000	\$ 1,155,846	\$ 54,846
\$ 50,000	\$ 146,225	\$ 146,225	32,000	48,431	16,431
50,000	26,197	(23,803)	1,133,000	1,204,277	71,277
350,000	1,417,653	(1,067,653)	1,132,300	1,004,688	127,612
350,000	1,417,653	(1,067,653)	1,132,300	1,004,688	127,612
350,000	1,417,653	(1,067,653)	1,132,300	1,004,688	127,612
(300,000)	(1,245,231)	(945,231)	700	199,589	198,889
220,000		(220,000)			
	24,000	24,000			
220,000	24,000	(196,000)			
(80,000)	(1,221,231)	(1,141,231)	700	199,589	198,889
94,958	94,958		398,542	398,452	
1,126,382	1,126,382		94,912	94,912	
\$ 1,141,340	\$ 109	\$ (1,141,231)	\$ 494,154	\$ 692,953	\$ 198,889

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

	Lorain Road Revitalization		
	Revised Budget	Actual	Variance Favorable/ (Unfavorable)
Revenues			
Municipal income tax			
Property and other taxes			
Intergovernmental	\$ 842,500	\$ 842,500	
Miscellaneous		26,526	\$ 26,526
Interest			
Total Revenues	842,500	869,026	26,526
Expenditures			
Capital outlay:			
General government			
Capital outlay	1,560,000	2,143,314	(583,314)
Total capital outlay	1,560,000	2,143,314	(583,314)
Debt service:			
Interest and fiscal charges			
Total debt service			
Total expenditures	1,560,000	2,143,314	(583,314)
Excess of revenues over/(under) expenditures	(717,500)	(1,274,288)	(556,788)
Other financing sources (uses)			
Proceeds of notes	1,767,500	1,767,500	
Advances in	350,000	350,000	
Advances out			
Operating transfers - in			
Operating transfers - out			
Total other sources (uses)	2,117,500	2,117,500	
Excess of revenues and other financing sources over/(under) expenditures and other uses	1,400,000	843,212	(556,788)
Fund balance at beginning of year			
Prior year encumbrances appropriated			
Fund balance at end of year	\$ 1,400,000	\$ 843,212	\$ (556,788)

Totals		
Revised Budget	Actual	Variance Favorable/ (Unfavorable)
\$ 1,101,000	\$ 1,155,846	\$ 54,846
265,929	264,200	(1,729)
877,955	860,340	(17,615)
	173,809	173,809
97,000	83,660	(13,340)
<u>2,341,884</u>	<u>2,537,855</u>	<u>195,971</u>
3,130,033	4,773,630	(1,643,597)
<u>3,130,033</u>	<u>4,773,630</u>	<u>(1,643,597)</u>
23,267	23,267	
<u>23,267</u>	<u>23,267</u>	
3,153,300	4,796,897	(1,643,597)
<u>(811,416)</u>	<u>(2,259,042)</u>	<u>(1,447,626)</u>
1,987,500	1,767,500	(220,000)
350,000	353,300	3,300
(84,000)	(84,000)	
	24,000	24,000
(120,000)	(120,000)	
<u>2,133,500</u>	<u>1,940,800</u>	<u>(192,700)</u>
1,322,084	(318,242)	(1,640,326)
499,568	499,478	
<u>1,355,107</u>	<u>1,355,107</u>	
\$ <u>3,176,759</u>	\$ <u>1,536,343</u>	\$ <u>(1,640,326)</u>

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, 2000

	Sanitary Sewer	Gilles Sweet	Total
Assets			
Cash and cash equivalents	\$ 2,536,559	\$ 22,818	\$ 2,559,377
Receivables (net of allowances for uncollectibles)			
Accounts	215,301		215,301
Materials and supplies inventory	109		109
Investment in joint venture	5,093,448		5,093,448
Fixed assets:			
Equipment	80,093		80,093
Sewer lines	3,403,257		3,403,257
Accumulated depreciation	(869,189)		(869,189)
Total assets	\$ 10,459,578	\$ 22,818	\$ 10,482,396
Liabilities			
Contracts payable	\$ 411,957		\$ 411,957
Accrued wages	12,485		12,485
Compensated absences payable	34,796		34,796
Pension obligation payable	9,819		9,819
Intergovernmental payable	297,229		297,229
Accrued interest payable	4,106		4,106
OPWC loan payable	497,268		497,268
General obligation bonds payable	690,000		690,000
Total liabilities	1,957,660		1,957,660
Fund equity			
Contributed capital	\$ 7,776,070		\$ 7,776,070
Retained earnings:			
Unreserved	725,848	\$ 22,818	748,666
Total fund equity	8,501,918	22,818	8,524,736
Total liabilities and fund equity	\$ 10,459,578	\$ 22,818	\$ 10,482,396

City of Fairview Park, Ohio
Combining Statement of Revenues, Expenses and
Changes in Fund Equity - Enterprise Funds
For the Year Ended December 31, 2000

	Sanitary Sewer	Gilles Sweet	Total
Operating revenues			
Charges for services	\$ 1,915,620		\$ 1,915,620
Tap in fees	3,000		3,000
Rent		\$ 46,540	46,540
Total operating revenues	1,918,620	46,540	1,965,160
Operating expenses			
Personal services	\$ 451,768	\$ 54,179	\$ 505,947
Contractual services	732,935	24,434	757,369
Materials and supplies	32,787	7,765	40,552
Other operating expenses	412,539		412,539
Depreciation	65,889		65,889
Total operating expenses	1,695,918	86,378	1,782,296
Operating Income/(Loss)	222,702	(39,838)	182,864
Non-operating revenues/(expenses)			
Interest income	\$ 89,602		\$ 89,602
Equity in income from joint venture	(100,020)		(100,020)
Interest and fiscal charges	(55,604)		(55,604)
Total non-operating revenues/(expenses)	(66,022)		(66,022)
Net income/ (loss)	156,680	(39,838)	116,842
Depreciation of fixed assets acquired by contributed capital	\$ 49,078		\$ 49,078
Retained earnings at beginning of year	520,090	\$ 62,656	582,746
Retained earnings at end of year	725,848	22,818	748,666
Contributed capital at beginning of year	7,825,148		7,825,148
Depreciation on fixed assets acquired by contributed capital	(49,078)		(49,078)
Contributed capital at end of year	7,776,070		7,776,070
Fund equity at end of year	\$ 8,501,918	\$ 22,818	\$ 8,524,736

City of Fairview Park, Ohio
Combining Statement of Cash Flows
All Enterprise Funds
For the year ended December 31, 2000

	Sanitary Sewer	Gilles-Sweet	Total
Increase (Decrease) in Cash and Cash Equivalents			
Cash Flows from Operating Activities:			
Cash received from customers	\$ 1,974,740	\$ 46,540	2,021,280
Cash payments for employee service and benefits	(457,242)	(59,070)	(516,312)
Cash payments to goods and services	(886,794)	(39,684)	(926,478)
Other operating expenses	(702)		(702)
Net Cash Provided by Operating Activities	\$ 630,002	\$ (52,214)	577,788
Cash Flows from Investing Activities:			
Interest income	\$ 89,602		89,602
Net Cash Flows from Investing Activities	\$ 89,602		89,602
Cash Flows from Capital and Related Financing Activities:			
Principal paid on OPWC loans	\$ (44,745)		(44,745)
Principal paid on bonds	(115,000)		(115,000)
Interest paid on bonds, notes, and loans	(56,350)		(56,350)
Net Cash Used for Capital and Related Financing Activities	\$ (216,095)		(216,095)
Net Increase (Decrease) in Cash and Cash Equivalents	503,509	(52,214)	451,295
Cash and Cash Equivalents at Beginning of Year	2,033,050	75,032	2,108,082
Cash and Cash Equivalents at End of Year	\$ 2,536,559	\$ 22,818	\$ 2,559,377

(Continued)

City of Fairview Park, Ohio
Combining Statement of Cash Flows
All Enterprise Funds - continued
For the year ended December 31, 2000

	<u>Sanitary Sewer</u>	<u>Gilles-Sweet</u>	<u>Total</u>
Reconciliation of Operating Income to			
Net Cash Provided by Operating Activities:			
Operating Income	\$ 222,702	\$ (39,838)	\$ 182,864
 Adjustments to Reconcile Operating Income			
to Net Cash Provided by Operating Activities:			
Depreciation	65,889		65,889
 Changes in Assets and Liabilities			
(Increase) decrease in accounts receivable	56,120		56,120
(Increase) decrease in inventory	108		108
(Increase) decrease in equity in joint venture	(77,974)		(77,974)
Increase (decrease) in accounts payable	(120)	(7,485)	(7,605)
Increase (decrease) in contracts payable	411,957		411,957
Increase (decrease) in accrued wages	(1,710)		(1,710)
Increase (decrease) in compensated absences	(327)	(3,585)	(3,912)
Increase (decrease) in intergovernmental payable	(43,225)		(43,225)
Increase (decrease) in pension obligation payable	(3,418)	(1,306)	(4,724)
 Total Adjustments	 <u>341,411</u>	 <u>(12,376)</u>	 <u>329,035</u>
 Net Cash Provided by Operating Activities	 <u>\$ 630,002</u>	 <u>\$ (52,214)</u>	 <u>\$ 577,788</u>

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, 2000

	Health Insurance Reserve	Employee Section 125 Control	Total
Assets			
Cash and cash equivalents	\$ 6,765	\$ 8,704	\$ 15,469
Total assets	<u>\$ 6,765</u>	<u>\$ 8,704</u>	<u>\$ 15,469</u>
Fund equity			
Retained earnings:			
Undesignated - unreserved	\$ 6,765	\$ 8,704	\$ 15,469
Total fund equity	<u>6,765</u>	<u>8,704</u>	<u>15,469</u>
Total liabilities and fund equity	<u>\$ 6,765</u>	<u>\$ 8,704</u>	<u>\$ 15,469</u>

City of Fairview Park, Ohio

Combining Statement of Revenues, Expenses and
Changes in Fund Equity - Internal Service Funds
For the Year Ended December 31, 2000

	Health Insurance Reserve	Employee Section 125 Control	Total
Operating revenues			
Charges for services	\$ 96,954		\$ 96,954
Miscellaneous revenues	204	\$ 20,336	20,540
Total operating revenues	97,158	20,336	117,494
 Operating expenses			
Personal services		\$ 11,632	\$ 11,632
Total operating expenses		11,632	11,632
 Operating income/(loss)	97,158	8,704	105,862
 Operating transfers in	\$ 21,627		\$ 21,627
Operating transfers out		\$ (21,627)	(21,627)
 Net income/ (loss)	118,785	(12,923)	105,862
 Fund equity at beginning of year	(112,020)	21,627	(90,393)
 Fund equity at end of year	\$ 6,765	\$ 8,704	\$ 15,469

City of Fairview Park, Ohio
Combining Statement of Cash Flows
All Internal Service Funds
For the year ended December 31, 2000

	<u>Health Insurance Reserve</u>	<u>Employee Section 125 Control</u>	<u>Total</u>
Increase (Decrease) in Cash and Cash Equivalents			
Cash Flows from Operating Activities:			
Cash received from quasi-external transactions	\$ 70,194		\$ 70,194
Other operating revenues	204	\$ 20,336	20,540
Cash payments for employee service and benefits		(11,632)	(11,632)
Cash payments to goods and services	(99,280)		(99,280)
Net Cash Provided by Operating Activities	\$ (28,882)	\$ 8,704	(20,178)
Cash Flows from Noncapital Financing Activities:			
Operating transfers in	\$ 21,627		\$ 21,627
Operating transfers out		\$ (21,627)	(21,627)
Net Cash Provided by Noncapital Financing Activities	\$ 21,627	(21,627)	
Net Increase (Decrease) in Cash and Cash Equivalents	(7,255)	(12,923)	(20,178)
Cash and Cash Equivalents at Beginning of Year	14,020	21,627	35,647
Cash and Cash Equivalents at End of Year	\$ 6,765	\$ 8,704	\$ 15,469
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:			
Operating Income	\$ 97,158	\$ 8,704	\$ 105,862
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:			
Changes in Assets and Liabilities			
Increase (decrease) in accounts payable	(82,608)		(82,608)
Increase (decrease) in claims payable	(43,432)		(43,432)
Total Adjustments	(126,040)		(126,040)
Net Cash Provided by Operating Activities	\$ (28,882)	\$ 8,704	\$ (20,178)

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.

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.

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, 2000

	Balance January 1, 2000	Additions	Reductions	Balance December 31, 2000
Special hold account				
Assets				
Cash and cash equivalents	\$ 8,109	\$ 39,907	\$ 38,798	\$ 9,218
Total assets	\$ 8,109	\$ 39,907	\$ 38,798	\$ 9,218
Liabilities				
Undistributed monies	\$ 8,109	\$ 39,907	\$ 38,798	\$ 9,218
Total liabilities	\$ 8,109	\$ 39,907	\$ 38,798	\$ 9,218
 State building 3% assessment				
Assets				
Cash and cash equivalents	\$ 72	\$ 581	\$ 636	\$ 17
Total assets	\$ 72	\$ 581	\$ 636	\$ 17
Liabilities				
Intergovernmental payable	\$ 72	\$ 581	\$ 636	\$ 17
Total liabilities	\$ 72	\$ 581	\$ 636	\$ 17

City of Fairview Park, Ohio

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

For the Year Ended December 31, 2000

	Balance January 1, 2000	Additions	Reductions	Balance December 31, 2000
Architect				
Assets				
Cash and cash equivalents	\$ 72	\$ 2,213	\$ 2,130	\$ 155
Total assets	\$ 72	\$ 2,213	\$ 2,130	\$ 155
Liabilities				
Deposits held due to others	\$ 72	2,213	\$ 2,130	\$ 155
Total liabilities	\$ 72	\$ 2,213	\$ 2,130	\$ 155
 Grade deposits				
Assets				
Cash and cash equivalents	\$ 2,224	\$ 900	\$ 911	\$ 2,213
Total assets	\$ 2,224	\$ 900	\$ 911	\$ 2,213
Liabilities				
Deposits held due to others	\$ 2,224	\$ 900	\$ 911	\$ 2,213
Total liabilities	\$ 2,224	\$ 900	\$ 911	\$ 2,213

City of Fairview Park, Ohio

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

For the Year Ended December 31, 2000

	Balance January 1, 2000	Additions	Reductions	Balance December 31, 2000
Street cleaning				
Assets				
Cash and cash equivalents	\$ 1,650	\$ 300	\$ 250	\$ 1,700
Total assets	\$ 1,650	\$ 300	\$ 250	\$ 1,700
Liabilities				
Deposits held due to others	\$ 1,650	\$ 300	250	\$ 1,700
Total liabilities	\$ 1,650	\$ 300	\$ 250	\$ 1,700
 Street opening				
Assets				
Cash and cash equivalents	\$ 2,444	\$ 1,000	\$ 750	\$ 2,694
Total assets	\$ 2,444	\$ 1,000	\$ 750	\$ 2,694
Liabilities				
Deposits held due to others	\$ 2,444	\$ 1,000	\$ 750	\$ 2,694
Total liabilities	\$ 2,444	\$ 1,000	\$ 750	\$ 2,694

City of Fairview Park, Ohio

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

For the Year Ended December 31, 2000

	Balance January 1, 2000	Additions	Reductions	Balance December 31, 2000
Senior life donation				
Assets				
Cash and cash equivalents	\$ 18,642	\$ 11,860	\$ 18,373	\$ 12,129
Total assets	\$ 18,642	\$ 11,860	\$ 18,373	\$ 12,129
Liabilities				
Undistributed monies	\$ 18,642	\$ 11,860	\$ 18,373	\$ 12,129
Total liabilities	\$ 18,642	\$ 11,860	\$ 18,373	\$ 12,129
 Survey sanitary storm sewer				
Assets				
Cash and cash equivalents	\$ 422	\$ 450	\$ 250	\$ 622
Total assets	\$ 422	\$ 450	\$ 250	\$ 622
Liabilities				
Deposits held due to others	\$ 422	\$ 450	\$ 250	\$ 622
Total liabilities	\$ 422	\$ 450	\$ 250	\$ 622

City of Fairview Park, Ohio

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

For the Year Ended December 31, 2000

	Balance January 1, 2000	Additions	Reductions	Balance December 31, 2000
Sidewalk deposits				
Assets				
Cash and cash equivalents	\$ 973			\$ 973
Total assets	\$ 973			\$ 973
Liabilities				
Deposits held due to others	\$ 973			\$ 973
Total liabilities	\$ 973			\$ 973
 Preliminary investigation				
Assets				
Cash and cash equivalents	\$ 150	\$ 300	\$ 150	\$ 300
Total assets	\$ 150	\$ 300	\$ 150	\$ 300
Liabilities				
Undistributed monies	\$ 150	\$ 300	\$ 150	\$ 300
Total liabilities	\$ 150	\$ 300	\$ 150	\$ 300

City of Fairview Park, Ohio

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

For the Year Ended December 31, 2000

	Balance January 1, 2000	Additions	Reductions	Balance December 31, 2000
Total agency funds				
Assets				
Cash and cash equivalents	\$ 34,758	\$ 57,511	\$ 62,248	\$ 30,021
Total assets	\$ 34,758	\$ 57,511	\$ 62,248	\$ 30,021
Liabilities				
Intergovernmental payable	\$ 72	\$ 581	\$ 636	17
Undistributed monies	26,901	52,067	57,321	21,647
Deposits held due to others	7,785	4,863	4,291	8,357
Total liabilities	\$ 34,758	\$ 57,511	\$ 62,248	\$ 30,021

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, 2000

General fixed assets	
Land	\$2,075,342
Buildings	3,774,558
Vehicles, equipment and furnishings	<u>5,052,748</u>
Total general fixed assets	<u><u>\$10,902,648</u></u>
Investment in general fixed assets	
General fund	\$4,596,858
Capital projects funds	<u>6,305,790</u>
Total investment in general fixed assets	<u><u>\$10,902,648</u></u>

City of Fairview Park, Ohio

Schedule of General Fixed Assets - By Function and Activity

December 31, 2000

	Land and Land Improve.	Buildings	Machinery and Equipment	Total
General government		\$1,784,500	\$232,284	\$2,016,784
Security of persons and property			1,595,912	1,595,912
Transportation		109,700	2,406,873	2,516,573
Leisure time activities		291,600		291,600
Capital outlay	\$2,075,342	1,588,758	817,679	4,481,779
Total general fixed assets	\$2,075,342	\$3,774,558	\$5,052,748	\$10,902,648

City of Fairview Park, Ohio

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

For the Year Ended December 31, 2000

	Balance January 1, 2000	Additions	Disposals	Balance December 31, 2000
General government	\$1,995,710	\$21,074		\$2,016,784
Security of persons and property	1,478,297	117,615		1,595,912
Transportation	2,514,500	2,073		2,516,573
Leisure time activities	291,600			291,600
Capital outlay	996,514	3,485,265		4,481,779
Total general fixed assets	\$7,276,621	\$3,626,027	\$0	\$10,902,648

Statistical Section

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City of Fairview Park, Ohio

General Government Expenditures by Function (1)

Last Ten Fiscal Years

Year	Security of Persons	Public Health	Leisure time Activities	Community Environment	Basic Utility	Transportation
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
2000	5,565,714	52,784	2,122,278	1,393,372		852,552

General Government	Capital Outlay	Debt (2) Service	Total
\$ 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
1,638,614	2,044,297	838,558	12,634,438
1,911,286	4,065,081	410,024	16,373,091

(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
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
2000	7,574,098	4,146,726	245,540	596,309	226,048

Interest	Rentals	Miscellaneous	Total
		\$ 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
306,041	10,634	27,750	11,476,726
409,375	12,007	257,408	13,467,511

(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) Current Tax Collections	Percent Levy Collected	Outstanding Delinquent Taxes	Percent of Outstanding Delinquent Taxes to Current Tax Levy
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
2000	3,922,860	3,822,383	97.4	128,625	3.3

(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	
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	320,707,080	916,305,943	9,441,390	10,782,852	11,702,030	46,808,120	341,850,500	973,842,915	35.10
2000	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) County and					Polaris JVSD	Total
			Special Taxing Districts	Fairview Park School District	Berea School District	Rocky River School District			
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	
2000	2001	11.80	17.60	82.20	63.80	68.00	2.40	245.80	

(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/ Collection Year	General Fund	Recreation Purposes	Permanent Improvement	Police Pension	Fire Pension	Fire Levy	Bond Retirement	Total City Millage
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
2000/2001	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 Six Years - (2)

<u>Collection Year</u>	<u>Amount Billed</u>	(1) <u>Amount Collected</u>	<u>Percent Collected</u>
1995	212,248	209628	98.8%
1996	207,262	202,942	97.9
1997	203,744	201,569	98.9
1998	204,358	200,214	98.0
1999	225,609	220,841	97.9
2000	225,264	220,999	98.1

(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, 2000

Statutory (direct) debt limitations

Overall debt limitation 10-1/2% of assessed valuation		\$36,341,679
Gross indebtness	\$7,222,766	
Less - debt not subject to limitation	<u>1,187,268</u>	
Debt within 10-1/2% limitation	6,035,498	
Less - amount available in debt service fund	<u>(25,608)</u>	<u>6,061,106</u>
Legal debt margin within 10-1/2% limitation		<u><u>\$30,280,573</u></u>

Unvoted debt limitation 5-1/2% of assessed valuation		\$19,036,117
Gross indebtness	\$7,222,766	
Less - debt not subject to limitation	<u>1,187,268</u>	
Debt within 5-1/2% limitation	6,035,498	
Less - amount available in debt service fund	<u>(25,608)</u>	<u>6,061,106</u>
Legal debt margin within 5-1/2% limitation		<u><u>\$12,975,011</u></u>

City of Fairview Park, Ohio

Computation of Legal Debt Margin - Constitutional Debt Limitations

December 31, 2000

Constitutional (indirect) debt limitation	
Overall debt limitation authorized by Charter	10.00 mills
Encumbered millage as of December 31, 2000	<u>3.5425 mills</u>
Available millage as of December 31, 2000	<u><u>6.4575 mills</u></u>

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, 2000

Jurisdiction	Debt Outstanding	Percentage Applicable to City of Fairview Park, Ohio	Overlapping Debt	Amount Applicable to City of Fairview Park, Ohio
City of Fairview Park	\$7,222,766	100.00%		\$7,222,766
Fairview Park City School District	4,933,795	100.00	4,933,795	
Rocky River City School District	29,784,128	9.49	2,826,514	
Cuyahoga County	231,044,636	1.34	3,095,998	
Greater Cleveland Regional Transit Authority	98,030,000	1.34	1,313,602	
Polaris Joint Vocational School	<u>none</u>	none	<u>none</u>	
Subtotal Overlapping Debt				<u>\$12,169,909</u>
Total Applicable to Fairview Park				<u><u>\$19,392,675</u></u>

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/ General Obligation Debt	General Obligation Debt
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
1999	18,028	341,850,500	5,672,013		5,130,000
2000	17,572	346,111,224	7,222,766		6,035,498

	General Obligation Debt Service Money Available	(1) Net General Obligation Debt	(1) Ratio of Net Debt to Assessed Valuation	(1) Net General Obligation Debt Per Capita
\$	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
	0	5,130,000	1.5	285
	25,608	6,009,890	1.7	342

(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) General Obligation Principal	General Obligation Interest	(2) General Obligation Debt Service	Total General Fund Operating Expenditures	Ratio of General Obligation Debt Service to General Fund Operating Expenditures
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
1999	120,000	133,123	253,123	7,730,714	3.27
2000	345,000	261,468	606,468	8,366,107	7.25

(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

<u>Year</u>	(1) Population	(2) Rocky River City School District	Fairview Park City School District	(3) Cuyahoga County Unemployment Rate
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
1999	18,028	16	1,974	4.50
2000	17,572	20	1,903	4.60

(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) Residential & Commercial Construction Value	(1) Residential & Commercial Construction Units	(2) County Bank Deposits (In Thousands)	(3 and 4) Total Assessed Property Values
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	4,697,708	348	57,816,942	341,850,500
2000	3,227,495	379	61,942,764	346,111,224

(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, 2000

<u>Taxpayer</u>	<u>Assessed Value</u>	<u>Percent of Total Assessed Value</u>
Westgate Joint Venture	\$ 13,922,200	4.02%
Z & Sons Limited Partnership	7,019,150	2.03
Fairview Shopping Center Corp.	3,937,080	1.14
Cleveland Electric Illuminating Co.	3,067,570	0.89
Westgate Joint Venture	2,798,500	0.81
Higbee Co.	2,458,890	0.70
Lawn Village Inc.	2,355,430	0.68
Ohio Bell Telephone Co	2,167,110	0.63
200 West Apartments	1,941,800	0.55
East Ohio Gas Co.	<u>1,841,860</u>	<u>0.53</u>
	\$ <u>41,509,590</u>	<u>11.44</u>
Total assessed valuation	\$ <u>346,111,224</u>	

City of Fairview Park, Ohio

Principal Taxpayers - Personal Property

December 31, 2000

<u>Taxpayer</u>	<u>Assessed Value</u>	<u>Percent of Total Assessed Value</u>
Higbee Co.	\$ 4,040,440	1.17%
First National Supermarkets	750,860	0.22
Kohl's Department Stores	747,430	0.22
Ameritech New Media Inc.	366,210	0.11
Office Depot Inc.	257,520	0.07
Quadax Inc.	183,770	0.05
Reserves Network Inc.	174,210	0.05
Gap, Inc.	173,810	0.05
R E May, Inc.	134,320	0.04
Venator Group Retail Inc.	<u>119,400</u>	<u>0.03</u>
	\$ <u>6,947,970</u>	<u>0.77</u>
Total assessed valuation	\$ <u>346,111,224</u>	

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STATE OF OHIO
OFFICE OF THE AUDITOR

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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
AUGUST 2, 2001**