

**CITY OF FOREST PARK**

**Yellow Book Report**

**December 31, 2006**





Mary Taylor, CPA  
Auditor of State

Honorable Mayor and  
Members of the City Council  
City of Forest Park  
1201 West Kemper Road  
Forest Park, Ohio 45240

We have reviewed the *Report of Independent Accountants* of the City of Forest Park, Hamilton County, prepared by Plattenburg & Associates, Inc., for the audit period January 1, 2006 through December 31, 2006. 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 Forest Park is responsible for compliance with these laws and regulations.

*Mary Taylor*

Mary Taylor, CPA  
Auditor of State

September 24, 2007

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August 7, 2007

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

The Honorable Mayor and Members of the  
City Council of the City of Forest Park

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Forest Park, Ohio (City) as of and for the year ended December 31, 2006, which collectively comprise the City's basic financial statements and have issued our report thereon dated August 7, 2007 in which we noted the City adopted Government Accounting Standards Board (GASB) Statement No. 44, *Economic Condition Reporting: The Statistical Section*; GASB Statement No. 46, *Net Assets Restricted by Enabling Legislation*; and GASB Statement No. 47, *Accounting for Termination Benefits*. 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.

**Internal Control over Financial Reporting**

In planning and performing our audit, we considered the City's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the City's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the City's financial statements that is more than inconsequential will not be prevented or detected by the City's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

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

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to management of the City in a separate letter dated August 7, 2007.

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

*Plattensburg & Associates, Inc.*

Plattensburg & Associates, Inc.  
Certified Public Accountants

**CITY OF FOREST PARK, OHIO**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**FOR THE YEAR ENDED DECEMBER 31, 2006**

**PREPARED BY:**  
**DEPARTMENT OF FINANCE**  
**LOIS M. REYNOLDS**  
**FINANCE DIRECTOR**





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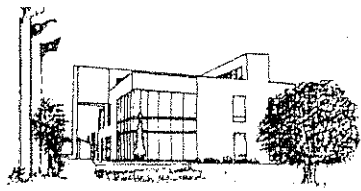
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## INTRODUCTORY SECTION

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# City of Forest Park

August 7, 2007

Forest Park Citizens  
Forest Park Council Members  
Lenders and Other Interested Parties  
Forest Park, Ohio 45240

State law requires that the City of Forest Park (the City) annually publish a complete set of financial statements for the results of its fiscal operations, presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards. This report meets the state requirements for the auditor's opinion and the minimum basic financial statements, and it goes a step further by providing this Comprehensive Annual Financial Report (CAFR). This CAFR provides the reader additional information regarding the City's finances. The reported information is presented in three major sections:

1. The Introductory Section includes the table of contents, this letter of transmittal which presents the City's organization, operational structure and accomplishments, a list of elected officials and key administrative personnel, an organizational chart, and the Certificate of Achievement for Excellence in Financial Reporting.
2. The Financial Section contains the Report of Independent Auditors, Management's Discussion and Analysis, and the City's basic financial statements, which include explanatory notes thereto. This section also includes additional supplementary information including the combining financial schedules and the individual fund budget versus actual schedules.
3. The Statistical Section presents social, economic, and historical data in a multi-year format which may be used to identify financial trends and data relative to the fiscal capacity of the City.

A complete CAFR is not required to be prepared, but by doing so it represents a commitment by the City of Forest Park to achieve the highest nationally recognized standards of excellence in financial reporting as established by the Governmental Accounting Standards Board (GASB) and the Government Finance Officers Association (GFOA).



Additionally, these financial statements have been prepared using the GASB's reporting model under *GASB 34, Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, and related GASB statements. GASB 34 was developed to provide better, more understandable information about the government's finances. As presented in accordance with GASB 34, this CAFR includes the following information for the reader:

- A Statement of Net Assets and a Statement of Activities represent the entire City as a whole on one page for each statement. The Statement of Net Assets provides all assets, liabilities, and net assets of the City, on a full accrual basis.
- The Statement of Activities provides the cost of providing services to citizens and the sources of revenue that the City uses to pay those costs.
- Expanded disclosure in the Notes to Financial Statements and improved schedules regarding the actual expenditures in comparison with the original and final appropriations are also included.
- A narrative analysis specifically regarding the City's financial statements and financial condition provides greater insight into the City's finances. Readers are encouraged to refer to this report, entitled Management's Discussion and Analysis.

This CAFR consists of management's representations concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a basis for making these representations, management has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile reliable information for the preparation of the City's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City's financial statements have been audited by Plattenburg and Associates Inc., Certified Public Accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ended December 31, 2006, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the City's financial statements for the fiscal year ended December 31, 2006, are fairly presented in conformity with GAAP. The independent auditor's opinion is presented as the first component of the financial section of this report.



GAAP requires management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (M D & A). This letter of transmittal is designed to complement the M D & A and should be read in conjunction with it. The City's M D & A is found immediately following the report of the independent auditors.

## CITY OVERVIEW

The City is located in the southwestern portion of the State of Ohio between the cities of Cincinnati and Dayton, and is entirely within the County of Hamilton. The City traces its roots to the mid-1950's when the Federal Government encouraged the development of a second greenbelt community in the Cincinnati area. Greenhills was the first greenbelt community, a concept patterned after the famed garden cities of England. In contrast to Greenhills, however, development of Forest Park was handled through private enterprise, specifically the Warner-Kanter Corporation. That was in 1954. Within two years, the first homes were ready for occupancy. Forest Park progressed rapidly with the formation of a civic association in 1958, a volunteer fire department and incorporation as a village in 1961, and city status (population in excess of 5,000) in 1968 with the adoption of a Home Rule Charter that same year.

As of the 2000 U. S. Census Report, Forest Park was the third largest city in Hamilton County, with a population of 19,463. Its 62 miles of streets and 3,800-plus acres are bounded by Hamilton Avenue to the west, Springfield Pike (Route 4) to the east, Sharon Road to the south and the Hamilton County line north of I-275 to the north. Forest Park is 14 miles north of downtown Cincinnati, 35 miles south of Dayton, and within 125 miles of Columbus, Indianapolis, Lexington, and Louisville. Via I-275, the City is only 35 minutes from the Greater Cincinnati International Airport. Because of this ideal location, the City enjoys a reputation as a premier site for both residential and commercial development.

The City operates under the City Manager-Council plan pursuant to its Charter, but is also subject to the general statutes of the State of Ohio governing municipalities. In addition, the City may exercise all powers of local self-government under Article XVIII, Section 3, of the Ohio Constitution. The legislative authority of the City is vested in a seven member Council whose members are elected to four-year overlapping terms with an election of three (or four in alternate council election years) council seats every two years. The Council enacts ordinances and resolutions to provide for city services, to levy taxes, to make appropriations, to borrow money, to fix salaries of all employees of the City, whether elected or appointed, to adopt a budget and to perform such other duties and exercise such other rights, not inconsistent with the City Charter, as may be granted to the legislative authority of any municipality of Ohio. The presiding officer of the Council is the Mayor, who is chosen by the council every two years under the Charter. All Council members are from the City at large.

The City Manager is the chief executive, administrative, and law enforcement officer of the City. The Manager is charged with responsibility for enforcing the laws and ordinances of the City. The Manager appoints and removes all heads of departments and all subordinate officers and employees of the City, except the City Law Director and Clerk of Council. He exercises control over all departments created by the City Council. The Law Director serves as legal advisor and attorney for the City and performs duties as provided under the Charter and general laws of Ohio pertaining to municipal legal advisors. The Director of Finance is appointed by the City Manager with the concurrence of the City Council to supervise the Department of Finance and performs the powers, duties and functions of the fiscal officer of the City pursuant to the Charter and general laws of Ohio. The City provides numerous services including police, fire and emergency services protection, the construction and maintenance of highways and streets; parks and recreational program services, and stormwater management.

### **ECONOMIC CONDITIONS AND OUTLOOK**

In 2006, our community experienced a year of transition. The Winton Road corridor roared back to life, but neighborhood business districts on Northland Boulevard and Hamilton Avenue began to struggle. In spite of these challenges, the economic development program continued to create jobs and wealth in our community. A comprehensive program of work proved successful in the face of adversity and positioned the community for future growth.

Communities must balance what seems like an unlimited list of demands for service with a limited amount of resources. The jobs and investment brought about by a well organized economic development program help city officials meet this difficult challenge. In 2006, the City facilitated a number of important recruitment or retention projects.

#### *The Primax Group*

The Primax Group is a successful and fast growing technology company that provides solution, support, and design services for a wide variety of corporate, education, and government clients. The company was started in 1995 by former Forest Park City Councilor Steve Miklavic and his partners. Recently Primax expanded its offices in the Northland Tower, moving from the lower level to the fourth floor, almost doubling its space.

#### *Metcut/CTL*

In 2006, Metcut/CTL announced plans to keep the company's material testing operation in Forest Park. The company will invest \$3.7 million to build and equip a new 32,000 SF building in Carillon Business Park. With over 50 years of service, Cincinnati Testing Labs or CTL (currently located on Northland Blvd) is one of the nation's most respected independent testing facilities. It provides a wide range of evaluation services including the machining, conditioning, and testing of alloys, composites, plastics, and ceramics. CTL is a subsidiary of Metcut.

This project involves the retention of 30 jobs in our community and creation of three new positions over the next three years. As the company continues to grow, the six-acre site at Carillon is large enough to accommodate future expansion. Because of the technical nature of this operation, it is a perfect fit for the high technology section of the business park.

In order to maintain the competitiveness of our site with others under consideration, City staff has negotiated an enterprise agreement with this company (an 8-year, 75% exemption of the property taxes associated with this project). Consistent with our longstanding policy, Metcut/CTL agreed to make a generous contribution to the Winton Woods City Schools foundation.

#### *DCi of Forest Park - Cincinnati Dialysis Clinic*

DCi of Forest Park provides care for patients with end stage renal disease. Through a team approach that utilizes the professionalism and skill of nurses, dietitians, social workers and ancillary support staff, this dialysis clinic performs a vital medical service tailored to the individualized needs of each patient. In 2006, the company built a 7,000 square foot facility on Kemper Meadow Drive. It features a friendly environment that matches the warmth and care shown by a dedicated and professional staff.

#### *Word of Deliverance Family Life Center*

In 2006, the "Word family" completed an impressive \$7 million Family Life Center in the heart of our city's original business district. This 40,000 SF center now serves as a community anchor for a multitude of services. Many of these programs have been developed in partnership with existing health and human service providers, public schools and other non-profit organizations to help those in need.

Returning properties back to their best possible use is a major part of Forest Park's annual program of work. Some buildings are vacant. Some have been allowed to deteriorate. Others have been damaged. In 2006, The City continued efforts to revitalize underdeveloped properties in our neighborhood business districts.

#### *NEW Walmart Sparks Parkwood Redevelopment*

In April, Wal-Mart opened the doors to its new \$13 million superstore in Parkwood Plaza (formerly Cobblewood Plaza). The new 220,000 square foot store combines groceries and general merchandise under one roof, providing families with one-stop shopping convenience. 450-500 new jobs were created as a result of the project. The owners of Parkwood Plaza took advantage of the momentum created by the new Wal-Mart, investing another \$13 million to renovate the remainder of the shopping center.

#### *TIF Established for Winton Kemper Corridor*

In April, Forest Park City Council passed legislation establishing a tax increment financing area (TIF) for the Winton Kemper corridor. This TIF will spur redevelopment of the Promenade Shopping Center and surrounding commercial properties. Our participation will help the shopping center owner attract a new anchor store and complete other privately funded improvements to the shopping center.

With the TIF revenue, the City will complete a series of public improvements (streetscape, infrastructure, public service facility improvements etc.) in and around this intersection. We estimate that the private investment of approximately \$3 million will generate \$500,000 for the public improvements in question. In order to limit any negative impact on our local schools, we have limited the duration of this TIF to no more than 10 years and the percentage of exemption to only 75% of the improvements

#### *PNC Bank*

In November, PNC Bank opened a new branch office in the renovated Parkwood Plaza just across the street from the new Wal-Mart. The new building is carefully designed to improve customer service and compliment the surrounding development. Consistent with our community's commitment to environmental awareness, the new PNC office incorporates "green technology" to minimize any negative impact on the environment. This project compliments the many renovations underway at Parkwood Plaza.

#### *Hamilton Avenue Redevelopment*

At our request, the Hamilton County Office of Economic Development completed a feasibility study for the Hamilton Waycross business corridor. This report includes a detailed analysis of the demographics for this area and suggestions for future development of vacant or underdeveloped properties in this corridor. The \$20,000 report (completed at no expense to local taxpayers as a result of our successful application for a grant) should help us pursue opportunities for redevelopment at an important gateway into our community.

#### *Northland Redevelopment*

Consistent with our emphasis on redevelopment, Forest Park-based ISI completed a series of preliminary design concepts to reinforce a new "brand" for our Northland Business corridor. Using the concept "Northland Connection...Get Connected", ISI put together designs for street banners, signs and entry features.

Our next step will be to identify the costs associated with various elements of the ISI proposal and incorporate all or part of their suggestions into future plans for the city's original business district.

#### *Community Revitalization Initiative*

All of these various projects led city officials to develop a comprehensive program for the redevelopment of our neighborhood business districts. All of the City's various departments contributed their time, expertise and resources to craft a proactive strategy that should help us revitalize these areas. The end result: a multi-million dollar initiative to strengthen the Northland Boulevard and Hamilton Avenue business corridors.

In December of 2006, City leaders took a dramatic first step in the implementation of this plan by acquiring the former Kmart property at the corner of Waycross Road and Hamilton Avenue. The City purchased this property for \$806,000 at a sheriff's sale (a price far below market value). Now that the City has control of this property, it can move quickly to demolish the dilapidated building and convert a blighted property into an attractive gateway.

Reported construction valuation in 2006 totaled \$9.86 million, less than half the \$21.26 million reported in 2005 and approximately \$13.6 million less than the construction valuations of 2003 and 2004. Of the \$9.86 million, \$8.3 million is attributed to commercial construction and \$1.6 million to residential construction. Only three new single family homes were constructed in 2006, considerably fewer than the 11 in 2005 and 12 in 2004. No multi-family dwelling units were begun in 2006.

Overall our outlook for the future is very good. The focus in 2007 on community revitalization should result in new opportunities for development that will bring additional jobs to the City as well as eliminating blighted properties.

### LONG-TERM FINANCIAL PLANNING

The general fund year end balance, while decreasing, remains in excess of 25 percent of total general fund revenues. Forest Park is undertaking a redevelopment program in 2007 and 2008 that includes general fund support. The City will strive to maintain the ideal percentage of carryover despite the additional demands on the general fund.

### CITY INCOME TAX

The 1% locally levied tax applies to gross salaries, wages and other personal service compensation earned by residents, both in and out of the City and upon earnings of non-residents earned in the City. It also applies to net income of business organizations derived from business activities conducted in the City.

The income tax revenues help fund operating expenses in the General Fund as well as provide debt service for the General Obligation Bonds.

Revenues from this tax are directly related to employment levels and the general economic conditions in the Cincinnati area. Revenues for the past three years as reported in the General Fund are as follows:

	<u>Revenues</u>
2006	\$6,140,728
2005	\$6,315,991
2004	\$6,264,576

## **CASH MANAGEMENT**

The City's cash management program addresses the issues of safety, liquidity and yield while maximizing return on idle cash. The City utilizes the StarOhio program investment pool operated by the Treasurer of the State of Ohio for ready cash; however, City ordinances limit investment in this program to \$100,000. Certificates of deposit, treasury notes, and government agency securities are also utilized for investment purposes.

During 2006, the City made investments pursuant to the investment policy that was enacted during 1996. It is City policy to conform to the regulations established in the Ohio Revised Code so as to ensure the safety of its deposits and investments.

## **RISK MANAGEMENT**

The City is exposed to a variety of accidental losses and has established a risk management strategy that attempts to minimize losses and carrying costs of insurance.

Risk control techniques have been established to reasonably assure that the City's employees are aware of their responsibilities regarding loss exposures related to their duties. Similarly, risk control techniques have been established to reduce possible losses to property owned or under the control of the City. Furthermore, supervisory personnel are held responsible for monitoring risk control techniques on an operational basis.

The primary techniques used for risk financing are the purchase of insurance policies from commercial insurers that include a large deductible amount. The use of a large deductible clause reduces the cost of insurance. However, if losses occur, the portion of the uninsured losses is not expected to be significant with respect to the financial position of the City.

## **CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING - 2005**

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 Forest Park for its comprehensive annual financial report for the fiscal year ended December 31, 2005. This was the sixteenth consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a governmental unit 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 our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

### ACKNOWLEDGEMENTS

Preparation of this report could not have been accomplished without the professional, efficient, and dedicated services of the entire staff of the Finance and Tax Department. Additional thanks is also due to the staff of the independent accounting firm of Plattenburg and Associates Inc., who worked the City staff toward the preparation and independent examination of these statements.

Finally, a special word of thanks is necessary to recognize the efforts of members of City Council and the City Administration – past and present – whose conservative fiscal management and solid decision-making are reflected in the sound financial position of the City. As a result of their hard work, under the GASB 34 reporting model format, this report presents information in an organized manner to provide greater insight regarding the City's finances.

We hope readers of this financial report will find the report beneficial in understanding the City's financial organization, financial position and condition, net assets, and results of operations.

Respectfully submitted,



Lois M. Reynolds  
Director of Finance

**CITY OF FOREST PARK, OHIO  
PUBLIC OFFICIALS**

**LEGISLATIVE**

**MAYOR**  
Jim Lawler

**COUNCIL MEMBERS**

Charles Johnson, 1<sup>st</sup> Vice Mayor  
Clara Pugh, 2<sup>nd</sup> Vice Mayor  
Wynndel Burns

Sheila J. Cottle  
Diana Herbe  
David Lives

**APPOINTED OFFICIALS**

City Manager  
Building Department Director  
Community Development Director  
Economic Development Director  
Finance Director  
Fire Chief  
Human Resources Director  
Police Chief  
Public Works/Stormwater Management Utility Director  
Recreation Director  
Litter Awareness Program Manager  
Clerk of Council  
Law Director

Ray H. Hodges  
Stanley Beeler  
Christopher Anderson  
Paul Brehm  
Lois Reynolds  
Patricia Brooks  
Tye Smith  
Phil Cannon  
David L. Buesking  
Kenisha Crum  
Wright H. Gwyn  
Kathryn Lives  
John Wykoff

**DEPARTMENT OF FINANCE**

Lois Reynolds	Director
Dan Burke	Deputy Director
Joy H. Vetere	Assistant to the Finance Director

**DIVISION OF ACCOUNTING**

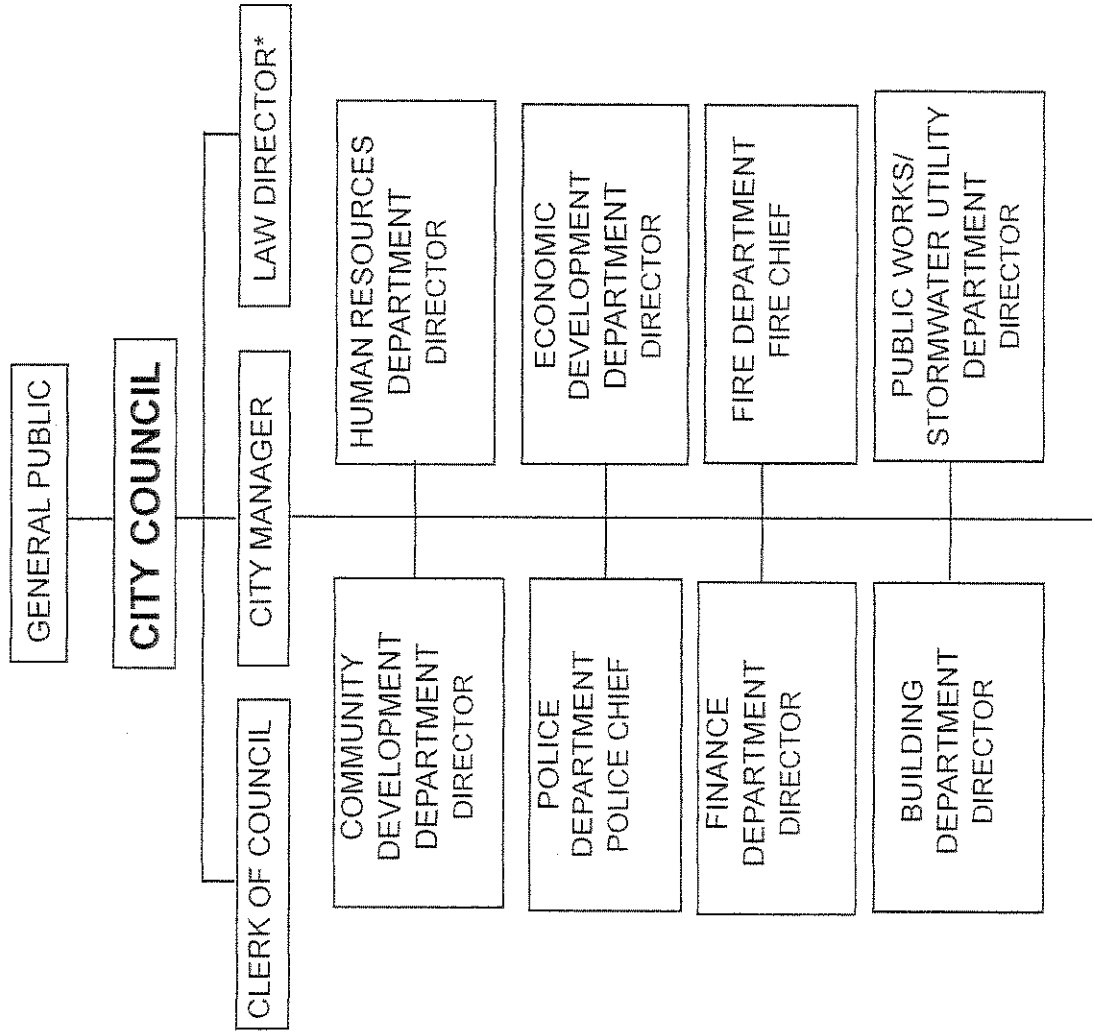
Eleanor Church	Mary Ellen Klenk	Katie Peterson
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**DIVISION OF INCOME TAX**

Katie English	Diane Mathews
Felecia McKie	Maria Scott



# CITY OF FOREST PARK, OHIO ORGANIZATIONAL CHART



\* Contractual Employee

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Forest Park  
Ohio

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 2005

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.



A handwritten signature in black ink, appearing to read "Ronald Platen".

President

A handwritten signature in black ink, appearing to read "Jeffrey R. Emer".

Executive Director

## FINANCIAL SECTION

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August 7, 2007

## REPORT OF INDEPENDENT ACCOUNTANTS

The Honorable Mayor and Members of the  
City Council of the City of Forest Park

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Forest Park, Ohio, (the City) as of and for the year ended December 31, 2006, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City, as of December 31, 2006, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in the Notes, the City has implemented Government Accounting Standards Board (GASB) Statement No. 44, *Economic Condition Reporting: The Statistical Section*; GASB Statement No. 46, *Net Assets Restricted by Enabling Legislation*; and GASB Statement No. 47, *Accounting for Termination Benefits* for the year ended December 31, 2006.

In accordance with *Government Auditing Standards*, we have also issued our report dated August 7, 2007, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis and budgetary comparison information listed in the table of contents, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Plattenburg & Associates, Inc.

Plattenburg & Associates, Inc.  
Certified Public Accountants

## **City of Forest Park**

### **Management's Discussion and Analysis For The Year Ended December 31, 2006 (Unaudited)**

#### **MANAGEMENT'S DISCUSSION AND ANALYSIS**

The City of Forest Park's discussion and analysis of the annual financial reports provides a review of the financial performance for the fiscal year ending December 31, 2006. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the transmittal letter, notes to the basic financial statements and financial statements to enhance their understanding of the City's performance.

#### **FINANCIAL HIGHLIGHTS**

Key financial highlights for 2006 are as follows:

- In total, net assets increased \$80,757.
- General revenues accounted for \$12,511,697 in revenue or 77% of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$3,760,725 or 23% of total revenues of \$16,272,422.
- The City had \$16,191,665 in expenses related to governmental activities; only \$3,760,725 of these expenses were offset by program specific charges for services, grants, or contributions. General revenues (primarily taxes) of \$12,511,697 provided for 77% of these programs.
- Among major funds, the general fund had \$8,813,688 in revenues and \$9,628,851 in expenditures. The general fund's fund balance declined \$1,977,512 to \$2,806,753.

#### **OVERVIEW OF THE FINANCIAL STATEMENTS**

This annual report consists of a series of financial statements. These statements are presented so that the reader can understand the City's financial situation as a whole and to give a detailed view of the City's fiscal condition.

The Statement of Net Assets and Statement of Activities provide information about the activities of the City as a whole and present a longer-term view of the City's finances. Major fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as the amount of funds available for future spending. The fund financial statements also look at the City's most significant funds with all other nonmajor funds presented in total in one column.

## **Government-wide Financial Statements**

The analysis of the City as a whole begins with the Government-wide Financial Statements. These reports provide information that will help the reader to determine if the City of Forest Park is financially better off or worse off as a result of the year's activities. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by private sector companies. All current year revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the City's net assets and changes to those assets. This change informs the reader whether the City's financial position, as a whole, has improved or diminished. In evaluating the overall financial health, the reader of these financial statements needs to take into account non-financial factors that also impact the City's financial well being. Some of these factors include the City's tax base and the condition of capital assets.

In the Government-wide Financial Statements, the overall financial position of the City is presented in the following manner:

- **Governmental Activities** - Most of the City's services are reported here including police, fire, rescue, street maintenance, parks and recreation, and general administration. Income taxes, property taxes, intergovernmental revenue, charges for services, and interest finance most of these activities.

## **Fund Financial Statements**

Information about the City's major funds is presented in the Fund Financial Statements (see table of contents). Fund financial statements provide detailed information about the City's major funds - not the City as a whole. Some funds are required by State law and bond covenants. Other funds may be established by the City, with approval of Council, to help control, manage and report money received for a particular purpose or to show that the City is meeting legal responsibilities for use of grants. The City's major funds are General and Fire Fund.

**Governmental Funds** - The City's services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps to determine whether there are more or less financial resources that can be spent in the near future on services provided to our residents. The relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds is reconciled in the financial statements.



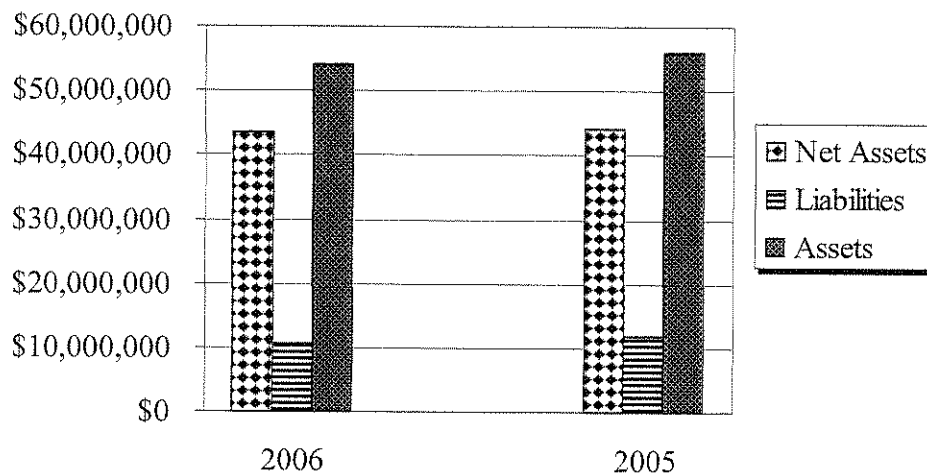
**Fiduciary Funds** - Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the City's own programs. All of the City's fiduciary activities are reported in a separate Statement of Fiduciary Net Assets.

**The City as a Whole**

As stated previously, the Statement of Net Assets looks at the City as a whole. Table 1 provides a summary of the City's net assets for 2006 compared to 2005.

**Table 1**  
Net Assets

	Governmental Activities	
	2006	2005 Restated
<b>Assets</b>		
Current Assets	\$16,920,316	\$18,401,665
Capital Assets, Net	37,363,141	37,216,071
<b>Total Assets</b>	<b>54,283,457</b>	<b>55,617,736</b>
<b>Liabilities</b>		
Long-Term Liabilities	4,243,903	4,932,396
Other Liabilities	6,265,278	6,991,821
<b>Total Liabilities</b>	<b>10,509,181</b>	<b>11,924,217</b>
<b>Net Assets</b>		
Invested in Capital		
Assets Net of Debt	32,778,184	31,877,075
Restricted	6,705,865	4,882,097
Unrestricted	4,290,227	6,934,347
<b>Total Net Assets</b>	<b>\$43,774,276</b>	<b>\$43,693,519</b>



Net assets of the City's governmental activities increased \$80,757. The City had an unrestricted net assets balance of \$4,290,227 that may be used to meet the government's ongoing obligations to citizens and creditors.

Current Assets decreased mainly due to a decrease in equity in pooled cash and investments. This decrease was due to the City paying down notes payable and long-term debt. Other liabilities decreased due to the City paying down notes payable.

Table 2 shows the changes in net assets for the year ended December 31, 2006 and revenue and expense comparisons to 2005.

**Table 2**  
Changes in Net Assets

	Governmental Activities	
	2006	2005 Restated
Program Revenues:		
Charges for Services	\$2,672,285	\$2,523,534
Operating Grants, Contributions	1,088,440	995,197
Total Program Revenues	3,760,725	3,518,731
General Revenue:		
Income Taxes	6,140,728	6,315,991
Property Taxes	4,685,273	3,783,041
Grants and Entitlements	1,141,460	835,181
Unrestricted Contributions	3,291	0
Investment Earnings	445,449	317,085
Refunds and Reimbursements	42,300	0
Other Revenues	53,196	6,648
Total General Revenues	12,511,697	11,257,946
Total Revenues	16,272,422	14,776,677
Program Expenses:		
General Government	3,114,377	1,951,871
Public Safety	7,894,413	7,860,645
Leisure Time Activities	450,221	448,758
Community Environment	1,017,798	958,658
Public Works and Streets	3,509,479	3,413,529
Public Health and Welfare	21,710	21,455
Interest and Fiscal Charges	183,667	210,269
Total Program Expenses	16,191,665	14,865,185
Change in Net Assets	80,757	(88,508)
Beginning Net Assets, Restated	43,693,519	43,782,027
Ending Net Assets	\$43,774,276	\$43,693,519

***Governmental Activities***

The City receives an income tax, which is based on 1% of all salaries, wages, commissions, and other compensation and on net profits earned from businesses and residents living within the City.

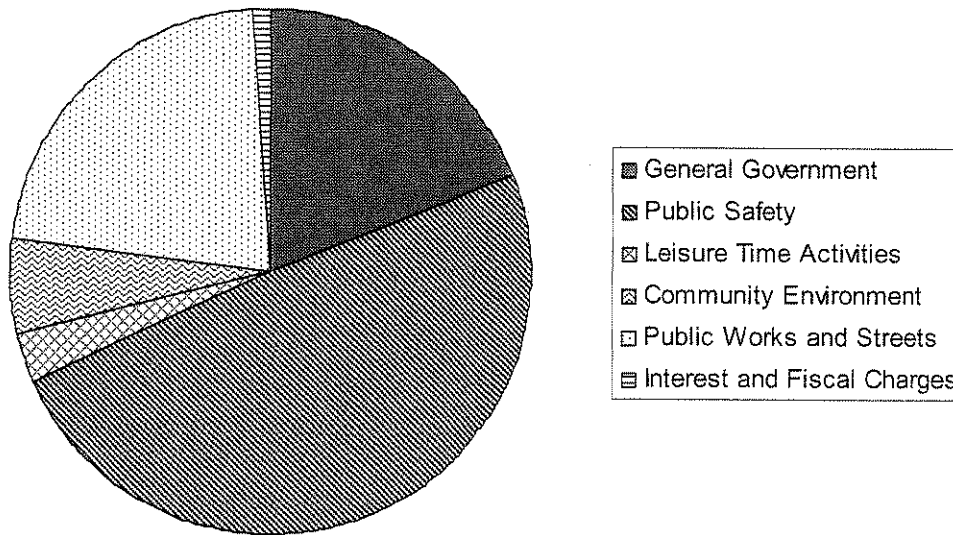
Property taxes and income taxes made up 28.8% and 37.7% respectively of revenues for governmental activities for the City during 2006. Property taxes increased due to increases in delinquents and the fire levy. The City's reliance upon tax revenues is demonstrated by the chart below indicating 66.5% of total revenues from municipal income and property taxes:

	<u>2006</u>	<u>Percent of Total</u>
Charges for Services	\$2,672,285	16.4%
Operating Grants and Contributions	1,088,440	6.6%
Municipal Income Taxes	6,140,728	37.7%
Property Taxes	4,685,273	28.8%
Grants and Entitlements not Restricted	1,141,460	7.0%
Investment Earnings	445,449	2.7%
Unrestricted Contributions	3,291	0.0%
Refunds and Reimbursements	42,300	0.3%
Other Revenues	<u>53,196</u>	<u>0.5%</u>
Total Revenues	<u>\$16,272,422</u>	<u>100.0%</u>

General Government includes legislative and administration expenses, including City Council, the City Manager's office, the Law Director, Finance, Human Resources, Building Maintenance, Fleet Maintenance, Public Works Administration and various non-department charges. General Government increased primarily due to the Cincinnati Mills TIF project.

Governmental activities program expenses for 2006 were as follows:

Program Expenses	Percent of Total
General Government	19%
Public Safety	49%
Leisure Time Activities	3%
Community Environment	6%
Public Works and Streets	22%
Interest and Fiscal Charges	1%
Total	<u>100%</u>



### The City's Funds

The City has two major governmental funds: the General Fund and Fire Fund. Assets of the general fund comprised \$6,345,674 (37%) and the fire fund comprised \$5,880,284 (34%) of the total \$17,110,354 governmental funds assets.

**General Fund:** Fund balance at December 31, 2006 was \$2,806,753 a decrease in fund balance of \$1,977,512 from 2005. The general fund balance decreased due to a transfer to the economic development fund for the purchase of the K-Mart property.

**Fire Fund:** Fund balance at December 31, 2006 was \$2,347,770 an increase in fund balance of \$640,262 from 2005. The fire fund had an excess of revenues over expenditures as in the prior year due to the fire tax levy.

### ***General Fund Budgeting Highlights***

The City's General Fund budget is formally adopted at the expenditure legal level of control for each fund (activity within a program within a fund). Financial reports, which compare actual performance with the budget, are prepared monthly and presented to the Council so the Council is able to review the financial status and measure the effectiveness of the budgetary controls.

As the City completed the year, its General Fund balance reported an actual fund balance of \$2,492,093, on a Non-GAAP Budgetary Basis.

Variations from the final budget amounts to the original amounts are primarily due to the following reasons: The City underestimated the public safety, general government and community environment expenditures for 2006.

### **Capital Assets and Debt Administration**

#### ***Capital Assets***

**Table 3**  
Capital Assets

	Governmental Activities	
	2006	2005 Restated
Land	\$11,681,758	\$10,807,784
Construction in Progress	0	2,237,203
Buildings and Improvements	7,158,581	5,782,666
Equipment	5,764,963	5,636,176
Infrastructure	32,307,313	31,443,518
Accumulated Depreciation	<u>(19,549,474)</u>	<u>(18,691,276)</u>
Total Net Capital Assets	<u>\$37,363,141</u>	<u>\$37,216,071</u>

Net capital assets remained relatively consistent from 2005 to 2006.

See Note 6 to the basic financial statements for further details on the City's capital assets.

**Debt**

At December 31, 2006, the City had \$3,669,292 in general obligation bonds and notes outstanding, \$364,646 due within one year. The following table summarizes the City's debt outstanding as of December 31, 2006 and 2005:

**Table 4**  
Outstanding Debt at Year End

	<u>2006</u>	<u>2005</u>
<b>Governmental Activities</b>		
General Obligation Bonds	\$3,630,000	\$4,325,000
Canfield Property Note	39,292	0
Public Works Issue II Loans	108,797	150,202
Total	<u>\$3,778,089</u>	<u>\$4,475,202</u>

The general obligation bonds and notes and the Public Works Issue II Loans will be paid with available revenue in the Street, Fire, Stormwater, Urban Renewal, Carillion Business Park TIF, Economic Development and the Debt Service Fund.

See Note 9 to the basic financial statements for further details on the City's long-term debt.

**CONTACTING THE CITY'S FINANCE DEPARTMENT**

This financial report is designed to provide our citizens, taxpayers, customers and investors, and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact the Director of Finance, City of Forest Park, 1201 West Kemper Road, Forest Park, Ohio 45240.

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City of Forest Park, Ohio  
Statement of Net Assets  
December 31, 2006

	<u>Governmental Activities</u>
Assets:	
Equity in Pooled Cash and Investments	\$10,027,669
Receivables:	
Taxes	5,679,513
Accounts	156,771
Intergovernmental	1,053,231
Deferred Bond Issuance Costs	3,132
Nondepreciable Capital Assets	11,681,758
Depreciable Capital Assets, Net	<u>25,681,383</u>
 Total Assets	 <u>54,283,457</u>
Liabilities:	
Accounts Payable	86,355
Accrued Wages and Benefits	785,669
Accrued Interest Payable	11,272
Unearned Revenue	3,777,300
Contracts Payable	794,682
Bond Anticipation Notes Payable	810,000
Long-Term Liabilities:	
Due Within One Year	443,387
Due In More Than One Year	<u>3,800,516</u>
 Total Liabilities	 <u>10,509,181</u>
Net Assets:	
Invested in Capital Assets, Net of Related Debt	32,778,184
Restricted for:	
Special Revenue	6,232,718
Debt Service	30,213
Capital Projects	442,934
Unrestricted	<u>4,290,227</u>
 Total Net Assets	 <u>\$43,774,276</u>

See accompanying notes to the basic financial statements.



City of Forest Park, Ohio  
Statement of Activities  
For the Fiscal Year Ended December 31, 2006

	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Assets
		Charges for Services and Sales	Operating Grants and Contributions	Governmental Activities
Governmental Activities:				
General Government	\$3,114,377	\$1,435,995	\$0	(\$1,678,382)
Public Safety	7,894,413	478,019	98,382	(7,318,012)
Leisure Time Activities	450,221	88,724	0	(361,497)
Community Environment	1,017,798	4,725	27,881	(985,192)
Public Works and Streets	3,509,479	664,822	962,177	(1,882,480)
Public Health and Welfare	21,710	0	0	(21,710)
Interest and Fiscal Charges	183,667	0	0	(183,667)
Total Governmental Activities	16,191,665	2,672,285	1,088,440	(12,430,940)

General Revenues:	
Income Taxes	6,140,728
Property Taxes Levied for:	
General Purposes	1,167,285
Special Revenue Purposes	3,517,988
Grants and Entitlements not Restricted to Specific Programs	1,141,460
Unrestricted Contributions	3,291
Investment Earnings	445,449
Refunds and Reimbursements	42,300
Other Revenues	53,196
Total General Revenues	12,511,697
Change in Net Assets	80,757
Net Assets Beginning of Year, Restated	43,693,519
Net Assets End of Year	\$43,774,276

See accompanying notes to the basic financial statements.

City of Forest Park, Ohio  
Balance Sheet  
Governmental Funds  
December 31, 2006

	General	Fire Fund	Other Governmental Funds	Total Governmental Funds
<b>Assets:</b>				
Equity in Pooled Cash and Investments	\$3,194,969	\$2,553,482	\$4,279,218	\$10,027,669
<b>Receivables:</b>				
Taxes	2,586,267	3,093,246	0	5,679,513
Accounts	16,518	125,288	14,965	156,771
Intergovernmental	547,920	108,268	397,043	1,053,231
Interfund	0	0	193,170	193,170
<b>Total Assets</b>	<b>6,345,674</b>	<b>5,880,284</b>	<b>4,884,396</b>	<b>17,110,354</b>
<b>Liabilities and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts Payable	81,217	2,720	2,418	86,355
Accrued Wages and Benefits	508,015	238,129	39,525	785,669
Compensated Absences	0	16,315	0	16,315
Interfund Payable	0	0	193,170	193,170
Deferred Revenue	2,139,689	3,275,350	282,683	5,697,722
Contracts Payable	0	0	794,682	794,682
Bond Anticipation Notes Payable	810,000	0	0	810,000
<b>Total Liabilities</b>	<b>3,538,921</b>	<b>3,532,514</b>	<b>1,312,478</b>	<b>8,383,913</b>
<b>Fund Balances:</b>				
Reserved for Encumbrances	678,423	164,297	782,556	1,625,276
<b>Unreserved, Undesignated, Reported in:</b>				
General Fund	2,128,330	0	0	2,128,330
Special Revenue Funds	0	2,183,473	2,304,943	4,488,416
Debt Service Funds	0	0	41,485	41,485
Capital Projects Funds	0	0	442,934	442,934
<b>Total Fund Balances</b>	<b>2,806,753</b>	<b>2,347,770</b>	<b>3,571,918</b>	<b>8,726,441</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$6,345,674</b>	<b>\$5,880,284</b>	<b>\$4,884,396</b>	<b>\$17,110,354</b>

See accompanying notes to the basic financial statements.

City of Forest Park, Ohio  
 Reconciliation of Total Governmental Fund Balance to  
 Net Assets of Governmental Activities  
 December 31, 2006

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Total Governmental Fund Balance		\$8,726,441
Amounts reported for governmental activities in the statement of net assets are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		37,363,141
Other long-term assets are not available to pay for current- period expenditures and therefore are deferred in the funds.		
Taxes	1,159,116	
Intergovernmental	660,468	
Other	<u>100,838</u>	
		1,920,422
In the statement of net assets interest payable is accrued when incurred, whereas in the governmental funds interest is reported as a liability only when it will require the use of current financial resources.		(11,272)
Some liabilities reported in the statement of net assets do not require the use of current financial resources and therefore are not reported as liabilities in governmental funds.		
Compensated Absences	<u>(449,499)</u>	(449,499)
Deferred bond issuance cost associated with long-term liabilities are not reported in the funds.		3,132
Long-term liabilities, are not due and payable in the current period and therefore are not reported in the funds.		<u>(3,778,089)</u>
Net Assets of Governmental Activities		<u>\$43,774,276</u>

See accompanying notes to the basic financial statements.

City of Forest Park, Ohio  
Statement of Revenues, Expenditures  
and Changes in Fund Balance  
Governmental Funds  
For the Fiscal Year Ended December 31, 2006

	General	Fire Fund	Other Governmental Funds	Total Governmental Funds
<b>Revenues:</b>				
Taxes	\$7,383,027	\$3,340,509	\$0	\$10,723,536
Fines, Licenses & Permits	312,313	376,908	16,860	706,081
Charges for Services	11,182	120,908	597,229	729,319
Investment Earnings	173,884	107,223	166,814	447,921
Intergovernmental	794,438	27,356	1,029,157	1,850,951
Special Assessments	15,648	0	1,136,475	1,152,123
Other Revenues	123,196	25,854	64,589	213,639
<b>Total Revenues</b>	<b>8,813,688</b>	<b>3,998,758</b>	<b>3,011,124</b>	<b>15,823,570</b>
<b>Expenditures:</b>				
<b>Current:</b>				
General Government	2,291,111	0	964,454	3,255,565
Public Safety	4,274,401	3,269,720	55,177	7,599,298
Leisure Time Activities	413,617	0	0	413,617
Community Environment	888,870	0	121,306	1,010,176
Public Works and Streets	1,699,850	0	938,711	2,638,561
Public Health and Welfare	21,710	0	0	21,710
Capital Outlay	39,292	98,663	1,158,458	1,296,413
<b>Debt Service:</b>				
Principal Retirement	0	10,384	726,021	736,405
Interest and Fiscal Charges	0	322	197,151	197,473
<b>Total Expenditures</b>	<b>9,628,851</b>	<b>3,379,089</b>	<b>4,161,278</b>	<b>17,169,218</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>(815,163)</b>	<b>619,669</b>	<b>(1,150,154)</b>	<b>(1,345,648)</b>
<b>Other Financing Sources (Uses):</b>				
Proceeds from Sale of Capital Assets	22,869	20,593	0	43,462
Issuance of Long-Term Capital-Related Debt	39,292	0	0	39,292
Transfers In	0	0	1,224,510	1,224,510
Transfers (Out)	(1,224,510)	0	0	(1,224,510)
<b>Total Other Financing Sources (Uses)</b>	<b>(1,162,349)</b>	<b>20,593</b>	<b>1,224,510</b>	<b>82,754</b>
<b>Net Change in Fund Balance</b>	<b>(1,977,512)</b>	<b>640,262</b>	<b>74,356</b>	<b>(1,262,894)</b>
<b>Fund Balance Beginning of Year</b>	<b>4,784,265</b>	<b>1,707,508</b>	<b>3,497,562</b>	<b>9,989,335</b>
<b>Fund Balance End of Year</b>	<b>\$2,806,753</b>	<b>\$2,347,770</b>	<b>\$3,571,918</b>	<b>\$8,726,441</b>

See accompanying notes to the basic financial statements.

City of Forest Park, Ohio  
 Reconciliation of the Statement of Revenues, Expenditures, and Changes  
 in Fund Balance of Governmental Funds to the Statement of Activities  
 For the Fiscal Year Ended December 31, 2006

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Net Change in Fund Balance - Total Governmental Funds (\$1,262,894)

Amounts reported for governmental activities in the  
 statement of activities are different because:

Governmental funds report capital asset additions as expenditures.  
 However, in the statement of activities, the cost of those assets is  
 allocated over their estimated useful lives as depreciation  
 expense. This is the amount of the difference between capital  
 asset additions and depreciation in the current period.

Capital assets used in governmental activities	1,464,850	
Depreciation Expense	<u>(1,245,203)</u>	219,647

Governmental funds only report the disposal of assets to the  
 extent proceeds are received from the sale. In the statement  
 of activities, a gain or loss is reported for each disposal. The  
 amount of the proceeds must be removed and the gain or loss  
 on the disposal of capital assets must be recognized. This is the  
 amount of the difference between the proceeds and the gain or loss. (72,577)

Revenues in the statement of activities that do not provide  
 current financial resources are not reported as revenues in  
 the funds.

Taxes	463,705	
Interest	(2,472)	
Intergovernmental	2,064	
Other	<u>14,670</u>	477,967

Repayment of bond principal is an expenditure in the  
 governmental funds, but the repayment reduces long-term  
 liabilities in the statement of net assets. 736,405

In the statement of activities interest expense is accrued when incurred,  
 whereas in governmental funds an interest expenditure is reported  
 when due. 16,937

Some expenses reported in the statement of activities do not require the  
 use of current financial resources and therefore are not reported as  
 expenditures in governmental funds.

Compensated Absences	7,695	
Deferred Bond Issuance Cost Amortization	<u>(3,131)</u>	4,564

Proceeds from debt issues are an other financing source in the funds,  
 but a debt issue increases long-term liabilities in the statement  
 of net assets. (39,292)

Change in Net Assets of Governmental Activities \$80,757

See accompanying notes to the basic financial statements.

City of Forest Park, Ohio  
Statement of Fiduciary Net Assets  
Fiduciary Funds  
December 31, 2006

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	<u>Agency</u>
Assets:	
Equity in Pooled Cash and Investments	\$817,130
Receivables:	
Franchise Fees Receivable	<u>143,662</u>
Total Assets	<u>\$960,792</u>
Liabilities:	
Accounts Payable	2,684
Due to Others	<u>958,108</u>
Total Liabilities	<u>\$960,792</u>

See accompanying notes to the basic financial statements.

## City of Forest Park

Notes to the Basic Financial Statements  
For The Year Ended December 31, 2006

### 1. DESCRIPTION OF THE CITY AND REPORTING ENTITY

The City traces its roots to the mid-1950's when the Federal Government encouraged development of a second greenbelt community in the Cincinnati area.

The City operates as a Home Rule City in accordance with Article XVIII of the Ohio Constitution under a City Manager-Council form of government. The City provides services as authorized by its charter.

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 the deficits of, or provide financial support to, the organization; or the City is obligated for the debt of the organizations. Component units may also include organizations for which the City authorizes the issuance of debt or the levying of taxes, or determines the budget. The City has no component units that meet the above criteria. However, the City is associated with a jointly governed organization. The Waycross Community Programming Board is discussed in Note 13 to the financial statements.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to local governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial principles. The City also applies Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or before November 30, 1989, to its governmental activities provided they do not conflict with or contradict GASB pronouncements. The most significant of the City's accounting policies are described below.

#### Measurement Focus

##### Government-Wide Financial Statements

The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the City are included on the Statement of Net Assets.

## Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

### **Basis of Presentation**

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

## Government-Wide Financial Statements

The statement of net assets and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds.

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

## Fund Financial Statements

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



## **Fund Accounting**

The City uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self balancing set of accounts. There are two categories of funds included in the City's CAFR: governmental and fiduciary.

### Governmental Funds

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

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

Fire Fund - This special revenue fund accounts for expenditures of property tax revenues and other resources in the operation of the City's Fire Department.

The other governmental funds of the City account for grants and other resources that are generally restricted to use for a particular purpose.

### Fiduciary Funds

Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: agency funds, pension trust funds, investment trust funds and private-purpose trust funds. The agency funds account for building permit fees collected on behalf of the State and performance bonds pledged by contractors as well as Mayor's court collections that are distributed to the state as well as bonds held for individuals. The Waycross Community Programming Board is also reported as an agency fund. The City's agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The City currently has no trust funds.

## **Basis of Accounting**

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Fiduciary funds also use the accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue and in the presentation of expenses versus expenditures.

### Revenues - Exchange and Non-exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the City, available means expected to be received within sixty days of year-end.

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

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

### Deferred Revenue

Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

Property taxes for which there is an enforceable legal claim as of the current year-end, but which were levied to finance future operations, have been recorded as deferred revenue. Special assessments not received within the available period and grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

On governmental fund financial statements, receivables that will not be collected within the available period have also been reported as deferred revenue.

### Unearned Revenue

Unearned revenue represents amounts under the accrual basis of accounting for which asset recognition criteria have been met, but for which revenue recognition criteria have not been met because such amounts have not yet been earned.

### Expenses/Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred.

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

### **Equity in Pooled Cash and Investments**

To improve cash management the City's cash and investments are pooled. Monies for all funds, except cash and investments held in segregated accounts, are maintained in this pool. Individual fund integrity is maintained through City records. Each fund's interest in the pool is presented as "Equity in Pooled Cash and Investments" on the balance sheet.

Investments are reported at fair value which is based on quoted market prices.

During the year, the City has invested funds in the State Treasury Asset Reserve of Ohio (STAROhio). STAROhio is an investment pool managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAROhio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAROhio are valued at STAROhio's share price which is the price the investment could be sold for at year-end.

Following the Charter and Codified Ordinances of the City as well as the Ohio Revised Code, the City has specified the funds to receive an allocation of interest earnings. Interest revenues during 2006 amounted to \$445,449. Interest revenue credited to the general fund amounted to \$173,884.

### **Capital Assets**

Capital assets, which include property, plant, and equipment are reported in the governmental activities column of the government-wide statement of net assets but are not reported in the fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated fixed assets are recorded at their fair market values as of the date received. The City maintains a capitalization threshold of \$5,000. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. Interest incurred during the construction of capital assets is also capitalized.

All reported capital assets are depreciated except for land and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	Governmental Activities <u>Estimated Lives</u>
Buildings and Improvements	20 to 50 years
Infrastructure	20 to 50 years
Vehicles, Machinery, and Equipment	5 to 20 years

### **Compensated Absences**

The City reports compensated absences in accordance with the provisions of GASB 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 includes the employees who are currently eligible to receive termination benefits and those that the City has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employee wage rates at year end taking into consideration any limits specified in the City's termination policy. The City records a liability for all accumulated unused vacation time when earned for all employees. The City records a liability for accumulated unused sick leave for all employees after twenty years of accumulated service or when otherwise eligible for retirement through a pension system.

The entire compensated absence liability is reported on the government-wide financial statements.

For governmental funds, a liability is recorded for compensated absences only if they have matured, for example, as a result of employee resignations and/or retirements.

### **Accrued Liabilities and Long-Term Obligations**

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements.

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

### **Fund Balance Reserves**

The City reserves those portions of fund balance which are legally segregated for a specific future use or which do not represent expendable resources and therefore are not available for appropriation or expenditure. As a result, encumbrances and debt service are recorded as a reservation of fund balance.

### **Net Assets**

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

The City applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available. Of the City's \$6,705,865 in restricted net assets, none were restricted by enabling legislation.

### **Interfund Activity**

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

### **Deferred Charges**

Bond issuance costs for the 2003 bond issue have been deferred and are being amortized over the life of the bonds using the straight-line method.

### **Estimates**

The preparation 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 may differ from those estimates.

## **3. EQUITY IN POOLED CASH AND INVESTMENTS**

Cash resources of several individual funds are combined to form a pool of cash and investments. Each fund type's portion of this pool is displayed on the combined balance sheet as "Equity in Pooled Cash and Investments."

State statute requires the classification of monies held by the City into three categories:

Active Monies - Those monies required to be kept in a "cash" or "near cash" status for immediate use by the City. Such monies must by law be maintained either as cash in the City treasury, in depository accounts payable or withdrawable on demand.

Inactive Monies – Those monies not required for use within the current two year period of designated depositories. Ohio law permits inactive monies to be deposited or invested as certificates of deposit maturing not later than the end of the current period of designated depositories, or as savings or deposit accounts, including, but not limited to passbook accounts.

Interim Monies – 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. Ohio law permits interim monies to be invested or deposited in the following securities:

- (1) Bonds, notes, or other obligations of or guaranteed by the United States, or those for which the faith of the United States is pledged for the payment of principal and interest.
- (2) Bonds, notes, debentures, or other obligations or securities issued by any federal governmental agency.
- (3) No-load money market mutual funds consisting exclusively of obligations described in (1) or (2) above and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions.
- (4) Interim deposits in the eligible institutions applying for interim monies to be evidenced by time certificates of deposit maturing not more than one year from date of deposit, or by savings or deposit accounts, including, but limited to, passbook accounts.
- (5) Bonds and other obligations of the State of Ohio.
- (6) The Ohio State Treasurer's investment pool (STAR Ohio).
- (7) Commercial paper and banker's acceptances which meet the requirements established by Ohio Revised Code, Sec. 135.142.
- (8) Under limited circumstances, corporate debt interests in either of the two highest rating classifications by at least two nationally recognized rating agencies.

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 moneys deposited with the institution.

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, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

### **Deposits**

Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City's policy for deposits is any balance not covered by depository insurance will be collateralized by the financial institutions with pledged securities. As of December 31, 2006, \$5,167,254 of the City's bank balance of \$5,367,254 was exposed to custodial risk because it was uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the City's name.

Ohio Revised Code Chapter 135, Uniform Depository Act, authorizes pledging of pooled securities in lieu of specific securities. Specifically, a designated public depository may pledge a single pool of eligible securities to secure repayment of all public monies deposited in the financial institution, provided that all times the total value of the securities so pledged is at least equal to 105% of the total amount of all public deposits secured by the pool, including the portion of such deposits covered by any federal deposit insurance.

### **Investments**

As of December 31, 2006, the City had the following investments:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Weighted Average Maturity</u>
Money Market Fund	\$9,090	0.00
STAROhio	95,181	0.00
Federal Home Loan Bank	1,462,179	0.77
Freddie Mac	1,068,845	0.89
Freddie Mac Discount Note	780,504	0.26
Fannie Mae	930,832	0.78
Fannie Mae Discount Note	321,167	0.19
Federal Farm Credit Bank	104,971	1.59
U. S. Treasury Notes	<u>735,395</u>	0.27
Total Fair Value	<u>\$5,508,164</u>	
Portfolio Weighted Average Maturity		0.62

Interest rate risk - In accordance with the investment policy, the City manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to two years, unless matched to a specified obligation or debt of the City.

Credit Risk - It is the City's policy to limit its investments that are not obligations of the U. S. Government or obligations explicitly guaranteed by the U. S. Government to investments which have the highest credit quality rating issued by nationally recognized statistical rating organizations. The City's investments in Agency Notes, Agency Discount Notes, and in Money Market Funds were rated AAA by Standard and Poor's and Fitch ratings and Aaa by Moody's Investors Service. The City's U. S. Treasury Notes and U. S. Treasury Bills held by the City are not rated. Investments in STAROhio were rated AAAM by Standard & Poors.

Concentration of credit risk - The City's investment policy allows investments in Federal Government Securities or Instrumentalities. The City has invested less than 1% in of the City's investments in Money Market Funds, 1.7% in StarOhio, 16.9% in Fannie Mae, 26.5% in Federal Home Loan Bank, 5.8% in Fannie Mae Discount Notes, 1.9% in Federal Farm Credit Bank, 14.2% in Freddie Mac Discount Notes, 19.4% in Freddie Mac, and 13.4% in U. S. Treasury Notes.

Custodial credit risk is the risk that in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. All of the City's securities are either insured and registered in the name of the City or a least registered in the name of the City.

#### **4. RECEIVABLES**

Receivables at year end, consisted primarily of municipal income taxes, property and other taxes, intergovernmental receivables arising from entitlements, shared revenues, special assessments, interfund receivables and accounts receivable.

No allowances for doubtful accounts have been recorded because uncollectible amounts are expected to be insignificant.

##### **Property Taxes**

Property taxes include amounts levied against all real, public utility, and tangible personal property located in the City. Property tax revenue received during 2006 for real and public utility property taxes represents collections of the 2005 taxes. Property tax payments received during 2006 for tangible personal property (other than public utility property) is for 2006 taxes.

The 2006 real property taxes are levied after October 1, 2006, on the assessed value as of January 1, 2006, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2006 real property taxes are collected in and intended to finance 2007 operations.



Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. The 2006 public utility property taxes became a lien December 31, 2005, are levied after October 1, 2006, and are collected in 2007 with real property taxes.

The 2006 tangible personal property taxes are levied after October 1, 2005, on the value as of December 31, 2005. Collections are made in 2006. Tangible personal property assessments are 25 percent of true value.

The tangible personal property tax will phase out over a four-year period starting with tax year 2006 and ending in 2009. This phase-out applies to most businesses and includes furniture and fixtures, machinery and equipment and inventory. New manufacturing machinery and equipment first reported on the 2006 and subsequent year returns is not subject to the personal property tax.

The assessed values of real and tangible personal property upon which current year property tax receipts were based are as follows:

Real Property	\$334,918,680
Public Utility	12,725,100
Tangible Personal Property	<u>35,853,050</u>
Total Valuation	<u>\$383,496,830</u>

Real property taxes are payable annually or semi-annually. The first payment is due January 20 with the remainder payable by June 20.

Tangible personal property taxes 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.

The County Treasurer collects property taxes on behalf of all taxing districts in the county, including the City. The County Auditor periodically remits to the City its portion of the taxes collected. Accrued property taxes receivable represent real and tangible personal property taxes, public utility taxes and outstanding delinquencies which are measurable as of year end for which there is an enforceable legal claim. Although total property tax collections for the next year are measurable, amounts to be received during the available period are not subject to reasonable estimation at year end, nor were they levied to finance current year operations. The receivable is therefore offset by deferred revenue.

### **Income Taxes**

Income taxes are imposed at the rate of one percent (1%) per annum on salaries, wages, commissions, other compensation, and net profits. When a resident of the City is subject to a municipal income tax in another municipality, township, or county; the resident receives a credit not to exceed one-half of one percent (1/2%) against the tax imposed on the earnings taxed by such a municipality, township, or county.

Each taxpayer is required to file a return on or before April 15th of each year for the prior year. When the return is filed for a fiscal year or other period different from a calendar year, the return shall be filed within four months from the end of such fiscal year or period.

## 5. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City carries commercial general liability insurance against these risks and all other risks of loss, including workers' compensation and employee health and accident insurance.

There have been no significant reductions in insurance coverage from that of prior years and settlements have not exceeded insurance coverage for any of the past three fiscal years.

## 6. CAPITAL ASSETS

Capital asset activity for the current year end was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
<b>Governmental Activities</b>				
<i>Capital Assets, not being depreciated:</i>				
Land	\$10,807,784	\$873,974	\$0	\$11,681,758
Construction in Progress	2,237,203	0	2,237,203	0
Total Capital Assets, not being depreciated	<u>13,044,987</u>	<u>873,974</u>	<u>2,237,203</u>	<u>11,681,758</u>
<i>Capital Assets, being depreciated:</i>				
Buildings and Improvements	5,782,666	1,375,915	0	7,158,581
Equipment	5,636,176	588,369	459,582	5,764,963
Infrastructure	31,443,518	863,795	0	32,307,313
Totals at Historical Cost	<u>55,907,347</u>	<u>3,702,053</u>	<u>2,696,785</u>	<u>56,912,615</u>
Less Accumulated Depreciation:				
Buildings and Improvements	2,161,217	134,718	0	2,295,935
Equipment	2,522,923	403,214	387,005	2,539,132
Infrastructure	14,007,136	707,271	0	14,714,407
Total Accumulated Depreciation	<u>\$18,691,276</u>	<u>\$1,245,203</u>	<u>\$387,005</u>	<u>\$19,549,474</u>
Governmental Activities Capital Assets, Net	<u>\$37,216,071</u>	<u>\$2,456,850</u>	<u>\$2,309,780</u>	<u>\$37,363,141</u>

Depreciation expense was charged to governmental functions as follows:

General Government	\$29,013
Public Safety	300,433
Leisure Time	36,724
Community Development	7,622
Public Works and Streets	871,411
Total Depreciation Expense	<u>\$1,245,203</u>

The City has included all major general infrastructure assets at December 31, 2006 except the bulkhead portion of the storm-water system.

## 7. COMPENSATED ABSENCES

### Accumulated Unpaid Vacation

City employees earn vacation leave at varying rates based upon length of service. All employees may accrue a maximum of 25 days. Vacation days may not be carried over from year to the next without the approval of the City Manager. In the event of a termination of employment, death, or retirement, employees (or their estates) are paid for unused vacation leave.

### Accumulated Unpaid Sick Leave

City employees earn sick leave at the rate of 10 hours per complete month of service (12 hours for Fire union employees). A maximum of 1,800 hours may be carried from one year to the next. Any hours over 1,800 accrued and not taken may be paid or used on a one for three basis by the end of the year. In the case of death or retirement, employees (or the employees' estates) are paid for one half of their accumulated leave with 900 hours being the maximum amount paid.

### Accumulated Unpaid Compensatory Time

From time to time, employees may need, with prior approval from their supervisors, to work overtime. These overtime hours will usually be paid at the appropriate overtime rate; however, with permission of the supervisor, an employee may have the option of taking the overtime in compensatory time at one and one half times the amount of hours worked.

## 8. NOTES PAYABLE

A summary of the note transactions for the current year end are as follows:

		Beginning Balance	Additions	Deletions	Ending Balance
Bond Anticipation Notes:					
<b>Governmental Activities:</b>					
Wright Farm East Dentation Basin	4.00%	\$1,250,000	\$0	(\$1,250,000)	\$0
K-Mart Property	4.25%	0	810,000	0	810,000
Total Governmental Activities		<u>\$1,250,000</u>	<u>\$810,000</u>	<u>(\$1,250,000)</u>	<u>\$810,000</u>

All of the notes are bond anticipation notes, are backed by the full faith and credit of the City, and mature within one year. The note liability is reflected in the fund which received the proceeds.

## 9. LONG-TERM DEBT

A schedule of changes in bonds and other long-term obligations of the City during the current year, follows:

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
<b>Governmental Activities</b>					
<u>Unvoted General Obligation Bonds and Notes</u>					
3.25%-4.60% Various Purpose	\$4,290,000	\$0	(\$660,000)	\$3,630,000	\$345,000
6.00% Canfield Property	0	39,292	0	39,292	19,646
3.20% Salt Storage Building	35,000	0	(35,000)	0	0
<u>Public Works Issue 2 Loans</u>					
0.00% Northland Detention Basin	50,785	0	(7,813)	42,972	7,813
3.00% Dewdrop Circle Project	31,969	0	(12,503)	19,466	12,880
3.00% Reliance Road Culvert Project	21,827	0	(8,536)	13,291	8,794
3.00% West Kemper Road Project	45,621	0	(12,553)	\$33,068	12,932
Total Long-Term Debt	4,475,202	39,292	(736,405)	3,778,089	407,065
Compensated Absences	457,194	44,637	(36,017)	465,814	36,322
Total Governmental Activities	\$4,932,396	\$83,929	(\$772,422)	\$4,243,903	\$443,387

The funds which will be used to pay the Compensated absences are as follows: General Fund, Street Fund, Fire Fund, Stormwater Fund, Environmental Grants Fund, and Health Care Reserve Fund.

Principal and interest requirements to retire the City's long-term obligations outstanding at year-end are as follows:

Year Ending December 31	General		OPWC Loan		Total
	Obligation Bonds and Notes		Principal	Interest	
	Principal	Interest			
2007	\$364,646	\$147,883	\$42,420	\$1,717	\$556,666
2008	374,646	136,153	32,218	671	543,688
2009	375,000	123,373	14,625	102	513,100
2010	390,000	109,310	7,814	0	507,124
2011	200,000	94,296	11,720	0	306,016
2012-2016	1,150,000	339,695	0	0	1,489,695
2017-2019	815,000	75,330	0	0	890,330
Total	\$3,669,292	\$1,026,040	\$108,797	\$2,490	\$4,806,619

The City is subject to certain constitutional and statutory general obligation debt limitations. As of December 31, 2006, the City has not exceeded the debt limitations.

## 10. INDUSTRIAL AND ECONOMIC DEVELOPMENT REVENUE BONDS

The City issues industrial and economic development revenue bonds. These bonds are not a liability, nor are the proceeds of the issues assets of the City and, accordingly, they are not reflected on the City's financial records. The City does not guarantee this debt nor is it backed by the full faith and credit of the City. Debt service on these issues is payable solely from the revenues of the Company and/or individual for whom the debt was issued.

As of December 31, 2006, there were three series of Industrial Revenue Bonds outstanding. The aggregate principal amount payable for the three series issued prior to December 31, 1996, could not be determined; however, their original issue amounts totaled \$6,870,000.

## **11. PENSION PLANS**

### **Ohio Public Employees Retirement System**

All full-time employees, other than full-time police officers and firefighters, participate in the Ohio Public Employees Retirement System (OPERS), a cost-sharing multiple-employer public employee retirement system administered by the Ohio Public Employees Retirement Board. OPERS 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. OPERS issues a stand-alone financial report which may be obtained by writing to the OPERS, 277 East Town Street, Columbus, Ohio 43215-4642.

Members have a choice of three separate pension plans, a Traditional Pension Plan (TP), a Member-Directed Plan (MD) and a Combined Plan (CO). The TP Plan is a cost-sharing multiple-employer defined benefit pension plan. The MD Plan is a defined contribution plan, which invests both member and employer contributions (employer contributions vest over five years at 20 percent per year). Under the MD Plan members accumulate retirement assets equal to the value of member and (vested) employer contributions plus any investment earnings thereon. The CO Plan is a cost-sharing multiple-employer defined benefit pension plan. Under the CO Plan employer contributions are invested by the retirement system to provide a formula retirement benefit similar in nature to the TP Plan benefit. Member contributions, the investment of which is self-directed by the members, accumulate retirement assets in a manner similar to the MD Plan.

OPERS provides retirement, disability, survivor and death benefits and annual cost of living adjustment to members of the TP and CO Plans. Members of the MD Plan do not qualify for the ancillary benefits.

Plan members are required to contribute 9.0 percent of their annual covered salary to fund pension obligations. The employer pension contribution rate for the City is 13.70 percent of covered payroll. 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, 2006, 2005 and 2004 were \$469,211, \$445,451, and \$425,337, respectively. The full amount has been contributed for 2005 and 2004 and 88% has been contributed for 2006.

### **Ohio Police and Fire Pension Fund**

The City contributes to the Ohio Police and Fire Pension Fund (OP&F), a cost-sharing multiple employer public employee retirement system administered by the OP&F's Board of Trustees. OP&F provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by the Ohio State Legislature and by Chapter 742 of the Ohio Revised Code. OP&F issues a publicly available financial report that includes financial information and required supplementary information. That report may be obtained by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215 - 5164.

Police and firefighters are required to contribute 10 percent of their annual covered salary to fund pension obligations and the City is required to contribute 19.5 percent for police and 24.0 percent for firefighters. Contributions are authorized by State statute. The City's contributions to the OP&F for the years ending December 31, 2006, 2005 and 2004 were \$828,148, \$754,214, and \$715,202, respectively. The full amount has been contributed for 2005 and 2004 and 73% has been contributed for 2006.

## **12. POST EMPLOYMENT BENEFITS**

### **Ohio Public Employees Retirement System**

The Ohio Public Employees Retirement System (OPERS) provides postretirement health care coverage to age and service retirees with ten or more years of qualifying Ohio service credit. Health care coverage for disability recipients and primary survivor recipients is available. The health care coverage provided by the retirement system is considered an Other Postemployment Benefit as described in GASB Statement No. 12. A portion of each employer's contribution to OPERS is set aside for the funding of postretirement health care based on authority granted by State statute. The current year employer contribution rate was 13.70 percent of covered payroll; 4.50 percent was the portion that was used to fund health care.

Benefits are advance-funded using the entry age normal cost method. Significant actuarial assumptions, based on OPERS's latest actuarial review performed as of December 31, 2005, include a rate of return on investments of 6.50 percent, an annual increase in active employee total payroll of 4.00 percent compounded annually (assuming no change in the number of active employees) and an additional increase in total payroll of between .50 percent and 6.30 percent based on additional annual pay increases. Health care premiums were assumed to increase at the projected wage inflation rates plus an additional factor ranging from .50 percent to 6 percent for the next 9 years. In subsequent years (10 and beyond) health care costs were assumed to increase at 4 percent (the projected wage inflation rate).

All investments are carried at market. For actuarial valuation purposes, a smoothed market approach is used. Assets are adjusted to reflect 25 percent of unrealized market appreciation or depreciation on investment assets.

At year end 2006, the number of active contributing participants in the Traditional and Combined Plans totaled 369,214. The City's actual contributions for the current year, which were used to fund postemployment benefits were \$108,428. The actual contribution and the actuarially required contribution amounts are the same. OPERS's net assets available for payment of benefits at December 31, 2005, (the latest information available) were \$11.1 billion. The actuarially accrued liability and the unfunded actuarial accrued liability were \$31.3 billion and \$20.2 billion, respectively.

The Health Care Preservation Plan (HCPP) adopted by the OPERS Retirement Board on September 9, 2004, will be effective January 1, 2007. In addition to the HCPP, OPERS has taken additional action to improve the solvency of the Health Care Fund in 2005 by creating a separate investment pool for health care assets. As an additional component of the HCPP, member and employer contribution rates increased as of January 1, 2006, which will allow additional funds to be allocated to the health care plan.

Under the HCPP, retirees eligible for health care coverage will receive a graded monthly allocation based on their years of service at retirement. The Plan incorporates a cafeteria approach, offering a broad range of health care options that allow benefit recipients to use their monthly allocation to purchase health care coverage customized to meet their individual needs. If the monthly allocation exceeds the cost of the options selected, the excess is deposited into a Retiree Medical Account that can be used to fund future health care expenses.

### **Ohio Police and Fire Pension Fund**

The Ohio Police and Fire Pension Fund (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 school full-time or on a 2/3 basis.

The health care coverage provided by the retirement system is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 12. The Ohio Revised Code provides the authority allowing the Ohio Police and Fire Pension Fund's board of trustees to provide health care coverage and states that health care costs paid from the Ohio Police and Fire 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 7.75 percent of covered payroll was applied to the postemployment health care program during the current year. 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. Beginning in 2001, all retirees and survivors have monthly healthcare contributions.

The City's actual contributions for the current year that were used to fund postemployment benefits were \$261,403 for police and \$123,039 for fire. The OP&F's total health care expenses for the year ended December 31, 2005, (the latest information available) were \$108,039,449, which was net of member contributions of \$55,271,881. The number of OP&F participants eligible to receive health care benefits as of December 31, 2005, was 13,922 for police and 10,537 for firefighters.

**13. JOINTLY GOVERNED ORGANIZATION**

The Waycross Community Programming Board is a jointly governed organization among the City of Forest Park, Village of Greenhills and Springfield Township that was formed during 1982. The jointly governed organization was formed for the purpose of providing community programming and cable regulatory services for their citizens. The Board of Directors is comprised of a chairman and fifteen individuals drawn from local residents of the three communities. Each community has five members on the Board (the chairman is not a resident of any of the communities). The degree of control exercised by any participating city or township is limited to its representation by their citizens. Elected officials of the three communities appoint individuals to serve on the Community Programming Board of Directors. The Board of Directors responsibilities include establishment and review of programming policies, resolution of policy disputes and questions of equal treatment for access users, fiscal controls and the creation and promotion of the media center and Community Access channels. In addition the Community Programming Board coordinates regulatory efforts for member communities and provides expertise on other matters regarding the local cable system(s) and other forms of electronic communications.

The Community Programming Board is not locked into services for these three entities alone. Communities may leave the joint effort or other communities could join.

The Communities involved have directed Time Warner Cable to pay the Community Programming Board for the use of the streets and other facilities in the operation of the Cable Television System during the life of the franchise a sum equal to five percent of the Gross Revenues for each and every quarter year of the franchise term.

It should be noted that the franchise costs are paid directly by those who subscribe to the cable service. The fees are collected by Time Warner Cable and they have been directed by the participating communities to pay the franchise fees (which would otherwise go to the participating communities) to the Community Programming Board.

The City serves as the fiscal agent for the Community Programming Board. Their financial statements are presented within the City's Agency Funds.

**14. INTERFUND TRANSACTIONS**

Individual fund at year end, consisted of the following individual interfund receivables, interfund payables, transfers in and transfers out:

	Interfund		Transfers	
	<u>Receivable</u>	<u>Payable</u>	<u>In</u>	<u>Out</u>
General Fund	\$0	\$0	\$0	\$1,224,510
Other Governmental Funds	<u>193,170</u>	<u>193,170</u>	<u>1,224,510</u>	<u>0</u>
Total All Funds	<u>\$193,170</u>	<u>\$193,170</u>	<u>\$1,224,510</u>	<u>\$1,224,510</u>



Interfund balance/transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budget authorizations; to segregate and to return money to the fund from which it was originally provided once a project is completed.

## **15. SPECIAL OBLIGATION DEVELOPMENT REVENUE BONDS**

During 2004 the City entered into an agreement with Cincinnati Mills L.L.C., the Port of Greater Cincinnati Development Authority, the City of Fairfield, the Winton Woods City School District, the Northwest Local School District, and the Fairfield City School District. The agreement provides for a Tax Increment Financing (TIF) project for the Cincinnati Mills Mall located in both the City of Forest Park and the City of Fairfield. The proceeds will be used for Public Parking and Infrastructure improvements on the Cincinnati Mills site. The agreement is for thirty years and bonds were issued in the name of the Port of Greater Cincinnati Development Authority in the amount of \$18,000,000. Debt service for the issue will be from the TIF as well as a Special Assessment District which includes the areas benefiting from the improvements. These bonds are not a liability, nor are the proceeds of the issues assets of the City and, accordingly, they are not reflected on the City's financial records.

## **16. CONTINGENT LIABILITIES**

### **Litigation**

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

### **Federal and State Grants**

The City participates in several federally assisted programs. These programs are subject to financial and compliance audits by the grantor or their representative. As of December 31, 2006, the audits of certain of these programs have not been completed. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. Based on prior experience, the City believes such disallowance, if any, would be immaterial.

## **17. CHANGE IN ACCOUNTING PRINCIPLE**

For the year ended December 31, 2006, the District has implemented GASB Statement No. 44, "Economic Condition Reporting: The Statistical Section"; GASB Statement No. 46, "Net Assets Restricted by Enabling Legislation" and GASB Statement No. 47, "Accounting for Termination Benefits".

Statement No. 44 establishes the objectives of the statistical section and provides guidance on the preparation of the statistical section.

Statement No. 46 establishes that any amount of the primary government's net assets at the end of the reporting period restricted by enabling legislation should be disclosed in the notes to the financial statements.

Statement No. 47 provides guidance to governmental employers for measuring, recognizing, and reporting liabilities and expenses/expenditures related to all termination benefits without limitation as to the period of time during which the benefits are offered.

There was no effect on fund balance/net assets as a result of the implementation of these new standards.

## 18. PRIOR PERIOD ADJUSTMENT

The beginning net asset balance of Governmental Activities has been adjusted since the City began retroactively reporting all major general infrastructure assets during the year except the bulkhead portion of the storm-water system and to correct an overstatement in previously reported taxes receivable.

	<u>Governmental Activities</u>
December 31, 2005	
Net Assets, as previously stated	\$24,394,098
Adjustment for retroactive reporting of infrastructure assets	19,733,737
Adjustment to income taxes receivable	<u>(434,316)</u>
December 31, 2005	
Net Assets, as restated	<u>\$43,693,519</u>

**REQUIRED  
SUPPLEMENTARY  
INFORMATION**

City of Forest Park  
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2006

	General Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
<b>Revenues:</b>				
Taxes	\$7,936,100	\$7,806,768	\$7,549,171	(\$257,597)
Fines, Licenses & Permits	339,500	319,626	309,079	(10,547)
Intergovernmental	677,550	684,897	662,298	(22,599)
Special Assessments	10,000	16,182	15,648	(534)
Charges for Services	10,000	11,564	11,182	(382)
Investment Earnings	90,000	205,404	198,626	(6,778)
Other Revenues	158,000	146,179	141,356	(4,823)
<b>Total Revenues</b>	<b>9,221,150</b>	<b>9,190,620</b>	<b>8,887,360</b>	<b>(303,260)</b>
<b>Expenditures:</b>				
<b>Current:</b>				
<u>General Government</u>				
City Council:				
Personal Services	121,100	121,401	119,211	2,190
Contractual Services	90,836	90,536	74,542	15,994
Supplies and Materials	2,063	2,063	921	1,142
Total City Council	213,999	214,000	194,674	19,326
Mayor's Court:				
Personal Services	142,927	145,927	145,912	15
Contractual Services	59,706	64,706	63,789	917
Supplies and Materials	2,200	2,200	1,536	664
Capital Outlay	1,000	1,168	1,066	102
Total Mayor's Court	205,833	214,001	212,303	1,698
City Manager:				
Personal Services	367,322	366,322	358,981	7,341
Contractual Services	50,322	60,323	59,981	342
Supplies and Materials	5,720	5,720	3,636	2,084
Capital Outlay	2,209	2,209	1,033	1,176
Total City Manager	425,573	434,574	423,631	10,943
Finance/Tax:				
Personal Services	878,874	823,220	734,276	88,944
Contractual Services	93,016	116,016	111,033	4,983
Supplies and Materials	11,986	15,486	13,248	2,238
Capital Outlay	2,000	14,000	13,935	65
Total Finance/Tax	985,876	968,722	872,492	96,230
Human Resources:				
Personal Services	123,750	123,750	117,662	6,088
Contractual Services	40,579	43,579	43,406	173
Supplies and Materials	905	905	321	584
Total Human Resources	165,234	168,234	161,389	6,845
Elections:				
Contractual Services	12,500	12,500	11,600	900
Total Elections	12,500	12,500	11,600	900
Information Services:				
Personal Services	96,884	96,884	94,790	2,094
Contractual Services	97,245	97,245	85,175	12,070
Supplies and Materials	2,400	2,400	767	1,633
Capital Outlay	131,222	131,222	60,780	70,442
Total information Services	327,751	327,751	241,512	86,239

Continued

City of Forest Park  
Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance  
Budget and Actual (Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended December 31, 2006

	General Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Other:				
Personal Services	57,900	57,900	57,838	62
Contractual Services	230,387	315,787	307,078	8,709
Contingencies	100,000	40,000	0	40,000
Total Other	388,287	413,687	364,916	48,771
Total General Government	2,725,053	2,753,469	2,482,517	270,952
<u>Public Safety</u>				
Police Department:				
Personal Services	3,827,496	3,800,643	3,634,481	166,162
Contractual Services	380,139	557,471	512,412	45,059
Supplies and Materials	91,585	95,909	95,877	32
Capital Outlay	295,747	295,747	278,623	17,124
Total Police Department	4,594,967	4,749,770	4,521,393	228,377
Building Department:				
Personal Services	305,988	304,988	283,566	21,422
Contractual Services	44,614	44,274	37,476	6,798
Supplies and Materials	5,997	5,997	5,318	679
Capital Outlay	400	740	306	434
Total Building Department	356,999	355,999	326,666	29,333
Fire Hydrants				
Contractual Services	0	15,436	11,000	4,436
Supplies and Materials	0	2,500	0	2,500
Total Fire Hydrants	0	17,936	11,000	6,936
Total Public Safety	4,951,966	5,123,705	4,859,059	264,646
<u>Leisure Time Activities</u>				
Activity & Senior Centers:				
Contractual Services	67,058	74,558	70,541	4,017
Supplies and Materials	2,222	2,722	2,187	535
Capital Outlay	900	900	743	157
Total Activity & Senior Centers	70,180	78,180	73,471	4,709
Recreation:				
Personal Services	113,051	113,050	108,235	4,815
Contractual Services	86,291	75,291	57,110	18,181
Supplies and Materials	9,586	9,586	4,353	5,233
Total Recreation	208,928	197,927	169,698	28,229
Park Maintenance:				
Personal Services	138,746	137,746	134,494	3,252
Contractual Services	60,439	60,439	59,080	1,359
Supplies and Materials	14,425	16,425	15,830	595
Capital Outlay	9,854	9,854	8,102	1,752
Total Park Maintenance	223,464	224,464	217,506	6,958
Total Leisure Time Activities	502,572	500,571	460,675	39,896
<u>Community Environment</u>				
Economic Development Department:				
Personal Services	119,454	119,454	116,952	2,502
Contractual Services	15,815	15,815	9,999	5,816
Supplies and Materials	1,050	1,050	599	451
Total Economic Development Department	136,319	136,319	127,550	8,769
Economic Development Commission:				
Contractual Services	20,290	20,290	16,037	4,253
Supplies and Materials	330	330	0	330
Total Economic Development Commission	20,620	20,620	16,037	4,583

Continued

City of Forest Park  
Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance  
Budget and Actual (Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended December 31, 2006

	General Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
<b>Community Development Department:</b>				
Personal Services	532,484	518,223	481,617	36,606
Contractual Services	31,765	53,727	53,077	650
Supplies and Materials	4,920	5,220	5,155	65
Capital Outlay	25,000	25,000	23,082	1,918
<b>Total Community Development Department</b>	<b>594,169</b>	<b>602,170</b>	<b>562,931</b>	<b>39,239</b>
<b>Beautification:</b>				
Personal Services	5,958	5,958	4,052	1,906
Contractual Services	142,135	139,735	79,832	59,903
Supplies and Materials	1,890	1,890	860	1,030
Capital Outlay	38,200	38,200	26,174	12,026
<b>Total Beautification</b>	<b>188,183</b>	<b>185,783</b>	<b>110,918</b>	<b>74,865</b>
<b>Community Services:</b>				
Contractual Services	90,634	114,174	96,662	17,512
Supplies and Materials	5,550	5,550	5,067	483
Capital Outlay	51,075	51,075	41,852	9,223
<b>Total Community Services</b>	<b>147,259</b>	<b>170,799</b>	<b>143,581</b>	<b>27,218</b>
<b>Total Community Environment</b>	<b>1,086,550</b>	<b>1,115,691</b>	<b>961,017</b>	<b>154,674</b>
<b>Public Works and Streets</b>				
<b>Equipment Maintenance:</b>				
Personal Services	205,242	202,242	194,919	7,323
Contractual Services	20,765	27,765	15,926	11,839
Supplies and Materials	190,617	206,697	204,269	2,428
Capital Outlay	3,700	4,620	4,367	253
<b>Total Equipment Maintenance</b>	<b>420,324</b>	<b>441,324</b>	<b>419,481</b>	<b>21,843</b>
<b>Public Works:</b>				
Personal Services	446,336	460,336	454,473	5,863
Contractual Services	503,496	488,060	474,127	13,933
Supplies and Materials	4,530	2,030	1,508	522
<b>Total Public Works</b>	<b>954,362</b>	<b>950,426</b>	<b>930,108</b>	<b>20,318</b>
<b>Engineering:</b>				
Personal Services	42,666	42,666	40,559	2,107
Contractual Services	80,678	32,678	22,030	10,648
Supplies and Materials	600	600	129	471
<b>Total Engineering</b>	<b>123,944</b>	<b>75,944</b>	<b>62,718</b>	<b>13,226</b>

Continued

City of Forest Park  
Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance  
Budget and Actual (Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended December 31, 2006

	General Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Street Lighting:				
Contractual Services	89,603	94,373	93,786	587
Capital Outlay	5,000	7,230	7,230	0
Total Street Lighting	94,603	101,603	101,016	587
Municipal Building and Grounds:				
Personal Services	46,667	46,667	45,214	1,453
Contractual Services	294,977	272,977	215,362	57,615
Supplies and Materials	12,220	17,220	14,822	2,398
Capital Outlay	251,704	251,704	96,457	155,247
Total Municipal Building and Grounds	605,568	588,568	371,855	216,713
Total Public Works and Streets	2,198,801	2,157,865	1,885,178	272,687
<u>Public Health and Welfare</u>				
Health Services:				
Contractual Services	21,715	21,715	21,710	5
Total Health Services	21,715	21,715	21,710	5
Total Public Health and Welfare	21,715	21,715	21,710	5
Total Expenditures	11,486,657	11,673,016	10,670,156	1,002,860
Excess of Revenues Over (Under) Expenditures	(2,265,507)	(2,482,396)	(1,782,796)	699,600
Other financing sources (uses):				
Proceeds from Sale of Capital Assets	15,000	23,649	22,869	(780)
Debt Proceeds	0	840,387	812,657	(27,730)
Transfers (Out)	(411,860)	(1,238,696)	(1,224,509)	14,187
Total Other Financing Sources (Uses)	(396,860)	(374,660)	(388,983)	(14,323)
Net Change in Fund Balance	(2,662,367)	(2,857,056)	(2,171,779)	685,277
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	4,663,872	4,663,872	4,663,872	0
Fund Balance End of Year	\$2,001,505	\$1,806,816	\$2,492,093	\$685,277

See accompanying notes to the required supplementary information.

City of Forest Park  
Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance  
Budget and Actual (Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended December 31, 2006

	Fire Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Taxes	\$3,109,200	\$3,109,200	\$3,340,509	\$231,309
Fines, Licenses & Permits	343,500	343,500	325,456	(18,044)
Intergovernmental	32,500	32,500	27,356	(5,144)
Charges for Services	148,350	148,350	154,278	5,928
Investment Earnings	25,500	25,500	118,103	92,603
Other Revenues	200	200	25,854	25,654
<b>Total Revenues</b>	<b>3,659,250</b>	<b>3,659,250</b>	<b>3,991,556</b>	<b>332,306</b>
Expenditures:				
Public Safety:				
Fire Department:				
Personal Services	2,796,778	3,034,024	2,929,707	104,317
Contractual Services	365,366	384,127	383,890	237
Supplies and Materials	191,183	187,121	179,411	7,710
Capital Outlay	124,938	108,640	108,638	2
Debt Service:				
Principal Retirement	10,385	10,385	10,384	1
Interest and Fiscal Charges	331	331	322	9
<b>Total Expenditures</b>	<b>3,488,981</b>	<b>3,724,628</b>	<b>3,612,352</b>	<b>112,276</b>
Excess of Revenues Over (Under) Expenditures	170,269	(65,378)	379,204	444,582
Other financing sources (uses):				
Proceeds from Sale of Capital Assets	1,000	4,400	20,593	16,193
<b>Total Other Financing Sources (Uses)</b>	<b>1,000</b>	<b>4,400</b>	<b>20,593</b>	<b>16,193</b>
<b>Net Change in Fund Balance</b>	<b>171,269</b>	<b>(60,978)</b>	<b>399,797</b>	<b>460,775</b>
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	1,984,991	1,984,991	1,984,991	0
<b>Fund Balance End of Year</b>	<b>\$2,156,260</b>	<b>\$1,924,013</b>	<b>\$2,384,788</b>	<b>\$460,775</b>

See accompanying notes to the required supplementary information.



## 1. BUDGETARY PROCESS

The City's funds are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations ordinance, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount Council may appropriate. The appropriations ordinance is Council's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by Council. The legal level of control has been established by Council at the expenditure legal level of control for each fund (activity within a program within a fund).

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

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

While the City is reporting financial position, results of operations and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget (Non-GAAP Basis) and Actual presented for the general fund and fire fund are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and GAAP basis are as follows:

1. Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).
2. Expenditures are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).
3. Encumbrances are treated as expenditures (budget) rather than as a reservation of fund balance (GAAP).
4. Unreported cash represents amounts received but not included as revenue on the budget basis operating statements. These amounts are included as revenue on the GAAP basis operating statement.

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the general fund and fire levy fund.

Net Change in Fund Balance

	<u>General</u>	<u>Fire Fund</u>
GAAP Basis	(\$1,977,512)	\$640,262
Net Adjustment for Revenue Accruals	886,329	(7,202)
Net Adjustment for Expenditure Accruals	(384,745)	(68,015)
Encumbrances	<u>(695,851)</u>	<u>(165,248)</u>
Budget Basis	<u>(\$2,171,779)</u>	<u>\$399,797</u>

**Encumbrances**

Encumbrances for purchase orders, contracts and other commitments are recorded in the governmental funds to reserve that portion of the applicable appropriation. Encumbrances outstanding at year-end are reported as reserves of the fund balances since they do not constitute expenditures or liabilities.

**COMBINING STATEMENTS AND  
INDIVIDUAL FUND SCHEDULES**

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## GENERAL FUND

The General Fund is used to account for all financial resources traditionally associated with governments, except those required to be accounted for in another fund.

## SPECIAL REVENUE FUNDS

Special Revenue Funds are established to account for revenues from specific sources which are legally restricted to be expended for specific purposes. The City maintained the following Special Revenue funds:

### Major Special Revenue Funds:

**Fire Fund** - This fund is used to account for revenues received from property taxes specifically earmarked for fire protection by a levy passed by the City's electorate.

### Non-major Special Revenue Funds:

Street Construction - Maintenance and Repair Fund (Street Fund) - This fund is used to account for 92.5% of the City's share of state gasoline tax revenue and motor vehicle license fees. State law requires that such monies be spent on street construction and maintenance.

State Highway Improvement Fund - This fund is used to account for the remaining 7.5% of the City's share of state gasoline tax revenue and motor vehicle license fees. State law requires that such monies be spent on maintenance and improvement of state highways within the City.

Stormwater Management Utility Fund - This fund is used to account for the operations of the City's Stormwater Management Utility.

Environmental Grants Fund - This fund is used to account for grant proceeds received from the State of Ohio for Litter Prevention activities.

Law Enforcement Trust Fund - This fund contains monies derived from the sale of property/automobiles seized by the police in relation to drug investigations.

DARE Special Revenue Fund - This fund reflects the activities of the DARE program along with costs associated with the west-side substation.

Law Enforcement Grants Fund - This fund was used to account for various grants that have been received for law enforcement purposes.

Urban Renewal Fund - This fund is used to account for the proceeds of the bonds issued for the Urban Renewal District with related revenue and expenditures.

Carillon Business Park TIF Fund - This fund is used to account for the proceeds of the bonds issued for the Tax Increment Financing District with related revenue and expenditures.

Cincinnati Mills TIF Fund - This fund is used to account for the proceeds of the bonds issued for the Tax Increment Financing District with related revenue and expenditures.

Wal-Mart TIF Fund - This fund is used to account for the proceeds of bonds issued for the Tax Increment Financing District with related revenues and expenditures.

Fire Department Trust - This fund accounts for informal donations received that are used to enhance the department. (No legal trust has been established for this fund.)

Health Care Reserve Fund - This fund is established to self-fund a portion of the employee health care costs.

Home Improvement Loan Fund - This fund is established to help eligible Forest Park residents with the home improvement expenditures. The City will be reimbursed by the Hamilton County for advances to residents for such home improvements.

#### **DEBT SERVICE FUND**

The Debt Service Fund is used to account for the accumulation of resources and payment of general obligation bonds and principal and interest on bond anticipation notes of General Fund.

#### **CAPITAL PROJECTS FUND**

Capital Project Funds are established to account for revenues and expenditures related to the acquisition or construction of capital facilities which are not financed by proprietary funds. Capital facilities are defined as major and permanent in nature. Capital Project Funds maintained are as follows:

Capital Improvement Projects Fund - This was established pursuant to Section 12.07 of the City Charter. It is to provide for public improvements and/or equipment needed for the use of the Municipality. Such improvements or equipment shall have a minimum useful life expectancy of three years.

Economic Development Fund - This fund has been used to account for the acquisition, construction and debt service for the Kemper Meadow Business Center. It may also be used for the purchase, rehabilitation, and resale of properties.

## AGENCY FUNDS

Agency funds are used to account for assets held in a custodial capacity.

Community Programming Board - This fund is used to account for the activities of the Community Programming Board (CPB), a cable television operation funded in portion by cable franchise fees. The City of Forest Park performs accounting services for CPB, and the employees of CPB are considered employees of the City for purposes of employee benefits.

Mayor's Court Fund - This fund accounts for dollars collected by the Court which must be sent to the state or returned to the individual who has posted a bond.

Refundable Fees - This fund contains deposits for special hearings, performance bonds, recreation deposits, and 7-year returnable fees.

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City of Forest Park, Ohio  
Combining Balance Sheet  
Nonmajor Governmental Funds  
December 31, 2006

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Assets:</b>				
Equity in Pooled Cash and Investments	\$3,037,517	\$41,485	\$1,200,216	\$4,279,218
<b>Receivables:</b>				
Accounts	14,965	0	0	14,965
Intergovernmental	397,043	0	0	397,043
Interfund	155,770	0	37,400	193,170
<b>Total Assets</b>	<b>3,605,295</b>	<b>41,485</b>	<b>1,237,616</b>	<b>4,884,396</b>
<b>Liabilities and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts Payable	2,418	0	0	2,418
Accrued Wages and Benefits	39,525	0	0	39,525
Interfund Payable	193,170	0	0	193,170
Deferred Revenue	282,683	0	0	282,683
Contracts Payable	0	0	794,682	794,682
<b>Total Liabilities</b>	<b>517,796</b>	<b>0</b>	<b>794,682</b>	<b>1,312,478</b>
<b>Fund Balances:</b>				
Reserved for Encumbrances	782,556	0	0	782,556
<b>Unreserved, Undesignated, Reported in:</b>				
Special Revenue Funds	2,304,943	0	0	2,304,943
Debt Service Funds	0	41,485	0	41,485
Capital Projects Funds	0	0	442,934	442,934
<b>Total Fund Balances</b>	<b>3,087,499</b>	<b>41,485</b>	<b>442,934</b>	<b>3,571,918</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$3,605,295</b>	<b>\$41,485</b>	<b>\$1,237,616</b>	<b>\$4,884,396</b>



City of Forest Park, Ohio  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balance  
Nonmajor Governmental Funds  
For the Fiscal Year Ended December 31, 2006

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:				
Fines, Licenses & Permits	\$16,860	\$0	\$0	\$16,860
Charges for Services	597,229	0	0	597,229
Investment Earnings	145,268	0	21,546	166,814
Intergovernmental	1,029,157	0	0	1,029,157
Special Assessments	1,136,475	0	0	1,136,475
Other Revenues	64,589	0	0	64,589
<b>Total Revenues</b>	<b>2,989,578</b>	<b>0</b>	<b>21,546</b>	<b>3,011,124</b>
Expenditures:				
Current:				
General Government	964,454	0	0	964,454
Public Safety	55,177	0	0	55,177
Community Environment	121,306	0	0	121,306
Public Works and Streets	938,711	0	0	938,711
Capital Outlay	343,776	0	814,682	1,158,458
Debt Service:				
Principal Retirement	320,596	270,846	134,579	726,021
Interest and Fiscal Charges	167,988	24,991	4,172	197,151
<b>Total Expenditures</b>	<b>2,912,008</b>	<b>295,837</b>	<b>953,433</b>	<b>4,161,278</b>
Excess of Revenues Over (Under) Expend	77,570	(295,837)	(931,887)	(1,150,154)
Other Financing Sources (Uses):				
Transfers In	103,530	288,923	832,057	1,224,510
<b>Total Other Financing Sources (Uses)</b>	<b>103,530</b>	<b>288,923</b>	<b>832,057</b>	<b>1,224,510</b>
Net Change in Fund Balance	181,100	(6,914)	(99,830)	74,356
Fund Balance Beginning of Year	2,906,399	48,399	542,764	3,497,562
<b>Fund Balance End of Year</b>	<b>\$3,087,499</b>	<b>\$41,485</b>	<b>\$442,934</b>	<b>\$3,571,918</b>

City of Forest Park, Ohio  
 Combining Balance Sheet  
 Nonmajor Special Revenue Funds  
 December 31, 2006

	Street Fund	State Highway	Stormwater Management Utility	Environmental Grants	Law Enforcement Trust
<b>Assets:</b>					
Equity in Pooled Cash and Investments	\$676,857	\$207,396	\$791,512	\$298,488	\$33,944
<b>Receivables:</b>					
Accounts	0	0	14,965	0	0
Intergovernmental	347,664	28,188	21,191	0	0
Interfund	0	0	0	0	0
<b>Total Assets</b>	<b>1,024,521</b>	<b>235,584</b>	<b>827,668</b>	<b>298,488</b>	<b>33,944</b>
<b>Liabilities and Fund Balances:</b>					
<b>Liabilities:</b>					
Accounts Payable	2,092	0	33	0	0
Accrued Wages and Benefits	20,932	0	10,860	7,733	0
Interfund Payable	0	0	0	0	0
Deferred Revenue	229,772	18,630	34,281	0	0
<b>Total Liabilities</b>	<b>252,796</b>	<b>18,630</b>	<b>45,174</b>	<b>7,733</b>	<b>0</b>
<b>Fund Balances:</b>					
Reserved for Encumbrances	32,728	4,873	5,316	5,077	0
Unreserved, Undesignated, Reported in: Special Revenue Funds	738,997	212,081	777,178	285,678	33,944
<b>Total Fund Balances</b>	<b>771,725</b>	<b>216,954</b>	<b>782,494</b>	<b>290,755</b>	<b>33,944</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$1,024,521</b>	<b>\$235,584</b>	<b>\$827,668</b>	<b>\$298,488</b>	<b>\$33,944</b>

DARE	Law Enforcement Grant	Urban Renewal	Carillon Business Park TIF	Cincinnati Mills TIF	Wal-Mart TIF	Fire Department Trust
\$32,786	\$463	\$863,206	\$939	\$0	\$5	\$22,125
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	155,770	0	0	0	0
<u>32,786</u>	<u>463</u>	<u>1,018,976</u>	<u>939</u>	<u>0</u>	<u>5</u>	<u>22,125</u>
90	0	203	0	0	0	0
0	0	0	0	0	0	0
0	0	0	155,770	0	37,400	0
0	0	0	0	0	0	0
<u>90</u>	<u>0</u>	<u>203</u>	<u>155,770</u>	<u>0</u>	<u>37,400</u>	<u>0</u>
26	0	734,536	0	0	0	0
<u>32,670</u>	<u>463</u>	<u>284,237</u>	<u>(154,831)</u>	<u>0</u>	<u>(37,395)</u>	<u>22,125</u>
<u>32,696</u>	<u>463</u>	<u>1,018,773</u>	<u>(154,831)</u>	<u>0</u>	<u>(37,395)</u>	<u>22,125</u>
<u>\$32,786</u>	<u>\$463</u>	<u>\$1,018,976</u>	<u>\$939</u>	<u>\$0</u>	<u>\$5</u>	<u>\$22,125</u>

Continued

City of Forest Park, Ohio  
Combining Balance Sheet  
Nonmajor Special Revenue Funds  
December 31, 2006

	Health Care Reserve	Home Improvement	Total Nonmajor Special Revenue Funds
<b>Assets:</b>			
Equity in Pooled Cash and Investments	\$101,674	\$8,122	\$3,037,517
<b>Receivables:</b>			
Accounts	0	0	14,965
Intergovernmental	0	0	397,043
Interfund	0	0	155,770
<b>Total Assets</b>	<b>101,674</b>	<b>8,122</b>	<b>3,605,295</b>
<b>Liabilities and Fund Balances:</b>			
<b>Liabilities:</b>			
Accounts Payable	0	0	2,418
Accrued Wages and Benefits	0	0	39,525
Interfund Payable	0	0	193,170
Deferred Revenue	0	0	282,683
<b>Total Liabilities</b>	<b>0</b>	<b>0</b>	<b>517,796</b>
<b>Fund Balances:</b>			
Reserved for Encumbrances	0	0	782,556
Unreserved, Undesignated, Reported in: Special Revenue Funds	101,674	8,122	2,304,943
<b>Total Fund Balances</b>	<b>101,674</b>	<b>8,122</b>	<b>3,087,499</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$101,674</b>	<b>\$8,122</b>	<b>\$3,605,295</b>

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City of Forest Park, Ohio  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balance  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended December 31, 2006

	Street Fund	State Highway	Stormwater Management Utility	Environmental Grants	Law Enforcement Trust
<b>Revenues:</b>					
Fines, Licenses & Permits	\$0	\$0	\$12,304	\$300	\$4,256
Charges for Services	0	0	597,229	0	0
Investment Earnings	26,123	8,169	9,759	32,111	0
Intergovernmental	868,141	70,521	0	27,881	0
Special Assessments	0	0	0	0	0
Other Revenues	533	0	81	10,164	30,590
<b>Total Revenues</b>	<b>894,797</b>	<b>78,690</b>	<b>619,373</b>	<b>70,456</b>	<b>34,846</b>
<b>Expenditures:</b>					
<b>Current:</b>					
General Government	0	0	0	0	0
Public Safety	0	0	0	0	3,761
Community Environment	0	0	0	121,306	0
Public Works and Streets	640,985	47,163	250,563	0	0
Capital Outlay	205,716	0	54,827	0	2,633
<b>Debt Service:</b>					
Principal Retirement	62,224	0	82,049	0	0
Interest and Fiscal Charges	2,537	0	12,954	0	0
<b>Total Expenditures</b>	<b>911,462</b>	<b>47,163</b>	<b>400,393</b>	<b>121,306</b>	<b>6,394</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>(16,665)</b>	<b>31,527</b>	<b>218,980</b>	<b>(50,850)</b>	<b>28,452</b>
<b>Other Financing Sources (Uses):</b>					
Transfers In	0	0	0	22,930	0
<b>Total Other Financing Sources (Uses)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>22,930</b>	<b>0</b>
<b>Net Change in Fund Balance</b>	<b>(16,665)</b>	<b>31,527</b>	<b>218,980</b>	<b>(27,920)</b>	<b>28,452</b>
<b>Fund Balance Beginning of Year</b>	<b>788,390</b>	<b>185,427</b>	<b>563,514</b>	<b>318,675</b>	<b>5,492</b>
<b>Fund Balance End of Year</b>	<b>\$771,725</b>	<b>\$216,954</b>	<b>\$782,494</b>	<b>\$290,755</b>	<b>\$33,944</b>

DARE	Law Enforcement Grant	Urban Renewal	Carillon Business Park TIF	Cincinnati Mills TIF	Wal-Mart TIF	Fire Department Trust
\$0	\$0	\$0	\$0	\$0	\$0	\$0
0	0	0	0	0	0	0
0	0	62,450	2,105	0	0	0
16,857	45,757	0	0	0	0	0
0	0	0	216,555	919,920	0	0
563	0	450	0	0	0	22,125
<u>17,420</u>	<u>45,757</u>	<u>62,900</u>	<u>218,660</u>	<u>919,920</u>	<u>0</u>	<u>22,125</u>
0	0	0	2,611	919,920	37,395	0
5,456	45,757	203	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	80,600	0	0	0	0
0	0	6,323	170,000	0	0	0
0	0	25,869	126,628	0	0	0
<u>5,456</u>	<u>45,757</u>	<u>112,995</u>	<u>299,239</u>	<u>919,920</u>	<u>37,395</u>	<u>0</u>
<u>11,964</u>	<u>0</u>	<u>(50,095)</u>	<u>(80,579)</u>	<u>0</u>	<u>(37,395)</u>	<u>22,125</u>
<u>0</u>	<u>0</u>	<u>80,600</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>0</u>	<u>0</u>	<u>80,600</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
11,964	0	30,505	(80,579)	0	(37,395)	22,125
20,732	463	988,268	(74,252)	0	0	0
<u>\$32,696</u>	<u>\$463</u>	<u>\$1,018,773</u>	<u>(\$154,831)</u>	<u>\$0</u>	<u>(\$37,395)</u>	<u>\$22,125</u>

Continued

City of Forest Park, Ohio  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balance  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended December 31, 2006

	Health Care Reserve	Home Improvement	Total Nonmajor Special Revenue Funds
<b>Revenues:</b>			
Fines, Licenses & Permits	\$0	\$0	\$16,860
Charges for Services	0	0	597,229
Investment Earnings	4,092	459	145,268
Intergovernmental	0	0	1,029,157
Special Assessments	0	0	1,136,475
Other Revenues	0	83	64,589
<b>Total Revenues</b>	<b>4,092</b>	<b>542</b>	<b>2,989,578</b>
<b>Expenditures:</b>			
<b>Current:</b>			
General Government	0	4,528	964,454
Public Safety	0	0	55,177
Community Environment	0	0	121,306
Public Works and Streets	0	0	938,711
Capital Outlay	0	0	343,776
<b>Debt Service:</b>			
Principal Retirement	0	0	320,596
Interest and Fiscal Charges	0	0	167,988
<b>Total Expenditures</b>	<b>0</b>	<b>4,528</b>	<b>2,912,008</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>4,092</b>	<b>(3,986)</b>	<b>77,570</b>
<b>Other Financing Sources (Uses):</b>			
Transfers In	0	0	103,530
<b>Total Other Financing Sources (Uses)</b>	<b>0</b>	<b>0</b>	<b>103,530</b>
<b>Net Change in Fund Balance</b>	<b>4,092</b>	<b>(3,986)</b>	<b>181,100</b>
<b>Fund Balance Beginning of Year</b>	<b>97,582</b>	<b>12,108</b>	<b>2,906,399</b>
<b>Fund Balance End of Year</b>	<b>\$101,674</b>	<b>\$8,122</b>	<b>\$3,087,499</b>



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City of Forest Park, Ohio  
 Combining Balance Sheet  
 Nonmajor Capital Projects Funds  
 December 31, 2006

	Capital Improvement	Economic Development	Total Nonmajor Capital Projects Funds
Assets:			
Equity in Pooled Cash and Investments	\$374,028	\$826,188	\$1,200,216
Interfund	0	37,400	37,400
Total Assets	<u>374,028</u>	<u>863,588</u>	<u>1,237,616</u>
Liabilities and Fund Balances:			
Liabilities:			
Contracts Payable	0	794,682	794,682
Total Liabilities	<u>0</u>	<u>794,682</u>	<u>794,682</u>
Fund Balances:			
Capital Projects Funds	<u>374,028</u>	<u>68,906</u>	<u>442,934</u>
Total Fund Balances	<u>374,028</u>	<u>68,906</u>	<u>442,934</u>
Total Liabilities and Fund Balances	<u>\$374,028</u>	<u>\$863,588</u>	<u>\$1,237,616</u>

City of Forest Park, Ohio  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balance  
Nonmajor Capital Projects Funds  
For the Fiscal Year Ended December 31, 2006

	Capital Improvement	Economic Development	Total Nonmajor Capital Projects Funds
Revenues:			
Investment Earnings	\$14,034	\$7,512	\$21,546
Total Revenues	14,034	7,512	21,546
Expenditures:			
Current:			
Capital Outlay	0	814,682	814,682
Debt Service:			
Principal Retirement	0	134,579	134,579
Interest and Fiscal Charges	0	4,172	4,172
Total Expenditures	0	953,433	953,433
Excess of Revenues Over (Under) Expenditures	14,034	(945,921)	(931,887)
Other Financing Sources (Uses):			
Transfers In	25,000	807,057	832,057
Total Other Financing Sources (Uses)	25,000	807,057	832,057
Net Change in Fund Balance	39,034	(138,864)	(99,830)
Fund Balance Beginning of Year	334,994	207,770	542,764
Fund Balance End of Year	\$374,028	\$68,906	\$442,934

City of Forest Park, Ohio  
Statement of Changes In Assets and Liabilities  
Agency Funds  
For the Fiscal Year Ended December 31, 2006

	Community Programming Board			Ending Balance
	Beginning Balance	Additions	Deductions	
Assets:				
Equity in Pooled Cash and Investments	\$569,916	\$98,752	\$3,444	\$665,224
Receivables:				
Franchise Fees Receivable	181,931	143,662	181,931	143,662
Total Assets	<u>751,847</u>	<u>242,414</u>	<u>185,375</u>	<u>808,886</u>
Liabilities:				
Accounts Payable	0	2,499	0	2,499
Due to Others	751,847	239,915	185,375	806,387
Total Liabilities	<u>\$751,847</u>	<u>\$242,414</u>	<u>\$185,375</u>	<u>\$808,886</u>

	Mayor's Court			Ending Balance
	Beginning Balance	Additions	Deductions	
Assets:				
Equity in Pooled Cash and Investments	\$28,850	\$117,400	\$120,634	\$25,616
Total Assets	<u>28,850</u>	<u>117,400</u>	<u>120,634</u>	<u>25,616</u>
Liabilities:				
Due to Others	28,850	117,400	120,634	25,616
Total Liabilities	<u>\$28,850</u>	<u>\$117,400</u>	<u>\$120,634</u>	<u>\$25,616</u>

	Refundable Fees			Ending Balance
	Beginning Balance	Additions	Deductions	
Assets:				
Equity in Pooled Cash and Investments	\$121,137	\$5,338	\$185	\$126,290
Total Assets	<u>121,137</u>	<u>5,338</u>	<u>185</u>	<u>126,290</u>
Liabilities:				
Accounts Payable	0	185	0	185
Due to Others	121,137	5,153	185	126,105
Total Liabilities	<u>\$121,137</u>	<u>\$5,338</u>	<u>\$185</u>	<u>\$126,290</u>

Continued

City of Forest Park, Ohio  
Statement of Changes In Assets and Liabilities  
Agency Funds  
For the Fiscal Year Ended December 31, 2006

	Total All Agency Funds			Ending Balance
	Beginning Balance	Additions	Deductions	
Assets:				
Equity in Pooled Cash and Investments	\$719,903	\$221,490	\$124,263	\$817,130
Receivables:				
Interest	181,931	143,662	181,931	143,662
Total Assets	<u>901,834</u>	<u>365,152</u>	<u>306,194</u>	<u>960,792</u>
Liabilities:				
Accounts Payable	0	2,684	0	2,684
Due to Others	901,834	362,468	306,194	958,108
Total Liabilities	<u>\$901,834</u>	<u>\$365,152</u>	<u>\$306,194</u>	<u>\$960,792</u>

City of Forest Park  
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2006

	Street Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$832,000	\$885,534	\$53,534
Investment Earnings	14,500	29,182	14,682
Other Revenues	0	533	533
<b>Total Revenues</b>	<b>846,500</b>	<b>915,249</b>	<b>68,749</b>
Expenditures:			
Public Works and Streets:			
Streets:			
Personal Services	337,911	332,142	5,769
Contractual Services	386,036	274,242	111,794
Supplies and Materials	70,298	57,175	13,123
Capital Outlay	222,553	220,472	2,081
Debt Service:			
Principal Retirement	62,272	62,223	49
Interest and Fiscal Charges	2,538	2,538	0
<b>Total Expenditures</b>	<b>1,081,608</b>	<b>948,792</b>	<b>132,816</b>
<b>Net Change in Fund Balance</b>	<b>(235,108)</b>	<b>(33,543)</b>	<b>201,565</b>
<b>Fund Balance Beginning of Year (includes prior year encumbrances appropriated)</b>	<b>676,555</b>	<b>676,555</b>	<b>0</b>
<b>Fund Balance End of Year</b>	<b>\$441,447</b>	<b>\$643,012</b>	<b>\$201,565</b>

City of Forest Park  
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2006

	State Highway Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$68,200	\$71,800	\$3,600
Investment Earnings	4,100	9,015	4,915
<b>Total Revenues</b>	<b>72,300</b>	<b>80,815</b>	<b>8,515</b>
Expenditures:			
Public Works and Streets:			
State Highway:			
Personal Services	6,106	5,600	506
Contractual Services	60,330	21,352	38,978
Supplies and Materials	33,706	30,065	3,641
Capital Outlay	1,000	0	1,000
<b>Total Expenditures</b>	<b>101,142</b>	<b>57,017</b>	<b>44,125</b>
Net Change in Fund Balance	(28,842)	23,798	52,640
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	179,087	179,087	0
<b>Fund Balance End of Year</b>	<b>\$150,245</b>	<b>\$202,885</b>	<b>\$52,640</b>

City of Forest Park  
Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance  
Budget and Actual (Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended December 31, 2006

	Stormwater Management Utility Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses & Permits	\$14,200	\$12,304	(\$1,896)
Charges for Services	550,000	599,743	49,743
Investment Earnings	15,000	32,351	17,351
Other Revenues	0	81	81
<b>Total Revenues</b>	<b>579,200</b>	<b>644,479</b>	<b>65,279</b>
Expenditures:			
Public Works and Streets:			
Stormwater Management:			
Personal Services	138,443	134,921	3,522
Contractual Services	145,034	139,673	5,361
Supplies and Materials	1,850	1,246	604
Capital Outlay	1,100,000	54,827	1,045,173
Debt Service:			
Principal Retirement	86,350	82,049	4,301
Interest and Fiscal Charges	13,220	12,954	266
<b>Total Expenditures</b>	<b>1,484,897</b>	<b>425,670</b>	<b>1,059,227</b>
Excess of Revenues Over (Under) Expenditures	(905,697)	218,809	1,124,506
Other financing sources (uses):			
Debt Proceeds	600,000	0	(600,000)
<b>Total Other Financing Sources (Uses)</b>	<b>600,000</b>	<b>0</b>	<b>(600,000)</b>
<b>Net Change in Fund Balance</b>	<b>(305,697)</b>	<b>218,809</b>	<b>524,506</b>
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	568,234	568,234	0
<b>Fund Balance End of Year</b>	<b>\$262,537</b>	<b>\$787,043</b>	<b>\$524,506</b>



City of Forest Park  
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2006

	Environmental Grants Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses & Permits	\$300	\$300	\$0
Intergovernmental	81,150	27,881	(53,269)
Investment Earnings	5,000	13,213	8,213
Other Revenues	30,400	30,164	(236)
<b>Total Revenues</b>	<b>116,850</b>	<b>71,558</b>	<b>(45,292)</b>
Expenditures:			
Community Environment:			
Environmental Grants:			
Personal Services	114,707	105,676	9,031
Contractual Services	21,350	19,221	2,129
Supplies and Materials	1,300	385	915
<b>Total Expenditures</b>	<b>137,357</b>	<b>125,282</b>	<b>12,075</b>
Excess of Revenues Over (Under) Expenditures	(20,507)	(53,724)	(33,217)
Transfers In	22,926	22,930	4
<b>Total Other Financing Sources (Uses)</b>	<b>22,926</b>	<b>22,930</b>	<b>4</b>
<b>Net Change in Fund Balance</b>	<b>2,419</b>	<b>(30,794)</b>	<b>(33,213)</b>
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	324,646	324,646	0
<b>Fund Balance End of Year</b>	<b>\$327,065</b>	<b>\$293,852</b>	<b>(\$33,213)</b>

City of Forest Park  
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2006

	Law Enforcement Trust Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Fines, Licenses & Permits	\$1,570	\$4,256	\$2,686
Other Revenues	11,285	30,590	19,305
Total Revenues	<u>12,855</u>	<u>34,846</u>	<u>21,991</u>
Expenditures:			
Public Safety:			
Police Department:			
Contractual Services	8,305	3,761	4,544
Supplies and Materials	1,900	0	1,900
Capital Outlay	6,000	2,633	3,367
Total Expenditures	<u>16,205</u>	<u>6,394</u>	<u>9,811</u>
Net Change in Fund Balance	(3,350)	28,452	31,802
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>5,492</u>	<u>5,492</u>	<u>0</u>
Fund Balance End of Year	<u>\$2,142</u>	<u>\$33,944</u>	<u>\$31,802</u>

City of Forest Park  
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2006

	DARE Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$0	\$16,857	\$16,857
Other Revenues	600	563	(37)
Total Revenues	600	17,420	16,820
Expenditures:			
Public Safety:			
Police Department:			
Contractual Services	5,038	2,957	2,081
Supplies and Materials	3,000	2,543	457
Capital Outlay	4,650	0	4,650
Total Expenditures	12,688	5,500	7,188
Net Change in Fund Balance	(12,088)	11,920	24,008
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	20,801	20,801	0
Fund Balance End of Year	\$8,713	\$32,721	\$24,008

City of Forest Park  
Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance  
Budget and Actual (Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended December 31, 2006

	Law Enforcement Grant Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$45,757	\$45,757	\$0
Total Revenues	45,757	45,757	0
Expenditures:			
Public Safety:			
Police Department:			
Supplies and Materials	45,757	45,757	0
Total Expenditures	45,757	45,757	(0)
Net Change in Fund Balance	0	(0)	(0)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	463	463	0
Fund Balance End of Year	\$463	\$463	(\$0)

City of Forest Park  
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2006

	Urban Renewal Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$385,404	\$71,106	(\$314,298)
Other Revenues	2,439	450	(1,989)
<b>Total Revenues</b>	<b>387,843</b>	<b>71,556</b>	<b>(316,287)</b>
Expenditures:			
Public Works and Streets:			
Urban Renewal:			
Contractual Services	408,630	5,530	403,100
Capital Outlay	814,682	812,456	2,226
Debt Service:			
Principal Retirement	1,256,400	1,256,323	77
Interest and Fiscal Charges	27,475	25,869	1,606
<b>Total Expenditures</b>	<b>2,507,187</b>	<b>2,100,178</b>	<b>407,009</b>
Excess of Revenues Over (Under) Expenditures	(2,119,344)	(2,028,622)	90,722
Other financing sources (uses):			
Advances (Out)	(155,770)	(155,770)	0
Transfers In	436,862	80,600	(356,262)
<b>Total Other Financing Sources (Uses)</b>	<b>281,092</b>	<b>(75,170)</b>	<b>(356,262)</b>
<b>Net Change in Fund Balance</b>	<b>(1,838,252)</b>	<b>(2,103,792)</b>	<b>(265,540)</b>
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	2,237,017	2,237,017	0
<b>Fund Balance End of Year</b>	<b>\$398,765</b>	<b>\$133,225</b>	<b>(\$265,540)</b>

City of Forest Park  
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2006

	Carillon Business Park TIF Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Special Assessments	\$294,630	\$216,555	(\$78,075)
Investment Earnings	2,000	2,105	105
<b>Total Revenues</b>	<b>296,630</b>	<b>218,660</b>	<b>(77,970)</b>
Expenditures:			
Public Works and Streets:			
Carillon Business Park:			
Contractual Services	2,611	2,611	0
Debt Service:			
Principal Retirement	170,000	170,000	0
Interest and Fiscal Charges	126,630	126,628	2
<b>Total Expenditures</b>	<b>299,241</b>	<b>299,239</b>	<b>2</b>
Excess of Revenues Over (Under) Expenditures	(2,611)	(80,579)	(77,968)
Other financing sources (uses):			
Advances In	155,770	155,770	0
Advances (Out)	(74,252)	(74,252)	0
<b>Total Other Financing Sources (Uses)</b>	<b>81,518</b>	<b>81,518</b>	<b>0</b>
<b>Net Change in Fund Balance</b>	<b>78,907</b>	<b>939</b>	<b>(77,968)</b>
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
<b>Fund Balance End of Year</b>	<b>\$78,907</b>	<b>\$939</b>	<b>(\$77,968)</b>

City of Forest Park  
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2006

	Cincinnati Mills TIF Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Special Assessments	\$929,306	\$919,920	(\$9,386)
Total Revenues	929,306	919,920	(9,386)
Expenditures:			
Public Works and Streets:			
Cincinnati Mills:			
General Government	919,923	919,920	3
Total Public Works and Streets	919,923	919,920	3
Total Expenditures	919,923	919,920	3
Net Change in Fund Balance	9,383	(0)	(9,383)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance End of Year	\$9,383	(\$0)	(\$9,383)

City of Forest Park  
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2006

	Wal-Mart TIF Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Taxes	\$0	\$0	\$0
Total Revenues	0	0	0
Expenditures:			
Public Works and Streets:			
Wal-Mart:			
General Government	37,400	37,395	5
Total Expenditures	37,400	37,395	5
Excess of Revenues Over (Under) Expenditures	(37,400)	(37,395)	5
Other financing sources (uses):			
Advances In	74,800	37,400	(37,400)
Total Other Financing Sources (Uses)	74,800	37,400	(37,400)
Net Change in Fund Balance	37,400	5	(37,395)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance End of Year	<u>\$37,400</u>	<u>\$5</u>	<u>(\$37,395)</u>



City of Forest Park  
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2006

	Fire Department Trust Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Other Revenues	\$30,000	\$22,125	(\$7,875)
Total Revenues	30,000	22,125	(7,875)
Expenditures:			
Public Safety:			
Fire Department:			
Supplies and Materials	30,000	0	30,000
Total Expenditures	30,000	0	30,000
Net Change in Fund Balance	0	22,125	22,125
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance End of Year	\$0	\$22,125	\$22,125

City of Forest Park  
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2006

	Health Care Reserve Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$1,750	\$4,490	\$2,740
Total Revenues	1,750	4,490	2,740
Expenditures:			
General Government			
Personal Services	12,766	7,766	5,000
Total Expenditures	12,766	7,766	5,000
Net Change in Fund Balance	(11,016)	(3,276)	7,740
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	105,169	105,169	0
Fund Balance End of Year	\$94,153	\$101,893	\$7,740

City of Forest Park  
 Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended December 31, 2006

	Home Improvement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$12,000	\$0	(\$12,000)
Investment Earnings	250	508	258
Other Revenues	100	83	(17)
<b>Total Revenues</b>	<b>12,350</b>	<b>591</b>	<b>(11,759)</b>
Expenditures:			
Community Environment:			
Environmental Grants:			
Contractual Services	12,000	5,028	6,972
<b>Total Expenditures</b>	<b>12,000</b>	<b>5,028</b>	<b>6,972</b>
<b>Net Change in Fund Balance</b>	<b>350</b>	<b>(4,437)</b>	<b>(4,787)</b>
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	12,586	12,586	0
<b>Fund Balance End of Year</b>	<b>\$12,936</b>	<b>\$8,149</b>	<b>(\$4,787)</b>

City of Forest Park  
Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance  
Budget and Actual (Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended December 31, 2006

	Debt Fund		Variance from Final Budget
	Final Budget	Actual	
Revenues:			
Taxes	\$0	\$0	\$0
Total Revenues	0	0	0
Expenditures:			
Debt Service:			
Principal Retirement	277,170	270,846	6,324
Interest and Fiscal Charges	25,585	24,991	594
Total Expenditures	302,755	295,837	6,918
Excess of Revenues Over (Under) Expenditures	(302,755)	(295,837)	6,918
Other financing sources (uses):			
Transfers In	288,925	288,923	(2)
Total Other Financing Sources (Uses)	288,925	288,923	(2)
Net Change in Fund Balance	(13,830)	(6,914)	6,916
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	48,399	48,399	0
Fund Balance End of Year	<u>\$34,569</u>	<u>\$41,485</u>	<u>\$6,916</u>

City of Forest Park  
Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance  
Budget and Actual (Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended December 31, 2006

	Capital Improvement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	3,750	15,204	11,454
Total Revenues	3,750	15,204	11,454
Expenditures:			
Public Works and Streets:			
Municipal Building and Grounds:			
Capital Outlay	155,000	0	155,000
Total Expenditures	155,000	0	155,000
Excess of Revenues Over (Under) Expenditures	(151,250)	15,204	166,454
Other financing sources (uses):			
Transfers In	25,000	25,000	0
Total Other Financing Sources (Uses)	25,000	25,000	0
Net Change in Fund Balance	(126,250)	40,204	166,454
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	334,467	334,467	0
Fund Balance End of Year	\$208,217	\$374,671	\$166,454

City of Forest Park  
Schedule of Revenues, Expenditures by Budget Center and Changes in Fund Balance  
Budget and Actual (Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended December 31, 2006

	Economic Development Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	3,750	8,012	4,262
Total Revenues	<u>3,750</u>	<u>8,012</u>	<u>4,262</u>
Expenditures:			
Public Works and Streets:			
Municipal Building and Grounds:			
Capital Outlay	60,000	56,292	3,708
Debt Service:			
Principal Retirement	134,580	134,579	1
Interest and Fiscal Charges	4,175	4,172	3
Total Expenditures	<u>198,755</u>	<u>195,043</u>	<u>3,712</u>
Excess of Revenues Over (Under) Expenditures	<u>(195,005)</u>	<u>(187,031)</u>	<u>7,974</u>
Other financing sources (uses):			
Advances In	74,252	74,252	0
Advances (Out)	(37,400)	(37,400)	0
Transfers In	75,000	807,057	732,057
Total Other Financing Sources (Uses)	<u>111,852</u>	<u>843,909</u>	<u>732,057</u>
Net Change in Fund Balance	(83,153)	656,878	740,031
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>133,293</u>	<u>133,293</u>	<u>0</u>
Fund Balance End of Year	<u>\$50,140</u>	<u>\$790,171</u>	<u>\$740,031</u>

## STATISTICAL SECTION

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## Statistical Section

This part of the City's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

### Contents

#### Financial Trends

These schedules contain trend information to help the reader understand how the City's financial position has changed over time.

#### Revenue Capacity

These schedules contain information to help the reader understand and assess the City's most significant local revenue source, the income tax.

#### Debt Capacity

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

#### Economic and Demographic Information

These schedules offer economic and demographic indicators to help the reader understand the environment within which the City's financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.

#### Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

**Sources:** Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The City implemented GASB Statement 34 in fiscal year 2003; schedules presenting government-wide information include information beginning in that fiscal year.

City of Forest Park  
 Net Assets by Component  
 Last Four Calendar Years (1)  
 (accrual basis of accounting)  
 Schedule 1

	Calendar Year			
	2003	2004	2005	2006
Governmental Activities				
Invested in Capital Assets, Net of Related Debt	\$8,426,483	\$12,190,880	\$31,877,075	\$32,778,184
Restricted	6,533,869	4,814,255	4,882,097	6,705,865
Unrestricted	7,627,835	8,062,887	6,934,347	4,290,227
Total governmental activities net assets	<u>\$22,588,187</u>	<u>\$25,068,022</u>	<u>\$43,693,519</u>	<u>\$43,774,276</u>

Source: City Records

(1) - The City began to report accrual information when it implemented GASB Statement 34 in calendar year 2003

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City of Forest Park  
 Changes in Net Assets  
 Last Four Calendar Years (1)  
 (accrual basis of accounting)  
 Schedule 2

	Calendar Year			
	2003	2004	2005	2006
<b>Expenses</b>				
<b>Governmental Activities:</b>				
General Government	\$1,778,376	\$1,728,474	\$1,951,871	\$3,114,377
Public Safety	7,106,841	7,428,605	7,860,645	7,894,413
Leisure Time Activities	499,290	419,440	448,758	450,221
Community Environment	800,752	746,169	958,658	1,017,798
Public Works and Streets	2,822,551	3,074,083	3,413,529	3,509,479
Public Health and Welfare	19,804	20,792	21,455	21,710
Interest and Fiscal Charges	302,479	238,571	210,269	183,667
Total governmental activities expenses	<u>13,330,093</u>	<u>13,656,134</u>	<u>14,865,185</u>	<u>16,191,665</u>
Total primary government expenses	<u>\$13,330,093</u>	<u>\$13,656,134</u>	<u>\$14,865,185</u>	<u>\$16,191,665</u>
<b>Program Revenues</b>				
<b>Governmental Activities:</b>				
<b>Charges for Services:</b>				
General Government	\$649,370	\$1,113,014	\$903,755	\$1,435,995
Public Safety	800,470	950,528	865,363	478,019
Leisure Time Activities	80,329	54,049	55,242	88,724
Community Environment	5,240	21,254	36,589	4,725
Public Works and Streets	705,027	605,673	662,585	664,822
Operating Grants and Contributions	656,276	1,097,626	995,197	1,088,440
Capital Grants and Contributions	810,647	1,208,874	0	0
Total governmental activities program revenues	<u>3,707,359</u>	<u>5,051,018</u>	<u>3,518,731</u>	<u>3,760,725</u>
Total primary government program revenues	<u>\$3,707,359</u>	<u>\$5,051,018</u>	<u>\$3,518,731</u>	<u>\$3,760,725</u>

City of Forest Park  
 Changes in Net Assets  
 Last Four Calendar Years (1)  
 (accrual basis of accounting)  
 Schedule 2 (Continued)

	Calendar Year			
	2003	2004	2005	2006
Net (Expense)/Revenue				
Governmental Activities	(\$9,622,734)	(\$8,605,116)	(\$11,346,454)	(\$12,430,940)
Total primary government net expenses	(\$9,622,734)	(\$8,605,116)	(\$11,346,454)	(\$12,430,940)
General Revenues and Other Changes in Net Assets				
Governmental Activities:				
Income Taxes	\$6,102,615	\$6,466,736	\$6,315,991	\$6,140,728
Property Taxes Levied for:				
General Purposes	1,154,232	815,912	964,325	1,167,285
Special Revenue Purposes	3,393,839	2,326,373	2,818,716	3,517,988
Grants and Entitlements not Restricted	961,721	1,294,547	835,181	1,141,460
Unrestricted Contributions	0	0	0	3,291
Investment Earnings	155,617	120,619	317,085	445,449
Refunds & Reimbursements	0	0	0	42,300
Other Revenues	492,466	60,764	6,648	53,196
Gain on sale of Capital Assets	167,022	0	0	0
Total governmental activities	12,427,512	11,084,951	11,257,946	12,511,697
Total primary government	\$12,427,512	\$11,084,951	\$11,257,946	\$12,511,697
Change in Net Assets				
Total primary government	\$2,804,778	\$2,479,835	(\$88,508)	\$80,757

Source: City Records

(1) - The City began to report accrual information when it implemented GASB Statement 34 in calendar year 2003

City of Forest Park  
Fund Balances, Governmental Funds  
Last Ten Calendar Years  
(modified accrual basis of accounting)  
Schedule 3

	Calendar Year									
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
General Fund										
Reserved	N/A	N/A	\$502,669	\$365,832	\$493,303	\$444,694	\$1,387,884	\$610,876	\$755,355	\$678,423
Unreserved	N/A	N/A	4,176,379	5,783,981	6,388,723	6,851,514	5,476,355	5,518,054	4,028,910	2,128,330
Total General Fund	N/A	N/A	4,679,048	6,149,813	6,882,026	7,296,208	6,864,239	6,128,930	4,784,265	2,806,753
All Other Governmental Funds										
Reserved	N/A	N/A	184,077	2,141,819	2,651,154	912,486	839,061	498,365	322,973	946,853
Unreserved, Reported in:										
Special Revenue Funds	N/A	N/A	1,712,914	36,227	4,691,248	4,666,850	5,219,028	3,744,753	4,290,934	4,488,416
Debt Service Funds	N/A	N/A	0	0	0	0	0	0	48,399	41,485
Capital Project Funds	N/A	N/A	664,602	893,798	843,251	975,000	214,047	571,137	542,764	442,934
Total all Other Governmental Funds	N/A	N/A	\$2,561,593	\$3,071,844	\$8,185,653	\$6,554,336	\$6,272,136	\$4,814,255	\$5,205,070	\$5,919,688

Source: City Records

N/A - Information not available

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City of Forest Park  
 Changes in Fund Balances, Governmental Funds  
 Last Ten Calendar Years  
 (modified accrual basis of accounting)  
 Schedule 4

	Calendar Year									
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
<b>Revenues</b>										
Taxes	N/A	N/A	\$9,127,359	\$9,096,277	\$9,504,052	\$10,832,920	\$11,703,160	\$10,787,886	\$11,496,327	\$10,723,536
Fines, Licenses & Permits	N/A	N/A	417,503	1,010,250	1,044,074	285,043	357,896	437,914	365,470	706,081
Charges for Services	N/A	N/A	920,451	928,100	939,334	955,756	981,194	1,046,504	914,949	729,319
Investment Earnings	N/A	N/A	358,997	622,434	574,873	268,752	154,272	118,278	313,972	447,921
Intergovernmental	N/A	N/A	717,574	894,962	1,179,019	1,210,748	1,648,577	1,742,815	1,050,972	1,850,951
Special Assessments	N/A	N/A	4,987	363,978	375,452	390,421	418,593	523,155	559,021	1,152,123
Other Revenues	N/A	N/A	644,055	271,022	387,792	392,855	317,657	493,897	278,974	213,639
<b>Total Revenues</b>	N/A	N/A	12,190,926	13,187,023	14,004,596	14,336,495	15,581,349	15,150,449	14,979,685	15,823,570
<b>Expenditures</b>										
<b>Current:</b>										
General Government	N/A	N/A	1,833,801	2,422,700	2,714,104	2,424,442	1,717,723	1,703,358	1,958,104	3,255,565
Public Safety	N/A	N/A	4,319,177	4,741,973	4,924,905	5,743,913	6,391,827	6,987,134	7,456,565	7,599,298
Leisure Time Activities	N/A	N/A	419,100	345,063	347,401	394,996	440,998	381,856	419,185	413,617
Community Environment	N/A	N/A	1,266,272	1,357,089	1,300,006	1,331,915	765,532	740,860	948,940	1,010,176
Basic Utility Service	N/A	N/A	267,986	264,990	300,593	254,517	0	0	0	0
Public Works and Streets	N/A	N/A	648,878	640,898	488,709	517,801	2,704,639	2,468,037	2,802,352	2,638,561
Public Health and Welfare	N/A	N/A	113,651	117,145	125,253	132,065	19,804	20,792	21,455	21,710
Capital Outlay	N/A	N/A	1,188,006	2,054,267	3,129,324	1,281,128	3,327,027	3,686,401	1,103,193	1,296,413
Debt Service:										
Principal Retirement	N/A	N/A	595,083	693,003	2,717,784	2,557,633	1,128,534	1,114,463	1,020,420	736,405
Interest and Fiscal Charges	N/A	N/A	350,678	327,043	453,132	439,106	278,945	241,938	205,012	197,473
<b>Total Expenditures</b>	N/A	N/A	\$11,002,632	\$12,964,171	\$16,501,211	\$15,077,516	\$16,775,029	\$17,344,839	\$15,935,226	\$17,169,218



City of Forest Park  
 Changes in Fund Balances, Governmental Funds  
 Last Ten Calendar Years  
 (modified accrual basis of accounting)  
 Schedule 4 (Continued)

	Calendar Year									
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Excess of revenues over (under) expenditures	N/A	N/A	\$1,188,294	\$222,852	(\$2,496,615)	(\$741,021)	(\$1,193,680)	(\$2,194,390)	(\$955,541)	(\$1,345,648)
Other Financing Sources (Uses)	N/A	N/A	N/A	\$0	\$4,800,000	\$0	\$100,000	\$0	\$0	\$0
Proceeds of Notes and Bonds	N/A	N/A	N/A	10,330	36,645	2,964	246,025	1,200	1,691	43,462
Proceeds from Sale of Capital Assets	N/A	N/A	0	0	0	0	0	0	0	39,292
Issuance of Long-Term Capital-Related Debt	N/A	N/A	717,272	1,015,063	2,375,232	622,924	452,131	475,775	416,551	1,244,510
Transfers In	N/A	N/A	(721,424)	(1,015,063)	(2,375,962)	(622,924)	(452,131)	(475,775)	(416,551)	(1,244,510)
Transfers (Out)	N/A	N/A	0	0	3,475,000	0	0	0	0	0
Proceeds of Refunded Bonds	N/A	N/A	12,650	10,330	8,310,915	2,964	346,025	1,200	1,691	82,754
Total Other Financing Sources (Uses)	N/A	N/A	\$1,200,944	\$233,182	\$5,814,300	(\$738,057)	(\$847,655)	(\$2,193,190)	(\$953,850)	(\$1,262,894)
Net Change in Fund Balances	N/A	N/A	9.6%	9.3%	23.7%	21.7%	10.5%	9.9%	8.3%	5.9%
Debt service as a percentage of noncapital expenditures (1)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Source: City Records

(1) - Noncapital expenditures is total expenditures minus capital outlay

City of Forest Park  
 Assessed Value and Estimated Actual Value of Taxable Property  
 Last Ten Calendar Years  
 Schedule 5

Calendar Year	Real Property	Tangible Personal Property	Public Utilities Personal	Total Assessed	Total Estimated	Total Direct Rate
	Assessed Value	Assessed Value	Assessed Value	Value	Actual Value	
1997	\$236,823,950	\$33,297,410	\$16,934,550	\$287,055,910	\$820,159,743	92.27
1998	239,803,920	34,438,240	15,948,050	290,190,210	829,114,886	91.85
1999	241,316,780	35,756,110	15,950,020	293,022,910	837,208,314	100.33
2000	286,005,520	27,597,910	15,888,470	329,491,900	941,405,429	101.62
2001	286,827,510	32,150,790	14,599,450	333,577,750	953,079,286	100.71
2002	292,037,950	32,683,910	12,119,770	336,841,630	962,404,657	107.01
2003	331,058,100	33,371,070	12,859,910	377,289,080	1,077,968,800	107.41
2004	328,784,280	34,948,040	12,724,170	376,456,490	1,075,589,971	107.05
2005	326,643,200	34,485,220	12,811,280	373,939,700	1,068,399,143	114.55
2006	334,918,680	35,853,050	12,725,100	383,496,830	1,095,705,229	114.30

Source: County Auditor

Note: The assessed value of real property (including public utility real property) is 35 percent of estimated true value. Personal property tax is assessed on all tangible personal property used in business in Ohio. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. General business tangible personal property is assessed at 25 percent for everything except inventories, which are assessed at 23 percent. Property is assessed annually.

The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated the property tax revenue to be received in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by the 10 percent, 2 1/2 percent and homestead exemptions before being billed.

City of Forest Park  
 Direct and Overlapping Property Tax Rates  
 Last Ten Calendar Years  
 Schedule 6

Calendar Year	Total Direct Rate	Overlapping Rates			
		Corporate Levy	School District	Joint Vocational	Hamilton County
1997	92.27	8.01	62.12	2.70	19.44
1998	91.85	8.01	62.13	2.70	19.01
1999	100.33	8.01	70.08	2.70	19.54
2000	101.62	8.01	70.08	2.70	20.83
2001	100.71	8.01	70.08	2.70	19.92
2002	107.01	12.76	70.08	2.70	21.47
2003	107.41	12.76	70.08	2.70	21.87
2004	107.05	12.76	70.08	2.70	21.51
2005	114.55	12.76	78.03	2.70	21.06
2006	114.30	12.76	78.03	2.70	20.81

Source: County Auditor

Note: Rates may only be raised by obtaining the approval of a majority of the voters at a public election.

City of Forest Park  
 Principal Property Tax Payers  
 Current Year and Prior Year (1)  
 Schedule 7

2006		
Taxpayer	Assessed Value	Percentage of Total Assessed Value
Cincinnati Gas & Electric	\$7,995,030	2.08%
Union Central Life Ins Co	7,063,540	1.84%
Kensington Park Apts LLC	6,055,000	1.58%
Forest Park Associates	4,360,170	1.14%
Aerc Remington Place Inc	3,952,410	1.03%
Cincinnati Mills LLC	3,571,300	0.93%
All State Associates of	3,559,500	0.93%
Rreef America Reit II Corp	2,870,000	0.75%
Forest Park Station LLC	2,866,750	0.75%
Versailles Village	2,616,250	0.68%
	<u>\$44,909,950</u>	<u>11.72%</u>

2005		
Taxpayer	Assessed Value	Percentage of Total Assessed Value
Cincinnati Gas & Electric	\$7,797,710	2.09%
Union Central Life Ins Co	7,063,540	1.89%
Kensington Park Apts LLC	6,055,000	1.62%
Cincinnati Mills LLC	5,731,640	1.53%
Forest Park Associates LLC	4,360,170	1.17%
Aerc Remington Place Inc	3,952,410	1.06%
All State Associates of Huntington	3,559,500	0.95%
Cincinnati Bell Telephone Co	2,975,410	0.80%
Rreef America Reit II Corp	2,870,000	0.77%
Forest Park Station LLC	2,821,500	0.75%
	<u>\$47,186,880</u>	<u>12.64%</u>

Source: County Auditor

(1) - Current and prior year information only available

City of Forest Park  
 Property Tax Levies and Collections  
 Last Ten Calendar Years  
 Schedule 8

Calendar Year	Taxes Levied for the Calendar Year	Collected, including Delinquencies, within the Calendar Year of the Levy		Accumulated Delinquency	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
1997	\$1,903,230	\$1,813,685	95.30%	\$70,260	\$1,883,945	98.99%
1998	2,259,731	2,168,061	95.94%	104,086	2,272,147	100.55%
1999	2,279,443	2,206,159	96.79%	98,383	2,304,542	101.10%
2000	2,362,589	2,260,017	95.66%	95,387	2,355,404	99.70%
2001	2,445,658	2,330,812	95.30%	124,753	2,455,565	100.41%
2002	4,039,669	3,815,454	94.45%	183,628	3,999,082	99.00%
2003	4,220,658	3,967,908	94.01%	236,491	4,204,399	99.61%
2004	4,228,060	3,995,197	94.49%	222,268	4,217,465	99.75%
2005	4,248,002	3,975,074	93.58%	231,117	4,206,191	99.02%
2006	4,333,286	4,055,933	93.60%	368,238	4,424,171	102.10%

Source: County Auditor

City of Forest Park  
 Income Tax by Payer Type and Income Tax Rate  
 Last Ten Calendar Years  
 (cash basis of accounting)  
 Schedule 9

Calendar Year	Withholding Accounts	Business Accounts	Residential Accounts	Total	Income Tax Rate	Credit Amount
1997	\$3,041,493	\$552,033	\$1,268,989	\$4,862,515	1.00%	0.50%
1998	3,179,312	538,442	1,460,665	5,178,419	1.00%	0.50%
1999	3,447,577	786,856	1,437,917	5,672,350	1.00%	0.50%
2000	3,566,705	668,123	1,563,348	5,798,177	1.00%	0.50%
2001	3,636,516	492,911	1,575,596	5,705,023	1.00%	0.50%
2002	3,658,407	550,196	1,769,557	5,978,161	1.00%	0.50%
2003	3,717,305	470,824	1,640,360	5,828,489	1.00%	0.50%
2004	3,927,593	674,221	1,790,785	6,392,599	1.00%	0.50%
2005	3,764,344	959,005	1,621,041	6,344,389	1.00%	0.50%
2006	4,098,193	700,090	1,555,095	6,353,378	1.00%	0.50%

Source: City Records

Note: Refunds are deducted

City of Forest Park  
Principal Income Taxpayers  
Current Year(1)  
(cash basis of accounting)  
Schedule 10

	<u>2006</u>
<u>Name</u>	<u>Rank</u>
Union Central Life	1
Jacobs Engineering	2
Winton Woods City Schools	3
Faxon Machining	4
Process Plus Holdings	5
City of Forest Park	6
Berkeley Premium Nutraceuticals Inc	7
Hillman Group	8
Montgomery Blue Ash Insurance	9
Honeywell International	10

Source: City Records

(1) - Only current year information available

Note: Due to legal restrictions and confidentiality requirements, the City cannot disclose the amount of withholdings by taxpayer.

City of Forest Park  
Ratios of Outstanding Debt by Type  
Last Ten Calendar Years  
Schedule 11

Calendar Year	Governmental Activities		Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Public Works Issue 2 Loans			
1997	N/A	N/A	N/A	N/A	N/A
1998	N/A	N/A	N/A	N/A	N/A
1999	4,825,000	378,918	5,203,918	0.02%	161
2000	4,230,000	343,009	4,573,009	0.02%	136
2001	9,890,000	306,251	10,196,251	0.03%	296
2002	7,370,000	268,618	7,638,618	0.03%	214
2003	6,380,000	230,084	6,610,084	0.02%	181
2004	5,305,000	190,621	5,495,621	0.02%	143
2005	4,325,000	150,202	4,475,202	0.01%	112
2006	3,630,000	108,797	3,738,797	N/A	N/A

Source: City Records

N/A - Information not available

Note: Details regarding the city's outstanding debt can be found in the notes to the basic financial statements.



City of Forest Park  
 Ratios of General Bonded Debt Outstanding  
 Last Ten Calendar Years  
 Schedule 12

Calendar Year	General Bonded Debt Outstanding		Percentage of Estimated Actual Taxable Value of Property	Per Capita
	General Obligation Bonds			
1997	\$2,860,018		0.35%	\$154
1998	2,586,755		0.31%	139
1999	2,303,493		0.28%	124
2000	2,003,613		0.21%	103
2001	1,719,825		0.18%	88
2002	1,419,000		0.15%	73
2003	1,234,000		0.11%	63
2004	986,000		0.09%	51
2005	679,000		0.06%	35
2006	1,176,021		0.11%	60

Source: City Records

City of Forest Park  
 Direct and Overlapping Governmental Activities Debt  
 As of December 31, 2006  
 Schedule 13

Governmental Unit	Net Debt Outstanding	Estimated Percentage Applicable (1)	Amount Applicable to the City of Forest Park
City of Forest Park	\$4,440,000	100.00%	\$4,440,000
Hamilton County	\$121,855,000	1.96%	\$2,388,358
Northwest Local School District	\$21,040,000	2.93%	\$616,472
Great Oaks Career Center JVSD	<u>\$13,325,000</u>	1.87%	<u>\$249,178</u>
Total Direct and Overlapping Debt	<u>\$160,660,000</u>		<u>\$7,694,008</u>

Source: OMAC

(1) - Percentages were determined by dividing the assessed valuation of the overlapping government located within the boundaries of the City by the total assessed valuation of the government.

City of Forest Park  
 Legal Debt Margin Information  
 Last Ten Calendar Years  
 Schedule 14

Legal Debt Margin Calculation for Calendar Year 2006

Assessed value	383,496,830	383,496,830
Statutory legal debt limitation (1)	10.5%	5.5%
Total debt limitation	40,267,167	21,092,326
Debt applicable to limit	4,440,000	4,440,000
Legal debt margin	\$35,827,167	\$16,652,326

	Calendar Year									
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Total Debt Limit (1)										
Debt Limit (10.5%)	N/A	N/A	\$30,767,406	\$34,596,650	\$35,025,664	\$35,368,371	\$39,615,353	\$39,527,931	\$39,263,669	\$40,267,167
Total Net Debt Applicable to Limit	N/A	N/A	5,203,918	4,760,566	1,719,825	1,419,000	1,234,000	986,000	679,000	4,440,000
Legal Debt Margin	N/A	N/A	\$25,563,488	\$29,836,084	\$33,305,839	\$33,949,371	\$38,381,353	\$38,541,931	\$38,584,669	\$35,827,167

	Calendar Year									
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	N/A	N/A	16.9%	13.8%	4.9%	4.0%	3.1%	2.5%	1.7%	11.0%

	Calendar Year									
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Total Unvoted Debt Limit (1)										
Debt Limit (5.5%)	N/A	N/A	\$16,116,260	\$18,122,055	\$18,346,776	\$18,526,290	\$20,750,899	\$20,705,107	\$20,566,684	\$21,092,326
Total Net Debt Applicable to Limit	N/A	N/A	5,203,918	4,760,566	1,719,825	1,419,000	1,234,000	986,000	679,000	4,440,000
Legal Debt Margin	N/A	N/A	\$10,912,342	\$13,361,489	\$16,626,951	\$17,107,290	\$19,516,899	\$19,719,107	\$19,887,684	\$16,652,326
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	N/A	N/A	32.3%	26.3%	9.4%	7.7%	5.9%	4.8%	3.3%	21.1%

Source: OMAC

N/A - Information not available

(1) - Direct debt limitation based upon Section 133, the Uniform Bond Act of the Ohio Revised Code. Total debt limit should not exceed 10.5% of net assessed property value.  
 Total unvoted debt limit should not exceed 5.5% of net assessed property value.

(2) - General obligation bonds in the enterprise funds, special assessment debt with government commitment and bond anticipation notes have been included.

City of Forest Park  
 Demographic and Economic Statistics - Hamilton County  
 Last Ten Calendar Years  
 Schedule 15

Calendar Year	Population (1)	Personal Income (Thousands of Dollars) (2)	Per Capita Personal Income (3)	Unemployment Rate (4)
1997	18,609	25,264,828	29,395	3.70%
1998	18,609	27,144,490	31,712	3.60%
1999	18,609	27,420,292	32,262	3.60%
2000	19,463	28,329,667	33,566	3.70%
2001	19,463	29,136,541	34,499	4.00%
2002	19,463	30,010,701	35,712	5.50%
2003	19,463	30,556,012	36,526	5.40%
2004	19,463	31,972,899	38,417	5.70%
2005	19,463	33,087,346	39,937	5.50%
2006	19,463	N/A	N/A	5.00%

- Sources:
- (1) - Population estimates provided by U.S. Census Bureau (1990 Census and 2000 Census)
  - (2) - Personal Income information provided by Bureau of Economic Analysis: Regional Economic Accounts
  - (3) - Per Capita Personal Income information provided by Bureau of Economic Analysis: Regional Economic Accounts
  - (4) - Ohio Bureau of Employment Services

N/A - Information not available

City of Forest Park  
 Principal Employers  
 Current Year (1)  
 Schedule 16

2005 (2)

Employer	Number of Employees (3)	Percentage of Total City (3) Employment
University of Cincinnati	15,400	3.76%
Kroger	15,100	3.68%
Health Alliance Greater Cincinnati	13,750	3.36%
Proctor & Gamble	12,250	2.99%
Tri Health Inc	8,900	2.17%
Children Hospital Medical Center	8,875	2.17%
5/3 Bank	8,850	2.16%
G.E. Aviation	7,100	1.73%
Mercy Health Partners	6,750	1.65%
Hamilton County	6,180	1.51%
	<u>103,155</u>	<u>25.15%</u>
Total City Employment (3)	409,800	

Source: City Economic Development Division

(1) - Only current fiscal year information available

(2) - Data current as of December, 2005

(3) - Data for all of Hamilton County

City of Forest Park  
 Full-Time Equivalent City Government Employees by Function/Program  
 Last Ten Calendar Years  
 Schedule 17

Function/Program	Full-time-Equivalent Employees as of December 31									
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
General Government										
City Administration	5	5	5	5	6	6	6	6	6	6
City Council	7	7	7	7	7	7	7	7	7	7
Engineering	1	1	1	1	1	1	1	1	1	1
Facility/Buildings	4	4	4	4	4	4	4	4	4	4
Public Safety										
Police										
Officers	31	33	32	33	32	32	31	33	33	33
Non-Sworn	6	7	7	7	7	7	7	7	8	8
Fire- Full time	9	14	21	21	21	25	25	28	29	28
Part time	39	28	21	23	37	33	30	22	22	25
Leisure Time Activities										
Parks and recreation	1*	1*	1*	1*	1*	1*	1*	1*	1*	1*
Community Development										
Planning and Zoning	4	4	4	4	4	4	4	4	4	5
Building Inspection	3	3	3	3	3	3	3	3	3	3
Economic Development	1	1	1	1	1	1	1	1	1	1
Transportation and Street	8	8	8	8	8	8	8	8	8	8
Total	<u>118</u>	<u>115</u>	<u>114</u>	<u>117</u>	<u>131</u>	<u>131</u>	<u>127</u>	<u>124</u>	<u>126</u>	<u>129</u>

Source: City Finance Department

\* 1 Full-time employee and 17 part-time seasonal employees from 1997 - 2006

City of Forest Park  
 Operating Indicators by Function/Program  
 Last Ten Calendar Years  
 Schedule 18

Function/Program	Fiscal Year									
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
General government										
Building permits issued	501	481	605	549	668	536	498	902	422	437
Building inspections conducted	2,575	2,513	2,494	2,532	2,349	1,680	1,793	2,742	1,418	1,324
Police										
Physical arrests	2,311	1,703	1,344	1,307	1,250	1,438	1,632	1,823	2,006	2,368
Parking violations	304	272	142	117	105	70	114	155	270	305
Traffic violations	2,441	2,838	2,180	2,379	2,209	1,828	2,487	1,922	1,542	2,180
Fire										
Emergency responses	2,739	2,824	3,124	3,221	3,013	3,218	3,275	3,275	3,667	3,991
Fires extinguished	45	77	45	47	43	42	45	45	56	49
Inspections	215	450	654	317	472	697	760	596	914	725
Recyclable collected	0	0	2,590	2,193	1,957	1,225	736	724	689	754
Other public works										
Street resurfacing	5	11	13	5	14	6	7	7	9	8
Potholes repaired	570	1,002	1,375	477	1,001	577	1,207	462	1,122	130
Parks and recreation										
Athletic field permits issued	10	10	10	10	10	10	10	10	10	10

Source: Various city departments

City of Forest Park  
 Capital Asset Statistics by Function/Program  
 Last Ten Calendar Years  
 Schedule 19

Function/Program	Fiscal Year									
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Zone offices	0	0	0	1	1	1	1	2	2	2
Patrol units	22	22	22	22	22	22	22	22	22	22
Fire Stations	2	2	2	2	2	2	2	2	2	2
Other Public Works										
Area of City (square miles)	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50
Streets (miles)	147	147	147.00	147.00	151.25	151.25	151.25	152.82	152.82	153.00
Highways (miles)										
Streetlights	620	620	620	620	620	620	788	788	788	788
Traffic signals	18	18	18	18	18	18	18	18	18	23
Stormwater correction (Miles of Storm Lines)	42	42	42	42	42	42	42	46	46	46
Parks and Recreation										
Number of Parks	11	11	11	11	11	11	11	11	11	11
Acreage	82.23	82.23	82.23	82.23	82.23	82.23	82.23	82.28	82.28	82.28
Playgrounds	4	4	4	4	4	4	4	4	4	4
Baseball/softball diamonds	8	8	8	8	8	8	8	8	8	8
Soccer/football fields	5	5	5	5	5	5	5	5	5	5
Fire hydrants	1,150	1,150	1,150	1,150	1,150	1,150	1,150	1,150	1,150	1,150

Source: Various city departments





**Mary Taylor, CPA**  
Auditor of State

**CITY OF FOREST PARK**

**HAMILTON COUNTY**

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
OCTOBER 9, 2007**