



Dave Yost • Auditor of State

**CITY OF STOW
SUMMIT COUNTY**

TABLE OF CONTENTS

TITLE	PAGE
Independent Accountants' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i>	1
Independent Accountants' Report on Compliance With Requirements Applicable to Each Major Federal Program and on Internal Control Over Compliance Required by OMB Circular A-133	3
Federal Awards Expenditures Schedule	7
Notes to the Federal Awards Expenditures Schedule	8
Schedule of Findings.....	9

THIS PAGE INTENTIONALLY LEFT BLANK.



Dave Yost • Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY GOVERNMENT AUDITING STANDARDS

City of Stow
Summit County
3760 Darrow Road
Stow, Ohio 44224-4094

To the Honorable Mayor and City Council Members:

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the discretely presented component unit and the aggregate remaining fund information of the City of Stow, Summit County, (the City) as of and for the year ended December 31, 2011, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 22, 2012, wherein we noted the City adopted Governmental Accounting Standards Board Statement No. 54. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of opining on the effectiveness of the City's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the City's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency or combination of deficiencies in internal control such that there is a reasonable possibility that material financial statement misstatements will not be prevented, or detected and timely corrected.

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 deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above. However, we identified a certain deficiency in internal control over financial reporting, described in the accompanying schedule of findings that we consider a significant deficiency in internal control over financial reporting. We consider finding 2011-001 to be a significant deficiency. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Compliance and Other Matters

As part of reasonably assuring whether the City's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

We did note certain matters not requiring inclusion in this report that we reported to the City's management in a separate letter dated June 22, 2012.

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

We intend this report solely for the information and use of management, the audit committee, City Council, and federal awarding agencies and pass-through entities and others within the City. We intend it for no one other than these specified parties.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "D" and "Y".

Dave Yost
Auditor of State

June 22, 2012



Dave Yost • Auditor of State

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

City of Stow
Summit County
3760 Darrow Road
Stow, Ohio 44224-4094

To the Honorable Mayor and City Council Members:

Compliance

We have audited the compliance of City of Stow (the City) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that could directly and materially affect the City of Stow's major federal program for the year ended December 31, 2011. The *summary of auditor's results* section of the accompanying schedule of findings identifies the City's major federal program. The City's management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to its major federal program. Our responsibility is to opine on the City's compliance based on our audit.

Our compliance audit followed auditing standards generally accepted in the United States of America; the standards applicable to financial audits included in the Comptroller General of the United States' *Government Auditing Standards*; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. These standards and OMB Circular A-133 require that we plan and perform the audit to reasonably assure whether noncompliance occurred with the compliance requirements referred to above that could directly and materially affect a major federal program. An audit includes examining, on a test basis, evidence about the City's compliance with these requirements and performing other procedures we considered necessary in the circumstances. We believe our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the City's compliance with these requirements.

In our opinion, the City of Stow complied, in all material respects, with the requirements referred to above that could directly and materially affect its major federal program for the year ended December 31, 2011.

Internal Control Over Compliance

The City's management is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the City's internal control over compliance with requirements that could directly and materially affect a major federal program, to determine our auditing procedures for the purpose of opining on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of opining on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the City's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, when performing their assigned functions, to prevent, or to timely detect and correct, noncompliance with a federal program compliance requirement. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a federal program compliance requirement will not be prevented, or timely detected and corrected.

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

We noted matters involving federal compliance or internal control over federal compliance not requiring inclusion in this report, that we reported to the City's management in a separate letter dated June 22, 2012.

Federal Awards Expenditures Schedule

We have also audited and issued our unqualified opinion on the financial statements of governmental activities, the business-type activities, each major fund, and the discretely presented component unit and the remaining fund information of City of Stow, Summit County, (the City) as of and for the year ended December 31, 2011, and have issued our report thereon dated June 22, 2012, wherein we noted the City adopted Governmental Accounting Standards Board Statement No. 54. Our audit was performed to form opinions on the financial statements that collectively comprise the City's basic financial statements taken as a whole. The accompanying federal awards expenditures schedule provides additional information required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and is not a required part of the basic financial statements. The schedule is management's responsibility, and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. This schedule was subject to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

City of Stow
Summit County
Independent Accountants' Report on Compliance with Requirements
Applicable to Each Major Federal Program and on Internal Control Over
Compliance Required by OMB Circular A-133
Page 2

We intend this report solely for the information and use of the audit committee, management, City Council, others within the City, federal awarding agencies, and pass-through entities. It is not intended for anyone other than these specified parties.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping initial "D".

Dave Yost
Auditor of State

June 22, 2012

THIS PAGE INTENTIONALLY LEFT BLANK.

**CITY OF STOW
SUMMIT COUNTY**

**FEDERAL AWARDS EXPENDITURES SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2011**

Federal Grantor/ Pass Through Grantor/ Program Title	Pass Through Entity Number	Federal CFDA Number	Expenditures
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>			
<i>Passed Through Ohio Department of Transportation</i>			
<u>Highway Planning and Construction</u>			
Hudson Drive Widening Project	81785-22264	20.205	\$ 1,130,317
ARRA - Seasons Road Extension Project	E060 (206) & (208)	20.205	101,174
Safe Routes to School	PID 84130	20.205	<u>282</u>
Total U.S. Department of Transportation/Highway Planning and Construction			1,231,773
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>			
<i>Passed Through the Federal Emergency Management Agency</i>			
Assistance to Firefighters Grant	EMW-2010-FO-02764	97.044	33,930
<u>U.S. DEPARTMENT OF DEFENSE</u>			
<i>Direct</i>			
Allen Road Waterline Project	N/A	12.XXX	216,000
<u>U.S. DEPARTMENT OF ENERGY</u>			
<i>Passed Through Summit County</i>			
ARRA - 2010 Energy Efficiency and Conservation Block Grant	N/A	81.128	47,358
<u>U.S. DEPARTMENT OF JUSTICE</u>			
<i>Passed Through Ohio Governor's Office of Criminal Justice Services</i>			
ARRA - Edward Byrne Memorial Justice Grant	2009-RA-A02-2302	16.803	16,776
Edward Byrne Memorial Justice Grant	A74-2010-AG-A02-6814 A74-2010-JG-LLE-5066	16.738	37,384
DARE Grant Program	N/A	16.001	<u>28,919</u>
Total U.S. Department of Justice			<u>83,079</u>
Totals			<u>\$ 1,612,140</u>

The accompanying notes to this schedule are an integral part of this schedule.

**CITY OF STOW
SUMMIT COUNTY**

**NOTES TO THE FEDERAL AWARDS EXPENDITURES SCHEDULE
FISCAL YEAR ENDED DECEMBER 31, 2011**

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

The accompanying Federal Awards Expenditures Schedule (the Schedule) reports the City of Stow, Summit County, Ohio, (the City's) federal award programs' expenditures. The Schedule has been prepared on the cash basis of accounting.

NOTE B - MATCHING REQUIREMENTS

Certain Federal programs require the City to contribute non-Federal funds (matching funds) to support the Federally-funded programs. The City has met its matching requirements. The Schedule does not include the expenditure of non-Federal matching funds.

**CITY OF STOW
SUMMIT COUNTY**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505
DECEMBER 31, 2011**

1. SUMMARY OF AUDITOR'S RESULTS

<i>(d)(1)(i)</i>	Type of Financial Statement Opinion	Unqualified
<i>(d)(1)(ii)</i>	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(ii)</i>	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	Yes
<i>(d)(1)(iii)</i>	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
<i>(d)(1)(iv)</i>	Were there any material internal control weaknesses reported for major federal programs?	No
<i>(d)(1)(iv)</i>	Were there any significant deficiencies in internal control reported for major federal programs?	No
<i>(d)(1)(v)</i>	Type of Major Programs' Compliance Opinion	Unqualified
<i>(d)(1)(vi)</i>	Are there any reportable findings under § .510(a)?	No
<i>(d)(1)(vii)</i>	Major Programs (list):	Highway Planning and Construction CFDA #20.205
<i>(d)(1)(viii)</i>	Dollar Threshold: Type A/B Programs	Type A: > \$ 300,000 Type B: all others
<i>(d)(1)(ix)</i>	Low Risk Auditee?	Yes

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

FINDING NUMBER 2011-001

Significant Deficiency

According to **OMB Circular A-133 Subpart C, Section .310 (b) (1) – (3)** an auditee is required to prepare a schedule of expenditures of Federal awards for the period covered by the auditee's financial statements. At a minimum, the schedule shall:

- 1) List individual Federal programs by Federal agency. For Federal programs included in a cluster of programs, list individual Federal programs within a cluster of programs, list individual Federal programs within a cluster of programs.
- 2) For Federal awards received as a subrecipient, the name of the pass-through entity and identifying number assigned by the pas-through entity shall be included.
- 3) Provide total Federal awards expended for each individual Federal program and the CFDA number or other identifying number when the CFDA information is not available.

**FINDING NUMBER 2011-001
(Continued)**

Originally, the City's fiscal year 2011 Federal Awards Expenditures Schedule had the following inaccuracies:

- A \$586,498 road project deposit which was returned to the City by the Ohio Department of Transportation was erroneously included on the Federal Awards Expenditures Schedule.
- Ohio Public Works Commission state revenue of \$169,096 was erroneously included on the Federal Awards Expenditures Schedule.
- Two Ohio Department of Transportation receipts for the "Hudson Drive Widening Project" totaling \$186,216 and one Ohio Department of Transportation receipt for "Safe Routes to Schools" grant for \$282 was erroneously omitted from the Federal Awards Expenditures Schedule.
- Energy Efficiency and Conservation Block Grant monies totaling \$47,358 were erroneously omitted from the Federal Awards Expenditures Schedule and subsequently misidentified the pass through agency.
- Various grants reported on the City's Federal Awards Expenditures Schedule did not originally include CFDA numbers, pass through numbers and/or details of awarding agencies.

The Federal Awards Expenditures Schedule was subsequently corrected by the client.

The City Administration should appoint a federal grant coordinator or an individual whose responsibility includes tracking and accounting for all federal grant activity. This coordinator or individual would oversee all departmental federal activity and would have a complete record of all federal grant agreements entered into by the City during the year. At year end, the coordinator or individual would prepare the Federal Awards Expenditures Schedule which is a required part of the reporting package required to be submitted to the Federal Clearinghouse.

Officials' Response:

The Director of Finance and the Finance General Accounting Supervisor will be acting as the Federal Grants Coordinators for the City's grant programs. The processes that the coordinators will follow are:

- 1) A notice will be sent out to all Department Heads requiring that their grant writing personnel will need to send a copy of:
 - The completed grant application
 - Grant Award Letter (should include the CFDA #, and/or Pass Through Entity #)
 - Any official federal grant agreements
 - Any Official Grant correspondence
- 2) The federal grant coordinators will periodically check the schedule of payments for any distributions.
- 3) The federal grant coordinators will prepare the Schedule of Federal Awards Expenditures Schedule for the audit.

3. FINDINGS FOR FEDERAL AWARDS

None

CITY OF STOW, OHIO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2011

PREPARED BY:

THE DEPARTMENT OF FINANCE
JOHN M. BARANEK, DIRECTOR OF FINANCE

*3760 DARROW ROAD
STOW, OHIO 44224*

INTRODUCTORY SECTION

CITY OF STOW, OHIO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2011

TABLE OF CONTENTS

I. INTRODUCTORY SECTION

Title Page	i-iv
Table of Contents	v-xi
Letter of Transmittal	xii
General Organizational Chart	xiii
Principal City Officials	xiv
Stow Municipal Court Organizational Chart and Principal Officials.....	xv
GFOA Certificate of Achievement for Excellence in Financial Reporting.....	

II. FINANCIAL SECTION

INDEPENDENT ACCOUNTANTS' REPORT.....	1-2
MANAGEMENT'S DISCUSSION AND ANALYSIS	3-12
BASIC FINANCIAL STATEMENTS:	
Government-Wide Financial Statements:	
Statement of Net Assets	15
Statement of Activities	16-17
Fund Financial Statements:	
Balance Sheet - Governmental Funds.....	18
Reconciliation of Total Governmental Fund Balances to Net Assets of Governmental Activities.....	19
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	20
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities.....	21
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis):	
General Fund.....	22
EMS/Fire Levy Fund.....	23
Statement of Fund Net Assets - Proprietary Funds.....	24
Statement of Revenues, Expenses and Changes in Fund Net Assets - Proprietary Funds	25
Statement of Cash Flows - Proprietary Funds	26-27
Statement of Fiduciary Net Assets - Fiduciary Funds	28

BASIC FINANCIAL STATEMENTS (CONTINUED):

Statement of Changes in Fiduciary Net Assets - Fiduciary Funds	29
Notes to the Basic Financial Statements.....	31-67

COMBINING STATEMENTS AND INDIVIDUAL FUND SCHEDULES:

Combining Statements and Individual Fund Schedules - Governmental Funds:

Fund Descriptions - Governmental Funds	71-73
Schedules of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis):	
General Fund.....	75-77
EMS/Fire Tax Levy Fund.....	78
General Capital Improvements Fund.....	79
Balance Sheet - Nonmajor Governmental Funds.....	80
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds	81
Combining Balance Sheet - Nonmajor Special Revenue Funds.....	82-89
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Special Revenue Funds	90-97
Schedules of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis):	
Street Construction Fund.....	98
State Highway Improvement Fund.....	99
Police Pension and Disability Fund.....	100
Fire Pension and Disability Fund	101
Motor Vehicle License Tax Fund.....	102
ODNR Litter Prevention Grant Fund	103
EMS Transport Fees Fund.....	104
Police Enforcement and Education Fund	105
Special Assessment Improvements Fund	106
Tree Trust Fund.....	107
Communications Tower Fund	108
Cemetery Trust Fund.....	109
Park Improvements Fund	110
Federal Law Enforcement Forfeited Fees Fund	111
Community Events Fund	112
Safety Town Fund	113
D.A.R.E. Program Fund	114
Youth Division Donations Fund.....	115
Fire Department Emergency Equipment Fund	116
Parks Youth Fund.....	117
Police Department Emergency Equipment Fund.....	118
Youth Division Teen Center Fund	119
Parks Lodge Improvement Fund	120
Community Relations Fund.....	121
SS Ballfield Complex Fund.....	122
Park and Recreation Scholarship Fund.....	123
Community Development Fund	124
FEMA Fund	125
Business Assistance Fund	126
City Lodging Tax Fund	127

COMBINING STATEMENTS AND INDIVIDUAL FUND SCHEDULES (CONTINUED):

Enhanced 911 Wireless Fund.....	128
Adopt A Tree/Tree City Fund	129
Police Officer Training Fund.....	130
Court Special Projects Fund	131
Probation Fund	132
Indigent Drivers Fund	133
Court Technology Fund.....	134
Court Clerk Technology Fund.....	135
IDIA Monitoring Fund.....	136
Safe Route to School Fund.....	137
Residential Snow Removal Fund	138
General Obligation Bond Retirement Fund.....	139
 Combining Statements and Individual Fund Schedules - Proprietary Funds:	
Fund Descriptions - Proprietary Funds.....	140
Schedules of Revenues, Expenses and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis):	
Water Fund.....	141
Golf Fund	142
Storm Water Utility Fund.....	143
Combining Statement of Net Assets - Nonmajor Internal Service Funds.....	144
Combining Statement of Revenues, Expenses and Changes in Net Assets - Nonmajor Internal Service Funds.....	145
Combining Statement of Cash Flows - Nonmajor Internal Service Funds	146
Schedules of Revenues, Expenses and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis):	
Administrative Insurance Fund	147
Self-Insurance Fund	148
Fund Descriptions - Fiduciary Funds	149
Combining Statement of Net Assets - Private Purpose Trust Funds.....	150
Combining Statement of Revenues, Expenses and Changes in Fund Balances - Private Purpose Trust Funds	151
Schedules of Revenues, Expenses and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis):	
Stutler Scholarship Fund	152
Wells Perkins Cemetery Fund	153
Stow Seniors Commission Fund.....	154
Statement of Changes in Assets and Liabilities - Agency Funds.....	155-158
 III. STATISTICAL SECTION	
Statistical Section - Table of Contents	159
Net Assets by Component - Last Nine Years.....	162-163
Changes in Net Assets - Last Nine Years.....	164-167

III. STATISTICAL SECTION - (CONTINUED)

Fund Balances, Governmental Funds - Last Ten Years	168-169
Changes in Fund Balances, Governmental Funds - Last Ten Years	170-171
Assessed Value and Actual Value of Taxable Property - Last Ten Years	174-175
Direct and Overlapping Property Tax Rates - Last Ten Years.....	176
Property Tax Levies and Collections - Last Ten Years.....	177
Principal Property Taxpayers - Current Year and Nine Years Ago.....	178
Income Tax Revenue Base and Collections - Last Ten Years	179
Ratios of Outstanding Debt by Type - Last Ten Years	182-183
Ratios of General Bonded Debt Outstanding - Last Ten Years	184
Direct and Overlapping Governmental Activities Debt	185
Legal Debt Margin Information - Last Ten Years.....	186
Demographic and Economic Statistics - Last Ten Years	189
Principal Employers - Current Year and Nine Years Ago	190
Full Time Equivalent City Government Employees by Function/Program - Last Ten Years	193
Operating Indicators by Function/Program - Last Ten Years	194-195
Capital Asset Indicators - Last Ten Years	196-197
Capital Asset Statistics by Function/Program - Governmental Activities - Last Nine Years.....	198-199



John M. Baranek
Director of Finance

June 22, 2012

The Honorable Mayor Sara Drew,
Members of City Council
and Citizens of the City of Stow, Ohio

Ladies and Gentlemen:

The Comprehensive Annual Financial Report for the City of Stow (the “City”) for the fiscal year ended December 31, 2011, is hereby respectfully submitted. It includes information pertaining to all of the City’s funds and financial transactions and selected financial and other information for the most recently completed fiscal year (2011). Responsibility for both the accuracy of the data and the completeness and fairness of the presentation rests with the City. To the best of our knowledge, the data in this report is accurate in all material respects and it presents fairly the financial position and results of operations of the City. All disclosures necessary to provide the reader with a better understanding of the City’s financial activities have been included.

The City is responsible for establishing and maintaining an internal control structure designed to protect its assets from loss, theft or misuse. Furthermore, the accounting system must be adequate to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived and that the valuation of costs and benefits requires estimates and judgments by management.

The City is required by state law to have an annual audit performed by the Auditor of State’s Office. The City continues to receive an unqualified opinion. The Independent Accountants’ Report of the Auditor of State on the City’s financial statements is included in the Financial Section of this report.

As a part of the City’s independent audit, considerations are made to assess the internal control structure, in relation to the financial statements, as well as to determine that the City has complied with applicable laws and regulations. The results of the City’s independent audit for the year ended December 31, 2011, provided no instances of material weaknesses in the internal control structure or significant violations of applicable laws and regulations.

This transmittal letter is designed to provide historical information about the City, as well as complement the required Management’s Discussion and Analysis (MD&A). Generally accepted accounting principles require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements. The City’s MD&A, which focuses on the government-wide statements and major funds, can be found immediately following the Independent Accountants’ Report.

COMMUNITY PROFILE

The City of Stow was incorporated in 1957 as a village and became a City in 1960. The City is located in Summit County approximately 30 miles southeast of Cleveland, Ohio and 8 miles northeast of Akron, Ohio. With a population of 34,837 according to the 2010 Census, Stow is the third largest City in Summit County. The City operates under, and is governed by, its Charter, which was first adopted by the voters in 1958. The Charter is subject to amendment from time-to-time by the voters.

Under the Ohio Constitution, the City has the right to exercise all powers of local self-government. The Charter provides for a Mayor-Council form of government, and also for independently elected Finance and Law Directors. Legislative authority is vested in a seven-member City Council. Three Council members are elected at-large and four members are elected from wards. All members serve two-year terms. The presiding officer of City Council is the President, who is elected from among its members for a one-year term.

The City's chief executive and administrative officer is the Mayor, who is elected to serve a four-year term. The Mayor also serves as Public Safety Director. The Mayor may veto any legislation passed by the Council. A veto may be overridden by a two-thirds vote of the members of the Council. Effective with terms commencing in 2012, all elected City officials are limited by the Charter to eight consecutive years in office.

The City of Stow provides a full range of services to its citizens. The City's major general government services include police and fire protection, emergency medical service, street maintenance and snow removal, parks and recreation, building and zoning inspection and enforcement, urban forestry and various administrative and operational services. The City also operates and maintains the Stow Water System which provides water distribution service to all Stow residents and businesses and a Storm Water Management Utility. Three cemeteries and numerous community and neighborhood parks, playgrounds and other recreation facilities, including an 18 hole municipal golf course, are also owned and managed by the City for the benefit of its citizens. Stow is also the host City for the Stow Municipal Court which is included as a component of the City's operating budget.

The basic financial statements, schedules and statistical tables presented herein include all funds that are controlled by or are dependent upon the City of Stow. These funds are determined on the basis of budgetary overview, obligations to fund deficits or control of the use of surplus funds, the taxing authority and fiscal management responsibilities. The Stow-Munroe Falls City School District, the Stow-Munroe Falls Public Library and the Stow Historical Society conduct all or a portion of their activities within the boundaries of the City. However, these organizations are not considered part of the reporting entity because the City does not exercise significant influence over their daily operations, approve their budgets, or maintain their accounting records. In addition, the City is not responsible for the organizations' debt or for funding any operating deficits.

ECONOMIC CONDITION AND FUTURE OUTLOOK

Local Economy

The City of Stow was originally founded as a township, eventually became a village and was incorporated as a city in 1960 with a population of 12,194. The 2000 population reached 32,139. The estimated count in 2010 by the U.S. Census Bureau indicates that Stow's population reached 34,837, which is an 8.4 percent increase from 2000. To accommodate the City's population growth, over 10,000 dwelling units have been constructed in Stow since 1970, bringing the total number of units to 15,141 per the 2010 census. It has been recently estimated that there is available land for an additional 2,000 dwelling units to be constructed in Stow in the future. Recent projections estimate the fully developed population of the City of Stow to be nearly 40,000 residents. This estimated range could be reached sometime within the next 25 years.

Stow is a growing, predominately residential community which has a balanced commercial and industrial tax base to help absorb the tax burden associated with providing services to its residents. Because Stow is in a strategic growth corridor between the Cleveland and Akron metropolitan areas, it is likely that these positive development trends will continue. The City, through the application of its Comprehensive Land Use Plan, attempts to influence and guide development in a manner which results in a pleasant suburban environment where residences are the predominant land use but with sufficient commercial and industrial enterprises to pay for a significant portion of the local government's cost of providing high quality services to all residents and businesses.

Substantial commercial, office and industrial growth has occurred in Stow in recent years. As part of the effort to update the City's Comprehensive Land Use Plan, City officials, with the assistance of a professional development consultant, prepared a market study to analyze existing and potential nonresidential development in the City and the future local market for office and retail expansion. It was determined that the City of Stow has a substantial supply of competitive retail space – approximately 2.8 million square feet. Stow's retail vacancy rates have fluctuated from 8 to 15 percent over the past several years. With a few exceptions, the Stow vacancy rate for retail has typically been lower than the rate for the Akron Metropolitan Area. The most recent vacancy rate (January 2012) is approximately 11.3 percent which is below the Akron Metropolitan Area rate of 14 percent. It is anticipated that the City will take the necessary policy steps to ensure that the local retail sector continues to remain strong. Estimates place the potential demand for additional retail space in Stow to be as high as 380,000 square feet or more over the next ten years.

City officials have placed a particular emphasis on the development of the office and industrial market in Stow, recognizing the positive revenue implications resulting from this type of development. As of the beginning of 2012, there was nearly 750,000 square feet of office space in Stow. The office vacancy rate was 15.3 percent, which is lower than the average vacancy rate for suburban communities in the Akron Metropolitan Area. In addition, there was over 3,800,000 square feet of industrial space in Stow, and the vacancy rate was 7.5 percent as of the beginning of 2012, which is below the region's 12.0 percent rate.

Through the use of development incentive programs and an aggressive construction schedule for public infrastructure, City officials are planning to encourage the construction of additional office capacity, medical space, flex space and light industrial space by 2013. The Seasons Road/State Route 8 Interchange project will accommodate much of this expected development in the northwest sector of the City. The current development of the Steels Corners Road Interchange area already accommodates some 200,000 square feet of office space, including medical facilities. Supporting commercial, service and related businesses are already constructed or being planned in the vicinity of the interchange, including three medium-sized hotels which have opened.

The City of Stow offers an excellent opportunity for business growth due to a broad network of state and interstate highways which provide the area with access to regional and national markets. Stow is fortunate to have a diversified tax base comprised of many small-to-medium sized industries. The City has at least ten private companies that employ between 100 and 400 workers. Additional industrial development is expected to be spurred with the provision of necessary infrastructure. The City's participation in the Foreign Trade Zone which is located in the northwest area of Stow and was created for the purpose of promoting local industrial development will also foster business growth.

In 2006, the City administration completed its first long-term Economic Development Strategy to guide and facilitate the efforts of the City government and other community organizations in undertaking economic development activities in Stow. The formal Strategic Plan was reviewed and evaluated in public by Stow's legislative body and was officially adopted by the City. It is now being implemented by the City administration and the local Community Improvement Corporation. It is subject to update in 2012 and beyond as economic conditions and the local economy change.

Major Initiatives and Long-Term Financial Planning

Current Year – In order to balance its budget and ensure that it operated within its financial means, the City of Stow began the 2009 operating year with the goal of significantly reducing its workforce over the next three years. The City ended the 2011 operating year with a total of 45 full-time employee positions eliminated or left unfilled out of 276 authorized full-time positions at the beginning of 2009. This represented a workforce reduction of more than 16 percent in three years. The City also eliminated seven part-time employees and numerous seasonal positions over this period.

The workforce reduction was accomplished through an ongoing hiring freeze and the implementation of a one-time voluntary separation program for eligible employees. The hiring freeze, as supplemented by other expenditure reduction and containment measures, continues as a formal City policy. The City will maintain its effort to reduce the workforce where feasible in 2012 and beyond, although not at the pace of the previous three years.

In 2011, also due to budgetary limitations, the City began to implement a policy of workforce and facilities consolidation. This policy has been designed to increase the efficiency of our smaller workforce by combining functions in a number of critical areas and reducing the number of City buildings in use. A concurrent goal will be to maintain all essential City services.

The City's voter-approved program to expand the City's Emergency Medical Services (EMS) and fire response capabilities over the long-term has proven to be very successful for the community. The expansion program was funded through an increase of 2.3 mills in the City's Charter property tax rate and included two new fire stations, and fifteen additional paramedics as well as new fire trucks and equipment. One of the new fire stations is an additional station to increase emergency coverage on the City's east side, while the other is a relocated replacement facility to improve response times on the City's west side. The fifteen additional paramedics have enabled the City's Fire Department to operate a full EMS transport system throughout the entire community and to fully staff the two new fire stations. The City's centrally located Safety Building continues to serve the community as its main fire station. Three new fire trucks were acquired in 2007 and two new EMS response vehicles were purchased in 2008 to further upgrade and enhance the City's ability to provide high quality emergency service to its residents.

In early 2011, the City received FEMA grant funding to hire five replacement paramedics to restore the Fire Department's staffing to its pre-recession level. The funding enables the City to maintain desired Fire Service staffing for a minimum two-year period.

Recent construction of the City's new Service Maintenance Center and the Parks Maintenance and Urban Forestry Complex provided almost 100,000 square feet of new space for the City's combined maintenance operations, including Water System maintenance. They enable the City to store virtually all of its service and parks vehicles indoors. The new structures cost approximately \$9.8 million combined. They replaced the existing undersized and outdated buildings which were used by Stow for many years. These two new City structures are major components of the City's ongoing long-term plan to construct new public service facilities for the City government to serve its residents and businesses. Previous new buildings constructed include the Stow City Hall, which was opened in 1986, and the Safety Building (Police, Fire, EMS and Communications) which was completed in 1995.

As conditions and space needs for the City have changed, as part of the facilities consolidation evaluation begun in 2011, the City has identified all or a portion of the main Parks Maintenance operating building as a potential candidate for conversion to private use on a lease or lease/purchase basis. The vehicle and equipment storage buildings within the Parks Maintenance and Urban Forestry complex will be retained for City use.

Maintenance and repair of roads throughout the community to accommodate the growing population and expanding commercial and industrial base continues to be a high priority for the City government. In the 2003-2004 Capital Improvements Budget, the City allocated nearly \$3.6 million for road-related projects, including general road repaving. In the amended 2005-2006 Budget, the amount allocated for road projects was also \$3.6 million, including funding for two major road projects designed to improve the community's overall transportation system and the future flow of traffic in Stow. The City allocated \$4.1 million for major road projects in the 2007-2008 Capital Budget. The City allocated additional funding for three major road projects in Stow and a road resurfacing program as part of the 2009-2010 Capital Budget. In 2011, \$750,000 was budgeted for the annual road resurfacing program. Substantial progress was also made toward the completion of the three major road projects.

In order to accommodate expected continued population and business growth in Stow, the City government will continue to invest in its public facilities, its transportation system, the Stow Water System and the community infrastructure in the years ahead. City officials are guided in the development of the community in the future by the City's Comprehensive Land Use Plan which is currently being updated. Approval of the new Plan is expected in 2012-2013. Before it receives final approval, the new Plan will be subject to many public hearings and community meetings held by Stow City officials.

In November, 2001, the City of Stow regained ownership of the Stow Water System from the Summit County government and immediately became fully responsible for its daily operation. The City completed ten very successful full operating years for the System in 2011. The City provides water to its citizens based on a 99-year water service agreement between Stow and the City of Akron whereby Akron supplies water directly to Stow on a wholesale basis. The detailed terms of the Stow water supply agreement with Akron were finalized and a formal contract executed in December of 2006.

A long-term comprehensive Operating Budget for the Stow Water System was developed when the System was acquired by the City in 2001 to guide the City in managing the operation and maintenance of the System. The Budget is updated each year with current financial information and is used to assist the administration and City Council in determining and meeting the operating needs of the System and assessing the adequacy and level of future water rates. As a result of detailed budget planning, the Water System is financially very sound. As of the end of 2011, it had adequate reserves to address virtually any unanticipated operating expense.

With the assistance of the City's consulting engineering firm, the City of Stow completed a long-term Water System Capital Improvements Plan. The Plan identifies some \$11.3 million in necessary current improvements for the Water System to be undertaken over the next five-ten years or longer, and nearly \$3.1 million in future improvements that will be considered for completion in at least ten years. As part of the long-term Capital Plan, the consultant developed a comprehensive computerized model for the Water Distribution System. The model has proven useful in identifying and resolving System problems, undertaking hydraulic analysis when necessary and forecasting future water usage. It enables the City to make Water System capital investment decisions that are designed to efficiently meet present and future water demands in Stow.

In 2011, the City continued with the long-term improvements program outlined in its comprehensive Capital Plan for the Water System, including numerous waterline replacement projects and related upgrades. The City previously enacted an ongoing, monthly \$4.00 Water System capital improvements fee for all water customers to generate the revenue necessary to undertake and complete the improvements identified in the long-term Plan on a programmed basis over the next ten-twenty years and also to implement an automatic, radio-based meter reading system for more efficient and timely reading of the meters of Stow's water customers. Installation of the automatic meter reading system has been completed and is now being monitored for accuracy and reliability. It cost approximately \$2.3 million and, except for the correction of minor problems and ongoing maintenance, is now fully operational.

The City established a Storm Water Management Utility in 2004 to address flooding issues and problems throughout the Stow community. An ongoing, monthly storm water improvement fee was enacted in 2004 by City Council to pay all future operating and capital costs associated with maintaining and upgrading the City's existing storm water management system over the next ten-twenty years. The fee is graduated and is based on an engineering evaluation of the size of the impervious surfaces of individual residential and non-residential properties in Stow. Numerous storm water projects have been completed over the past seven years with funding provided by the enactment of the new fee. This past year the City continued its assessment of the engineering studies completed for every neighborhood within the City to identify storm water problems that need to be corrected as part of a long-term storm water management plan. Many more projects are being evaluated and prioritized for completion in 2012 and 2013.

In 2011, the City of Stow continued many of its ongoing programs which are designed to improve the community as a whole and its individual neighborhoods. The provision of such programs as the Stow Senior Center, adopt-a-spot beautification, the neighborhood playground upgrades, residential storm sewer improvements, sidewalk repair, housing repair, litter and recycling education and awareness, neighborhood beautification and tree planting programs were important accomplishments of the City again this past year.

A comprehensive ten-year Capital Improvements Financial Plan was prepared by the City in 2002 to guide City officials in undertaking and completing the City's major permanent improvement projects over the period, 2002-2011. The Plan, as updated each year, was used in 2011 and will continue to be used as it is revised in future years to identify available capital improvement funding sources and all potential general capital projects which are necessary to improve the City's infrastructure, buildings, facilities and major equipment over the next ten-year period. The Plan also serves as the City's guide for both short-term and long-term debt management.

In May of 2006, the City Council adopted a long-term master plan for the development of the City Center Site which encompasses the centrally located municipal government offices, a large playground and the surrounding acreage. The development of the site will eventually include public gathering facilities for entertainment, an amphitheater, cultural and arts centers, walking trails and some mixed use buildings. The master plan for the maintenance, development and future management of the City's arboretum/sancturetum, which is located near Stow City Hall, continued to be updated in 2011. It is included as a major component of the City's overall City Center Site long-term plan. It is the intent of the City to further develop detailed plans and possible funding sources to enhance the arboretum/sancturetum in several phases. It was opened fully to the public in the summer of 2006. Preservation of this unique and extensive outdoor natural resource is a long-standing commitment of the City.

In February of 2006, the Stow City government completed the acquisition of an 18-hole municipal golf course located on 140 acres of land within a highly developed residential area of the City. The golf course, which was named the best privately owned public golf course in Ohio in 2005, was successfully operated by the City's Parks and Recreation Department on a better than break-even basis with its own resources over the period 2006-2010. With the golf industry subject to lessening demand nationally in 2011 and less favorable weather conditions, the golf course operation, while successful, did not fare quite as well in 2011 as in previous years. The City's ongoing commitment to the operation of the golf course ensures its retention and preservation as a highly-valued recreational asset in the Stow community.

A unique, special needs playground was completed as a supplemental facility in one of Stow's major parks in 2008. It cost approximately \$278,000 and was funded through a combination of private donations, a state grant and City funding. It is designed for the inclusion and accessibility of all children regardless of disability. In 2011, it was used by many individuals and groups in the community.

After assessing the feasibility of converting its Safety/Service communications system to 800 MHz capability, in 2006, the City executed a 10-year agreement to participate with other communities in the Summit County/Akron radio system. The County-wide system increases compatibility, interoperability and mutual communications capabilities with surrounding communities. The City continued its effort to enhance the new radio system for its safety forces in 2011 through the use of local funding and grants.

As of January 1, 2009, the City of Stow became the new home of the Stow Municipal Court (formerly the Cuyahoga Falls Municipal Court). Construction of the new \$9.2 million courthouse commenced in 2007 in northwest Stow near a major interchange and was completed at year-end 2008. The new Court serves over 180,000 people in 16 local communities. The new Court facility is already a recognized landmark and an important community asset in Stow.

In 2008, the City contracted with two other area communities to create a regional dispatch communications center in the Stow Safety Building. The center, which was established on August 1, 2008, is being operated by the Stow police department. It has eliminated duplicative dispatching facilities and will potentially reduce long-term capital and operating costs for each of the participating governments. A township was added to the regional center as a communications service user in early 2009. The City of Stow continues to be open to serving additional entities through contracting with Stow for the provision of dispatching services to their communities.

In May 2009, the City completed renovation of a City-owned building to replace the former Senior Center which had previously been in rented quarters. The new Senior Center, which is near the Stow City Hall, is more centrally located than the former Center and provides improved accessibility for seniors throughout Stow. In 2011, the facility generated considerable senior citizen activity and programs in Stow as the City's support for seniors activities continued to grow.

Future – As with virtually every other governmental unit in Ohio, Stow is coping with the adverse impact of the severe national economic recession on its finances. We have adopted a much more conservative and restrictive stance regarding our operating and capital budgets. We have reduced our operating expenditures, imposed a hiring freeze, implemented an employee buyout program and cancelled or delayed many capital improvements. Within our more limited financial capability, we continue with various major initiatives designed to improve and enhance the City of Stow and/or to enable the City to accommodate the continued growth and development of the Stow community in 2012 and beyond.

As referenced earlier, the City will continue to implement its workforce and facilities consolidation plan in 2012 by reviewing the utilization of all buildings. Departmental building assignments and locations will be assessed and evaluated for more efficient layouts and usage. The main Parks Maintenance building may eventually be converted to private use and similar City departments will be consolidated to more effective common locations for joint usage of major equipment and simultaneous training on related job tasks.

The City's elected officials, in cooperation with the Judges and Clerk of Courts, are working in 2012 to stabilize the finances of the Stow Municipal Court for the future, including effective management and retirement of the debt incurred to construct the new Courthouse. Many essential services are provided by the Court within the sixteen jurisdictions served. An important component of the City's plan is to ensure that Mayor's Courts, either existing or new, do not negatively impact the long-term finances or budget of the Court.

The new Route 8 Interchange, located at State Route 8 and Seasons Road in both Stow and Hudson, has been completed and is now open. The main access road to the interchange was improved and widened in 2010. The project was a joint undertaking of the State of Ohio, the City of Stow and the City of Hudson. Along with the recently-completed Seasons/Norton Roads connection and the Seasons Road improvement projects, the new interchange is necessary to facilitate expansion of the industrial and commercial growth areas of Stow to ensure future expansion of our tax base. The total design and construction cost for the interchange was approximately \$7.7 million, with \$4.0 million paid by a federal grant. Stow and Hudson individually paid fifty percent of the remaining cost, or \$1.85 million each.

The cities of Stow, Hudson and Cuyahoga Falls have reached a tentative agreement to create a tax sharing district of 250 acres in 2012-2013 in the area surrounding the interchange in which specified taxes generated by new businesses will be equally shared by the three communities. The tax sharing area will help eliminate competition among the communities for the location of new businesses. When the tentative tax sharing agreement is finalized and adopted by the three communities, Cuyahoga Falls will also share equally in the local cost of the construction of the new Route 8 Interchange, which will reduce the local cost for Stow and Hudson.

A major new employer planning to locate in the new interchange and tax-sharing area is a 100-bed, full-service hospital facility. The hospital is currently in the final planning stages, but has been delayed due to economic conditions. It is now expected to move forward prior to the end of 2012 and will be the anchor of the tax-sharing district. When it is completed in the next several years, the hospital facility will generate considerable related economic activity in the area surrounding the interchange.

Through the City's annual concrete and asphalt road paving program and such projects as the Norton/Seasons Roads connection, the Seasons Road improvement, the Route 8 Interchange construction, the Steels Corners Interchange upgrade, the Hudson Drive widening, the Graham Road upgrade, the Norton Road improvement and various other planned road, intersection, traffic light and bridge improvements, the City of Stow will continue to upgrade the community transportation system significantly over the next decade. All of these projects have received, or will receive, state and/or federal funding assistance to ensure their completion.

In 2012, the City will also be continuing its ongoing traffic signal upgrade program at major intersections throughout the community. Local funds will be combined with grant funds and other sources to finance the installation of new signals at high traffic volume locations to improve traffic control and/or to meet safety concerns.

Construction of a new boulevard to provide public access through the large City Hall site has been completed in basic form. The landscaping is now being finished and the new roadway should receive final paving within two years. It will be compatible with the planned community facilities on the City Center campus, such as the potential amphitheater and other related improvements.

The proceeds of the City's lodging tax, which is collected on all overnight hotel and motel room occupancies, have been dedicated to pay for infrastructure improvements in specified areas of the City to encourage economic development. In 2007, the usage of the tax was expanded to include support of the City's Community Improvement Corporation (C.I.C.), which has the ability to offer financial aid and/or loans as incentives to new and/or expanding businesses in Stow. In 2010, a significant portion of the proceeds was obligated to fund the City's community development staff. The funding has now been expanded to include the City's planning staff as well. The C.I.C. was involved in providing assistance to several important local industries in Stow in 2011, including serving as the conduit for a sizeable state assistance loan to a local business to enable it to remain in operation.

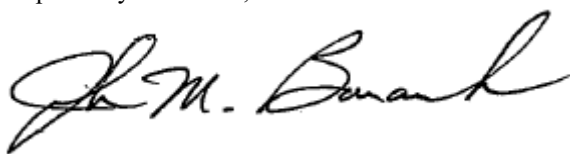
The City administration will continue to emphasize economic development in Stow in 2012 as a means to enhance our tax base for the future and strengthen the City's financial standing. We also expect to finalize major updates for both the 2001 city-wide Comprehensive Plan and the 2006 Economic Development Plan.

OTHER INFORMATION

Awards – The City prepared and submitted a Comprehensive Annual Financial Report (CAFR) for the first time for 2000 to the Government Finance Officers Association of the United States and Canada (GFOA). A Certificate of Achievement for Excellence in Financial Reporting was awarded to the City of Stow for its Comprehensive Annual Financial Report for the years ended December 31, 2000, 2001, 2002, 2003, 2004, 2005, 2006, 2007, 2008, 2009 and 2010. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. Such reports must satisfy both Generally Accepted Accounting Principles and applicable legal requirements. We believe our current report for 2011 conforms to the Certificate of Achievement for Excellence in Financial Reporting program requirements, and we are submitting it to the GFOA to determine its eligibility for a 2011 award.

Acknowledgment – I would like to express my sincere appreciation and thanks to those individuals who assisted in the preparation of the 2011 Comprehensive Annual Financial Report. Successful preparation of a report of this scope required the dedicated services of the entire staff of the Finance Department. I also extend my appreciation to the Mayor, City Council and all Department Heads for their support and assistance in completing this Comprehensive Annual Financial Report.

Respectfully submitted,

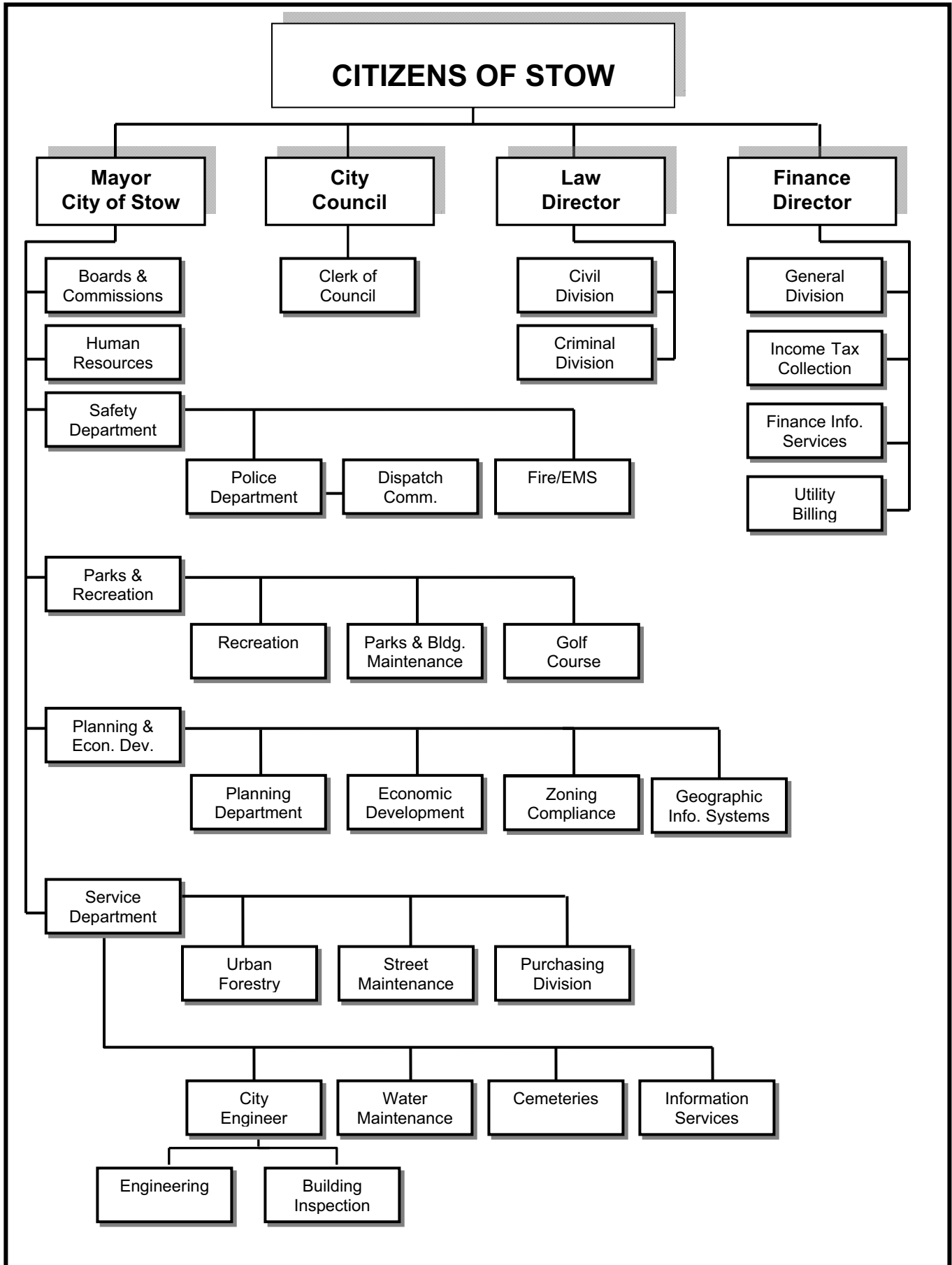
A handwritten signature in black ink, appearing to read "John M. Baranek". The signature is fluid and cursive, with a large initial "J" and "M".

John M. Baranek
Director of Finance

City of Stow, Ohio

General Organization Chart

2011



CITY OF STOW, OHIO
PRINCIPAL CITY OFFICIALS
AS OF DECEMBER 31, 2011

Elected Officials

Mayor	Karen Fritschel
Finance Director	John Baranek
Law Director	Brian Reali
President of Council	Janet D'Antonio (At Large)
Vice President	Sara Drew (At-Large)
President Pro-Tem	Matt Riehl (Ward I)
Council Member	James Costello (Ward II)
Council Member	John Pribonic (Ward III)
Council Member	Joe Hickin (Ward IV)
Council Member	Mike Rasor (At-Large)

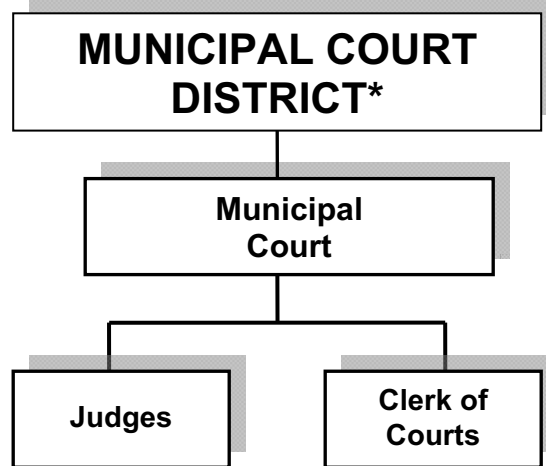
Department Officials

Service Director	Dano Koehler
Planning & Development Director	Ken Trenner
City Engineer	James McCleary
Fire Chief	William Kalbaugh
Fire Division Chief	Lou Ann Metz
Police Chief	Louis A. Dirker, Jr.
Police Captain	(Vacant)
Assistant Service Director	Michael Miller
Director of Budget & Management	John Earle
Assistant City Engineer	(Vacant)
Assistant City Engineer	Gerald Dolson
Manager of Information Services	Dale Germano
Tax Administrator	Dennis Bernaciak
Deputy City Engineer	Edward Carey
Assistant Planning Director	Rob Kurtz
Assistant Law Director	(Vacant)
Economic Development Coordinator	Mike Weddle
Senior Engineer	Brad Kosco
Parks and Recreation Director	Nick Wren
Human Resources Director	(Vacant)
Water Distribution Superintendent	Kathy Vaughn
Chief Building Inspector	Tony Catalona
Parks Manager	(Vacant)
Deputy Law Director	Amber Kerek
Road Superintendent	Don Brooker
Landscape Arborist	Sue Mottl
M.I.S. Coordinator – Finance	Lisa Paxton
M.I.S. Coordinator – Network	Sean Shotts
Clerk of Council	Bonnie Emahiser
Inspector	Tony Avolio
Youth Services Coordinator	Kathy Christ
Community Information Coordinator	Linda Nahrstedt
Recreation Supervisor	Anne Baranek
Assistant Recreation Supervisor	Kathy McConnell

City of Stow, Ohio

Stow Municipal Court Organizational Chart

2011



Stow is the host City for the Stow Municipal Court

*The following jurisdictions make up the Stow Municipal Court District:

CITY

Stow
Cuyahoga Falls
Hudson
Twinsburg
Tallmadge
Macedonia
Munroe Falls

VILLAGES

Reminderville
Boston Heights
Peninsula
Northfield
Silver Lake

TOWNSHIPS

Boston
Northfield Center
Sagamore Hills
Twinsburg

STOW MUNICIPAL COURT PRINCIPAL OFFICIALS AS OF DECEMBER 31, 2011

Elected Officials

Judge Kim R. Hoover
Judge Lisa Coates
Clerk of Courts Lisa Zeno Carano

Appointed Officials

Court Administrator Rick Klinger
Chief Deputy Clerk of Courts Deanne Brown

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Stow
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2010

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.



Linda C. Danison

President

Jeffrey R. Emer

Executive Director

THIS PAGE IS INTENTIONALLY LEFT BLANK

FINANCIAL SECTION

THIS PAGE INTENTIONALLY LEFT BLANK.



Dave Yost • Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

City of Stow
Summit County
3760 Darrow Road
Stow, Ohio 44224-4094

To the Honorable Mayor and City Council Members:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the discretely presented component unit, and remaining fund information of City of Stow, Summit County, Ohio (the City), as of and for the year ended December 31, 2011 which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the discretely presented component unit, and remaining fund information of City of Stow, Summit County, Ohio, as of December 31, 2011 and the respective changes in financial position and where applicable, cash flows, thereof and the respective budgetary comparisons for the General and Fire/EMS Tax Levy Funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As describe in Note 3A, City of Stow implemented the provisions of the Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 22, 2012, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

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

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



Dave Yost
Auditor of State

June 22, 2012

CITY OF STOW, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2011 (UNAUDITED)

The management's discussion and analysis for the City of Stow's (the "City") financial statements provides an overview of the City's financial activities for the year ended December 31, 2011. The intent of this discussion and analysis is to provide a narrative that describes the City's performance as a whole. To obtain a more detailed understanding, one should also review the transmittal letter, the notes to the basic financial statements and the basic financial statements.

Financial Highlights

The City's key financial highlights for 2011 are as follows:

- The assets of the City exceeded its liabilities at the close of the year ended December 31, 2011 by \$86,500,112 (net assets). Of this amount, \$6,958,099 is considered restricted for various purposes such as capital projects, debt service and other restrictions, and \$69,082,708 is invested in capital assets. These combined amounts are lower than the City's total net assets at year end, resulting in a balance of \$10,459,305 in unrestricted net assets.
- Total net assets increased \$2,435,608 or 2.90 percent as a result of this year's operations. Net assets for business-type activities increased \$1,606,860 or 5.07 percent, while the net assets related to governmental activities increased \$828,748, or 1.58 percent.
- The City's total revenues amounted to \$40,047,462 in 2011, of which \$32,733,423 related to governmental activities and \$7,314,039 to business-type activities. Program specific revenues in the form of charges for services, grants and contributions accounted for \$16,208,763 or 40.47 percent of total revenues.
- The City had \$37,611,854 in expenses in 2011, \$31,538,258 of which were for governmental activities and \$6,073,596 for business-type activities.
- Among the major funds, the general fund had \$21,400,798 in revenues and \$20,625,023 in expenditures in 2011. The amount of \$500,000 was transferred to the general fund in 2011, and \$592,673 was transferred to other funds.
- The general fund's balance increased to \$5,374,179, an increase of \$683,102 from the beginning of 2011. The general fund balance was 25.11 percent of total general fund revenues, which is a slight increase from the percentage in 2010.
- The City's total governmental activities long-term obligations decreased from \$28,453,223 to \$27,507,148 during 2011. This decrease of \$946,075 was primarily due to a reduction in City bond, note and capital lease obligations.

Using this Comprehensive Annual Financial Report (CAFR)

The City's annual report consists of a series of financial statements and notes to those statements. The statements are organized so the reader can understand the City of Stow as a total financial and operating entity. These individual statements provide a detailed look at specific financial activities.

The City's basic financial statements are comprised of three components: 1) City-wide financial statements; 2) fund financial statements; and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

The statement of net assets and the statement of activities provide information about the activities of the City as a whole and present a long-term view of the City's finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell the reader how services were financed in the short-term, as well as the amount of funds remaining for future spending. The fund financial statements also look at the City's major funds with all other non-major funds presented in total in one column.

CITY OF STOW, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2011 (UNAUDITED)

Reporting the City as a Whole

Statement of Net Assets and Statement of Activities

The analysis of the City as a whole begins on page 6. One of the most important questions asked about the City's finances is, "How did the City perform financially during 2011?" The statement of net assets and the statement of activities provide information concerning the City as a whole and its financial activities that will assist the reader in answering this question. These statements include all assets and liabilities using the accrual method of accounting similar to the accounting used by most private-sector businesses. This method of accounting will take into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the City's net assets and changes in those assets. The change in net assets is important because it allows the reader to judge in many respects whether or not the City's financial position has improved or diminished over the past year. The causes of any change in financial position for the City may be related to, or the result of, many factors, some of which may be directly financial, and others which may be only indirectly related to the City's finances. Indirect financial factors include changes in the City's tax or revenue base, changes in general tax law in Ohio or the City, variations in economic conditions, the condition of the City's capital assets and other related factors which may impact revenues or expenses.

In the statement of net assets and the statement of activities, the City operation is divided into two distinct types of activities as follows:

- **Governmental Activities** - Most of the City's programs and services are considered to be governmental activities, including general government, security of persons and property, leisure time activities, community and economic development and transportation. These services are funded primarily by taxes and intergovernmental revenues including federal and state grants and other shared revenues.
- **Business-Type Activities** - These services are provided on a charge for goods or services basis to recover all of the expenses of the goods or services provided.

The City-wide financial statements can be found on pages 15 through 17 of this report.

Fund Financial Statements

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

Fund financial reports provide detailed information about the City's major funds. The City uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the City's most significant funds, not on the City as a whole. The City's major governmental funds are: the general fund, the EMS/fire tax levy fund and the general capital improvements fund. The City's major proprietary funds are the water, golf and storm water utility funds.

Governmental Funds

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

CITY OF STOW, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2011 (UNAUDITED)

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

The City maintains numerous individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental Statement of revenues, expenditures, and changes in fund balances for the major funds, which were identified earlier. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report. The basic governmental fund financial statements can be found on pages 18 through 23 of this report.

The City adopts an annual appropriation budget for its general fund and other funds. Budgetary statements and schedules have been provided for all annually budgeted funds to demonstrate compliance.

Proprietary Funds

The City maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water system, golf and storm water utility operations. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its self-insurance programs for medical-related employee benefits. The basic proprietary fund statements can be found on pages 24 through 27 of this report.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected on the government-wide financial statements because the resources from those funds are not available to support the City's programs. The accounting method used for fiduciary funds is much like that used for the proprietary funds. The basic fiduciary fund financial statements can be found on pages 28 and 29 of this report.

Notes to the Basic Financial Statements

The financial statement notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. Notes to the basic financial statements can be found on pages 31 through 67 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents combining and individual fund statements, schedules, and a statistical section, which can be found on pages 69 through 199 of this report.

CITY OF STOW, OHIO

*MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2011
(UNAUDITED)*

Government-Wide Financial Analysis

As noted earlier, the trend in net assets serves as an indicator of a government's changing financial position. At the close of 2011 the City's total assets, as shown in Table 1, exceeded liabilities by \$86,500,112. Some \$53,225,085 of these net assets was in governmental activities while \$33,275,027 was in business-type activities. The table below provides a summary of the City's net assets for 2011 compared to 2010.

Table 1 - Net Assets

	Governmental Activities <u>2011</u>	Governmental Activities <u>2010</u>	Business-Type Activities <u>2011</u>	Business-Type Activities <u>2010</u>	2011 Total	2010 Total
Assets						
Current and other assets	\$ 25,907,786	\$ 25,752,851	\$ 6,685,186	\$ 6,130,265	\$ 32,592,972	\$ 31,883,116
Capital assets, net	<u>64,857,362</u>	<u>65,745,586</u>	<u>34,159,692</u>	<u>33,378,048</u>	<u>99,017,054</u>	<u>99,123,634</u>
Total assets	<u>90,765,148</u>	<u>91,498,437</u>	<u>40,844,878</u>	<u>39,508,313</u>	<u>131,610,026</u>	<u>131,006,750</u>
Liabilities						
Current and other liabilities	10,032,915	10,648,877	1,073,166	752,895	11,106,081	11,401,772
Long term liabilities:						
Due within one year	1,954,683	2,014,284	278,321	244,121	2,233,004	2,258,405
Due in more than one year	<u>25,552,465</u>	<u>26,438,939</u>	<u>6,218,364</u>	<u>6,843,130</u>	<u>31,770,829</u>	<u>33,282,069</u>
Total liabilities	<u>37,540,063</u>	<u>39,102,100</u>	<u>7,569,851</u>	<u>7,840,146</u>	<u>45,109,914</u>	<u>46,942,246</u>
Net Assets						
Invested in capital assets, net of related debt	41,520,421	41,222,186	27,562,287	26,282,921	69,082,708	67,505,107
Restricted	6,958,099	7,658,087	-	-	6,958,099	7,658,087
Unrestricted	<u>4,746,565</u>	<u>3,516,064</u>	<u>5,712,740</u>	<u>5,385,246</u>	<u>10,459,305</u>	<u>8,901,310</u>
Total net assets	<u>\$ 53,225,085</u>	<u>\$ 52,396,337</u>	<u>\$ 33,275,027</u>	<u>\$ 31,668,167</u>	<u>\$ 86,500,112</u>	<u>\$ 84,064,504</u>

During 2011, the City's overall financial position improved by \$2,435,608 as governmental activities net assets increased by \$828,48 and those for business-type activities increased by \$1,606,860.

The majority of the City's net assets (75.24 percent) reflect its investment in capital assets (e.g. land, construction in progress, buildings and building improvements, vehicles, infrastructure and equipment, furniture and fixtures), less any related debt used to acquire those assets. These capital assets are utilized by the City to provide services to its citizens. They are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since capital assets themselves cannot be used to liquidate these liabilities.

CITY OF STOW, OHIO

*MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2011
(UNAUDITED)*

Statement of Activities

The table below shows the changes in net assets for years ended 2011 and 2010.

Table 2 - Change in Net Assets

	Governmental Activities <u>2011</u>	Governmental Activities <u>2010</u>	Business-Type Activities <u>2011</u>	Business-Type Activities <u>2010</u>	2011 Total	2010 Total
Revenues						
Program revenues:						
Charges for services	\$ 5,326,344	\$ 5,386,089	\$ 6,515,503	\$ 6,502,733	\$ 11,841,847	\$ 11,888,822
Operating grants and contributions	2,098,749	2,480,186	-	-	2,098,749	2,480,186
Capital grants and contributions	<u>2,042,998</u>	<u>4,694,364</u>	<u>225,169</u>	<u>216,000</u>	<u>2,268,167</u>	<u>4,910,364</u>
Total program revenues	<u>9,468,091</u>	<u>12,560,639</u>	<u>6,740,672</u>	<u>6,718,733</u>	<u>16,208,763</u>	<u>19,279,372</u>
General revenues:						
Taxes	19,853,338	19,107,399	468,841	361,828	20,322,179	19,469,227
Grants and entitlements	2,945,092	3,933,904	-	-	2,945,092	3,933,904
Investment income	70,797	102,494	-	-	70,797	102,494
Miscellaneous	<u>396,105</u>	<u>612,143</u>	<u>104,526</u>	<u>128,422</u>	<u>500,631</u>	<u>740,565</u>
Total general revenues	<u>23,265,332</u>	<u>23,755,940</u>	<u>573,367</u>	<u>490,250</u>	<u>23,838,699</u>	<u>24,246,190</u>
Total revenues	<u>32,733,423</u>	<u>36,316,579</u>	<u>7,314,039</u>	<u>7,208,983</u>	<u>40,047,462</u>	<u>43,525,562</u>
Expenses:						
General government	8,669,487	8,737,033	-	-	8,669,487	8,737,033
Security of persons and property	14,453,109	14,199,929	-	-	14,453,109	14,199,929
Public health	497,770	445,503	-	-	497,770	445,503
Leisure time activities	1,793,620	1,867,648	-	-	1,793,620	1,867,648
Community and economic development	1,082,363	686,144	-	-	1,082,363	686,144
Transportation	4,201,252	5,165,638	-	-	4,201,252	5,165,638
Interest and fiscal charges	840,657	889,212	-	-	840,657	889,212
Water	-	-	3,860,564	2,913,323	3,860,564	2,913,323
Golf	-	-	1,032,230	1,130,238	3,860,564	1,130,238
Storm water utility	<u>-</u>	<u>-</u>	<u>1,180,802</u>	<u>737,255</u>	<u>1,180,802</u>	<u>737,255</u>
Total expenses	<u>31,538,258</u>	<u>31,991,107</u>	<u>6,073,596</u>	<u>4,780,816</u>	<u>37,611,854</u>	<u>36,771,923</u>
Increase in net assets before transfers	1,195,165	4,325,472	1,240,443	2,428,167	2,435,608	6,753,639
Transfers	<u>(366,417)</u>	<u>(215,278)</u>	<u>366,417</u>	<u>215,278</u>	<u>-</u>	<u>-</u>
Change in net assets	828,748	4,110,194	1,606,860	2,643,445	2,435,608	6,753,639
Net assets at beginning of year	<u>52,396,337</u>	<u>48,286,143</u>	<u>31,668,167</u>	<u>29,024,722</u>	<u>84,064,504</u>	<u>77,310,865</u>
Net assets at end of year	<u>\$ 53,225,085</u>	<u>\$ 52,396,337</u>	<u>\$ 33,275,027</u>	<u>\$ 31,668,167</u>	<u>\$ 86,500,112</u>	<u>\$ 84,064,504</u>

CITY OF STOW, OHIO

*MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2011
(UNAUDITED)*

Governmental Activities

The information in Table 2 indicates that security of persons and property accounted for \$14,453,109, or 45.83 percent of the \$31,538,258 expensed for governmental activities this past year. General government accounted for \$8,669,487 or 27.49 percent in the governmental activities category as compared to \$8,737,033 or 27.31 percent in 2010.

Some \$19,853,338 in tax revenues was generated for the City in 2011 to support governmental activities. This amount represented 60.65 percent of total revenues for governmental activities which reached \$32,733,423 in 2011. Other major revenues received by the City included \$2,945,092 in unrestricted grants and entitlements.

Program revenues to support governmental activities amounted to \$9,468,091 in 2011, which included \$5,326,344 in charges for services. Capital grants and contributions decreased by \$2,651,366 under prior year due to the receipts of funding in 2010 for transportation projects.

The statement of activities shows the cost of program services and the charges for services and grants offsetting those services. The following table shows, for governmental activities, the total cost of services and the net cost of services. That is, it identifies the cost of these services supported by tax revenue and unrestricted State grants and entitlements.

	Total Cost of Services <u>2011</u>	Net Cost of Services <u>2011</u>	Total Cost of Services <u>2010</u>	Net Cost of Services <u>2010</u>
Program Expenses:				
General government	\$ 8,669,487	\$ 4,573,466	\$ 8,737,033	\$ 4,443,308
Security of persons and property	14,453,109	13,642,781	14,199,929	13,315,974
Public health	497,770	396,483	445,503	334,568
Leisure time activities	1,793,620	1,408,164	1,867,648	1,518,634
Community and economic development	1,082,363	884,908	686,144	493,981
Transportation	4,201,252	323,708	5,165,638	(1,565,209)
Interest and fiscal charges	840,657	840,657	889,212	889,212
Total Expenses	<u>\$ 31,538,258</u>	<u>\$ 22,070,167</u>	<u>\$ 31,991,107</u>	<u>\$ 19,430,468</u>

The dependence upon general revenues for governmental activities is apparent, with 69.98 percent of expenses supported through taxes and other general revenues in 2011 and 60.74 percent in 2010.

Business-Type Activities

Water system expenses were \$3,860,564 for the year, which were primarily offset by the \$4,999,870 in charges for services generated by the water system through the operation of the City's water distribution system in 2011.

Golf expenses were \$1,032,230 for the year, which were offset by \$685,125 in charges for services generated by the Fox Den Golf Course through user fees.

Storm water utility expenses were \$1,180,802 for the year, which were offset by \$830,508 in charges for services generated by the storm water system in 2011.

The City experienced an increase in net assets of \$1,606,860 in the area of business-type activities in 2011. Water system program revenues totaled \$5,225,039 for the year as compared to \$5,150,014 in 2010. This increase was due to capital grants and contributions obtained for City water system improvements and increased service charges and tap in fees.

CITY OF STOW, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2011 (UNAUDITED)

Financial Analysis of the City's Funds

As discussed previously, the City maintains a fund accounting system to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

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

As of the end of the current year, the City's governmental funds reported combined ending balances of \$12,359,599, an increase of \$1,233,170 as compared with the prior year restated fund balances. Approximately 15.91 percent of this total year end amount or \$1,966,195 represents unassigned fund balance, which is available at the City's discretion within certain legal constraints and purpose restrictions. The remainder of the fund balance is not available for new spending because it has already been committed (1) \$1,485,002; 2) nonspendable (\$853,909); 3) restricted (\$5,568,649); and 4) assigned (\$2,485,844).

The general fund is the City's chief operating fund. The general fund's year end balance increased by \$683,102 during the current year to reach an ending total of \$5,374,179. The increase in fund balance is a result of strong income tax collections and conservative budgeting. The City managed to save the majority of the unprojected increase in income tax collections and applied it to the general fund carryover balance at year-end to replace the reserves lost in prior years. The unassigned fund balance of the general fund was \$1,763,879. As a measure of the general fund's liquidity, it is useful to compare both unassigned fund balance and total fund balance to total fund expenditures. The unassigned fund balance represents 12.13 percent of total general fund expenditures, while total fund balance represents 26.06 percent of such expenditures.

The City's two other major governmental funds are the EMS/fire levy fund and the general capital improvements fund. The fund balance of the EMS/fire levy fund increased \$32,707 during 2011, an improvement over a \$42,725 decrease in fund balance during 2010 due to a reduction in capital expenditures. The fund balance of the general capital improvements fund decreased \$316,395 as a result of the decrease in intergovernmental revenue in relation to the construction of multiple street improvements.

Transfers from the general fund to other governmental funds, which occurred principally for funding of police and fire pensions, amounted to \$592,673.

Proprietary Funds

The City's proprietary funds provide the same type of information found in the government-wide financial statements for business-type activities, but in more detail. Unrestricted net assets for the City's water, golf and storm water utility funds at the end of the year amounted to \$5,734,292. Total assets were \$41,016,430 at year-end. The water fund net assets and storm water utility fund net assets increased 5.78 percent and 0.51 percent, respectively, during 2011 due to tightly controlled expenses. The golf fund net assets continued to rise during 2011 with an increase of \$236,003 bringing the net assets to a fund balance of \$277,318.

CITY OF STOW, OHIO

*MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2011
(UNAUDITED)*

Budgeting Highlights

The City's budgeting process is prescribed by the Ohio Revised Code. The authority for the City to expend money is derived from its appropriations ordinance which must be approved by City Council each year. The appropriations are limited and restricted by the amounts of anticipated revenues as estimated, in part, by the City and certified by the County Budget Commission in accordance with the Ohio Revised Code. Within the restrictions itemized above as they may be revised or amended, the City has the ability to adjust its budget during the course of the year due to actual activity related to either revenue or expenditures.

Regarding revenues, the general fund original budgeted revenues and other financing sources were greater than the final budgeted estimates by \$28,639. The income tax revenue projection in the original and final budgets was significantly in excess of actual revenues due to the effects of a poor economy and a partial overestimate of expected revenues. For the reasons indicated, actual total revenues and other financing sources were \$4,882,275 less than final budgeted revenues.

There were no differences between the general fund original and final budget estimates for expenditures and other financing uses. Actual amounts for 2011 were less than original and final budgeted amounts by \$1,633,364. This variance was the result of the conservative budgeting by the City, a large contingency allocation that was not expended, and the decision not to expand the City's safety forces as had been originally contemplated, particularly in the police area, due to insufficient revenue enhancement to pay for such employee expansion.

Capital Assets and Debt Administration

Capital Assets

The City's net investment in capital assets, for both its governmental and business-type activities amounted to \$99,017,054 (net of accumulated depreciation) at year end 2011. Capital assets, which include land, buildings and building improvements, vehicles, equipment, furniture and fixtures, infrastructure and construction in progress, decreased by \$106,580 during 2011.

**Table 3 - Capital Assets at December 31
(Net of Depreciation)**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
Land	\$11,202,207	\$11,202,207	\$ 5,377,376	\$ 5,377,376	\$16,579,583	\$16,579,583
Construction in progress	3,110,833	1,761,672	1,829,169	1,828,026	4,940,002	3,589,698
Buildings and building improvements	25,073,391	25,757,410	2,696,800	2,770,929	27,770,191	28,528,339
Vehicles	3,343,819	3,641,213	539,766	586,345	3,883,585	4,227,558
Equipment, furniture and fixtures	2,338,082	2,602,336	110,172	137,118	2,448,254	2,739,454
Infrastructure	<u>19,789,030</u>	<u>20,780,748</u>	<u>23,606,409</u>	<u>22,678,254</u>	<u>43,395,439</u>	<u>43,459,002</u>
Totals	<u>\$64,857,362</u>	<u>\$65,745,586</u>	<u>\$34,159,692</u>	<u>\$33,378,048</u>	<u>\$99,017,054</u>	<u>\$99,123,634</u>

Additional detailed information relating to the City's capital assets is contained in Note 9 of the notes to the basic financial statements.

CITY OF STOW, OHIO

*MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2011
(UNAUDITED)*

Debt

At the end of the current fiscal year, the City's total outstanding general obligation bonded debt for governmental activities amounted to \$14,774,275 (before unamortized charges and unamortized premium). Part of this debt was originally issued in the amount of \$6.44 million in 2004 to pay for the refinancing of the Stow Safety Center debt issued in 1995. The amount of \$4,200,000 was issued in 2007 to finance the construction of the Municipal Courthouse. The City issued \$8,073,932 in general obligation bonds in 2008 for the service center construction and fire improvements. The City also had governmental activity general obligation notes outstanding at year-end in the amount of \$7,025,000 and capital lease obligations of \$989,182. As can be seen from Table 4, the total debt for governmental activities decreased \$919,961 or 3.76 percent during the year.

Debt related to business-type activity for the City amounted to \$6,677,811 at year-end, which consisted of \$5,636,131 in general obligation bonds, \$600,000 in general obligation notes, \$167,976 in Ohio Public Works Commission (OPWC) loans and \$273,704 in capital lease obligations. Total business-type activity debt for the City decreased \$417,316 or 5.89 percent of the total business-type activity outstanding debt at the commencement of the year.

At December 31, 2011, the City's outstanding general obligation bonds were rated "Aa2" by Moody's Investors Service. State statute limits the total amount of debt a governmental entity may issue. The City's debt limitation at year-end, per the limits described by state statute, was substantially higher than the City's existing outstanding debt.

In addition to bonded debt, note and loan debt as itemized in Table 4, the City's other long-term obligations include compensated absences and intergovernmental payables.

Additional information regarding the City's long-term obligations can be found in Note 12 of this report, Note 16 provides information relating to compensated absences and Note 11 provides information on short-term note obligations.

Table 4 - Debt Obligations

	Governmental Activities		Business-type Activities		Total	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
General obligation bonds	\$ 14,739,257	\$ 15,431,031	\$ 5,636,131	\$ 5,803,966	\$ 20,375,388	\$ 21,234,997
General obligation notes	7,875,000	7,925,000	600,000	800,000	8,475,000	8,725,000
OPWC loans	-	-	167,976	173,768	167,976	173,768
Capital lease obligations	<u>989,182</u>	<u>1,167,369</u>	<u>273,704</u>	<u>317,393</u>	<u>1,262,886</u>	<u>1,484,762</u>
Total long-term obligations	<u>\$ 23,603,439</u>	<u>\$ 24,523,400</u>	<u>\$ 6,677,811</u>	<u>\$ 7,095,127</u>	<u>\$ 30,281,250</u>	<u>\$ 31,618,527</u>

Economic Factors and Next Year's Budget

The City is a growing community with a stable and diversified economy. Since 2000, the City's population has grown by 8.4 percent. Trends in the local economy compare favorably with those of the state and nation. The City's unemployment rate in 2011 stood at 7.3 percent. The county, state and national unemployment rates were 8.5, 8.6, and 8.9 percent, respectively in 2011.

The City's budgets were forecast conservatively for 2011 and 2012 based on local, state and national economic conditions and trends. The service needs of the citizens of Stow were taken into account as were the ongoing financial condition of the City and any applicable budgetary constraints.

CITY OF STOW, OHIO

*MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2011
(UNAUDITED)*

Requests for Information

This financial report is designed to provide a general overview of the City's finances for City officials, members of the public and others who may have an interest in the City's financial standing. It also is designed to demonstrate the City's accountability for the money it receives from all sources, particularly the taxpayers of Stow. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Mr. John Baranek, Director of Finance, Stow City Hall, 3760 Darrow Road, Stow, Ohio 44224.

**BASIC
FINANCIAL STATEMENTS**

THIS PAGE IS INTENTIONALLY LEFT BLANK

CITY OF STOW, OHIO

*STATEMENT OF NET ASSETS
DECEMBER 31, 2011*

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	
Assets:				
Equity in pooled cash and investments.	\$ 13,565,049	\$ 6,063,672	\$ 19,628,721	\$ 65,180
Receivables:				
Property taxes	7,096,273	-	7,096,273	-
Income taxes.	1,904,437	62,436	1,966,873	-
Accounts.	213,367	484,035	697,402	-
Intergovernmental	1,909,919	-	1,909,919	-
Accrued interest	76,782	-	76,782	-
Internal balance	171,552	(171,552)	-	-
Materials and supplies inventory.	703,909	166,189	870,098	-
Deferred charges	266,498	80,406	346,904	-
Capital assets:				
Nondepreciable capital assets	14,313,040	7,206,545	21,519,585	-
Depreciable capital assets, net.	50,544,322	26,953,147	77,497,469	-
Total capital assets, net.	64,857,362	34,159,692	99,017,054	-
Total assets	90,765,148	40,844,878	131,610,026	65,180
Liabilities:				
Accounts payable.	562,899	146,660	709,559	-
Accrued wages and benefits payable	343,955	25,362	369,317	-
Intergovernmental payable	979,967	476,150	1,456,117	-
Accrued interest payable	129,613	24,994	154,607	-
Claims payable	520,387	-	520,387	-
Notes payable.	850,000	400,000	1,250,000	-
Unearned revenue	6,646,094	-	6,646,094	-
Long-term liabilities:				
Due within one year	1,954,683	278,321	2,233,004	-
Due in more than one year.	25,552,465	6,218,364	31,770,829	-
Total liabilities	37,540,063	7,569,851	45,109,914	-
Net assets:				
Invested in capital assets, net of related debt	41,520,421	27,562,287	69,082,708	-
Restricted for:				
Police.	113,676	-	113,676	-
Street repair and maintenance	2,704,255	-	2,704,255	-
Public health	127,663	-	127,663	-
Leisure time activities	5,982	-	5,982	-
Special assessments	4,497	-	4,497	-
Municipal court.	1,633,346	-	1,633,346	-
Capital outlay.	2,096,825	-	2,096,825	-
Other purposes	271,855	-	271,855	-
Unrestricted.	4,746,565	5,712,740	10,459,305	65,180
Total net assets	\$ 53,225,085	\$ 33,275,027	\$ 86,500,112	\$ 65,180

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF STOW, OHIO

*STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2011*

	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services and Sales</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Governmental activities:				
General government	\$ 8,669,487	\$ 4,080,373	\$ 15,648	\$ -
Security of persons and property	14,453,109	645,493	164,835	-
Public health	497,770	54,824	46,463	-
Leisure time activities.	1,793,620	335,481	49,975	-
Community and economic development	1,082,363	187,218	10,237	-
Transportation.	4,201,252	22,955	1,811,591	2,042,998
Interest and fiscal charges.	840,657	-	-	-
Total governmental activities	<u>31,538,258</u>	<u>5,326,344</u>	<u>2,098,749</u>	<u>2,042,998</u>
Business-type activities:				
Water	3,860,564	4,999,870	-	225,169
Golf	1,032,230	685,125	-	-
Storm Water Utility	1,180,802	830,508	-	-
Total business-type activities	<u>6,073,596</u>	<u>6,515,503</u>	<u>-</u>	<u>225,169</u>
Total primary government	<u>\$ 37,611,854</u>	<u>\$ 11,841,847</u>	<u>\$ 2,098,749</u>	<u>\$ 2,268,167</u>
Component Unit:				
Stow Community Improvement Corporation	<u>\$ 1,279,960</u>	<u>\$ -</u>	<u>\$ 50,000</u>	<u>\$ -</u>

General revenues:
Property taxes levied for:
 General purposes
 Special revenue
Municipal income taxes
Grants and entitlements not restricted
to specific programs.
Investment earnings
Ohio Department of Development
pass-through loan.
Miscellaneous
Total general revenues
Transfers
Change in net assets
Net assets at beginning of year
Net assets at end of year.

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

Primary Government

Net (Expense) Revenue and Changes in Net Assets

Governmental Activities	Business-type Activities	Total	Component Unit
\$ (4,573,466)	\$ -	\$ (4,573,466)	\$ -
(13,642,781)	-	(13,642,781)	-
(396,483)	-	(396,483)	-
(1,408,164)	-	(1,408,164)	-
(884,908)	-	(884,908)	-
(323,708)	-	(323,708)	-
(840,657)	-	(840,657)	-
<u>(22,070,167)</u>	<u>-</u>	<u>(22,070,167)</u>	<u>-</u>
-	1,364,475	1,364,475	-
-	(347,105)	(347,105)	-
-	(350,294)	(350,294)	-
<u>-</u>	<u>667,076</u>	<u>667,076</u>	<u>-</u>
<u>(22,070,167)</u>	<u>667,076</u>	<u>(21,403,091)</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,229,960)</u>
5,078,207	-	5,078,207	-
2,428,352	-	2,428,352	-
12,346,779	468,841	12,815,620	-
2,945,092	-	2,945,092	-
70,797	-	70,797	-
-	-	-	1,250,000
396,105	104,526	500,631	-
<u>23,265,332</u>	<u>573,367</u>	<u>23,838,699</u>	<u>1,250,000</u>
<u>(366,417)</u>	<u>366,417</u>	<u>-</u>	<u>-</u>
828,748	1,606,860	2,435,608	20,040
<u>52,396,337</u>	<u>31,668,167</u>	<u>84,064,504</u>	<u>45,140</u>
<u>\$ 53,225,085</u>	<u>\$ 33,275,027</u>	<u>\$ 86,500,112</u>	<u>\$ 65,180</u>

CITY OF STOW, OHIO

*BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2011*

	<u>General</u>	<u>EMS/Fire Tax Levy</u>	<u>General Capital Improvements</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets:					
Equity in pooled cash and cash equivalents . . .	\$ 4,815,897	\$ 50,207	\$ 3,127,623	\$ 4,119,324	\$ 12,113,051
Receivables:					
Property taxes	4,897,721	1,706,782	-	491,770	7,096,273
Income taxes.	1,381,191	-	171,758	351,488	1,904,437
Accounts.	187,045	-	-	-	187,045
Intergovernmental	927,547	110,681	-	871,691	1,909,919
Accrued interest	76,782	-	-	-	76,782
Loans to other funds	150,000	-	-	-	150,000
Materials and supplies inventory.	170,672	-	-	533,237	703,909
Total assets	<u>\$ 12,606,855</u>	<u>\$ 1,867,670</u>	<u>\$ 3,299,381</u>	<u>\$ 6,367,510</u>	<u>\$ 24,141,416</u>
Liabilities:					
Accounts payable.	\$ 290,656	\$ 3,523	\$ 130,916	\$ 137,804	\$ 562,899
Accrued wages and benefits payable	305,987	35,074	-	2,894	343,955
Compensated absences payable	159,953	-	-	-	159,953
Intergovernmental payable	521,084	134,508	-	324,375	979,967
Accrued interest payable	-	986	7,397	-	8,383
Deferred revenue	1,337,710	207,649	40,723	644,484	2,230,566
Unearned revenue	4,617,286	1,609,054	-	419,754	6,646,094
Notes payable.	-	100,000	750,000	-	850,000
Total liabilities	<u>7,232,676</u>	<u>2,090,794</u>	<u>929,036</u>	<u>1,529,311</u>	<u>11,781,817</u>
Fund balances:					
Nonspendable	320,672	-	-	533,237	853,909
Restricted.	-	-	2,056,102	3,512,547	5,568,649
Committed	64,876	-	314,243	1,105,883	1,485,002
Assigned	2,485,844	-	-	-	2,485,844
Unassigned (deficit)	2,502,787	(223,124)	-	(313,468)	1,966,195
Total fund balances.	<u>5,374,179</u>	<u>(223,124)</u>	<u>2,370,345</u>	<u>4,838,199</u>	<u>12,359,599</u>
Total liabilities and fund balances	<u>\$ 12,606,855</u>	<u>\$ 1,867,670</u>	<u>\$ 3,299,381</u>	<u>\$ 6,367,510</u>	<u>\$ 24,141,416</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF STOW, OHIO

*RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
NET ASSETS OF GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2011*

Total governmental fund balances		\$ 12,359,599
<i>Amounts reported for governmental activities on the statement of net assets are different because:</i>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		64,857,362
Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds.		
Delinquent property taxes receivable	\$ 403,657	
Municipal income taxes receivable	451,531	
Intergovernmental receivable	1,323,822	
Accrued interest receivable	51,556	
Total		2,230,566
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds. The long-term liabilities are as follows:		
Compensated absences	(4,593,756)	
Capital lease obligation	(989,182)	
General obligation bonds payable	(14,774,275)	
Construction notes payable	(7,025,000)	
Total		(27,382,213)
In the statement of net assets interest is accrued on outstanding bonds and notes payable, whereas in governmental funds, interest is accrued when due.		(121,230)
Bond issuance costs reported as an expenditure in the funds are allocated as an expense over the life of the debt on a full accrual basis.		266,498
Unamortized premiums on bond issuance are not recognized in the funds.		(195,633)
Unamortized deferred charges on refundings are not recognized in the funds.		230,651
Internal service funds are used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.		957,933
An internal balance is recorded in governmental activities to reflect overpayments to the internal service fund by the business-type activities.		21,552
Net assets of governmental activities		\$ 53,225,085

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF STOW, OHIO

*STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2011*

	<u>General</u>	<u>EMS/Fire Tax Levy</u>	<u>General Capital Improvements</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:					
Real and other taxes	\$ 5,031,502	\$ 1,753,402	\$ -	\$ 654,429	\$ 7,439,333
Income taxes	9,224,330	-	730,042	2,556,048	12,510,420
Special assessments	4,675	-	22,955	51,654	79,284
Charges for services	378,610	-	-	610,687	989,297
Licenses and permits	610,777	-	-	-	610,777
Fines and forfeitures	2,415,373	-	-	903,512	3,318,885
Intergovernmental	3,020,482	239,220	1,961,648	2,007,990	7,229,340
Investment income	73,937	-	-	7,214	81,151
Rent	167,548	-	-	84,062	251,610
Contributions and donations	64	-	-	41,835	41,899
Other	473,500	2,174	81,350	68,016	625,040
Total revenues	21,400,798	1,994,796	2,795,995	6,985,447	33,177,036
Expenditures:					
Current:					
General government	7,503,122	-	-	513,013	8,016,135
Security of persons and property	9,504,445	2,186,428	-	1,302,168	12,993,041
Public health	375,090	-	-	98,632	473,722
Leisure time activities	1,429,672	-	-	121,658	1,551,330
Community and economic development	994,552	-	-	60,644	1,055,196
Transportation	818,142	-	-	1,917,929	2,736,071
Capital outlay	-	-	2,682,558	617,762	3,300,320
Debt service:					
Principal retirement	-	21,590	155,689	716,898	894,177
Interest and fiscal charges	-	8,024	325,725	545,660	879,409
Total expenditures	20,625,023	2,216,042	3,163,972	5,894,364	31,899,401
Excess (deficiency) of revenues over (under) expenditures	775,775	(221,246)	(367,977)	1,091,083	1,277,635
Other financing sources (uses):					
Sale of notes	-	375,000	6,650,000	-	7,025,000
Refunding of notes	-	(125,000)	(6,650,000)	(350,000)	(7,125,000)
Premium on notes	-	3,953	51,582	-	55,535
Transfers in	500,000	-	-	1,448,887	1,948,887
Transfers out	(592,673)	-	-	(1,356,214)	(1,948,887)
Total other financing sources (uses)	(92,673)	253,953	51,582	(257,327)	(44,465)
Net change in fund balances	683,102	32,707	(316,395)	833,756	1,233,170
Fund balances (deficit) at beginning of year (restated)	4,691,077	(255,831)	2,686,740	4,004,443	11,126,429
Fund balances (deficit) at end of year	\$ 5,374,179	\$ (223,124)	\$ 2,370,345	\$ 4,838,199	\$ 12,359,599

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF STOW, OHIO

*RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2011*

Net change in fund balances - total governmental funds	\$	1,233,170
<i>Amounts reported for governmental activities in the statement of activities are different because:</i>		
Government funds report capital outlays 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 by which depreciation expense exceeded capital outlays in the current period.		
Capital asset additions	\$	2,062,962
Current year depreciation		<u>(2,938,540)</u>
Total		(875,578)
Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal.		
		(12,646)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Delinquent property taxes		67,226
Intergovernmental		(343,090)
Municipal income taxes		(163,641)
Special assessments		(968)
Interest		<u>(3,140)</u>
Total		(443,613)
Repayment of long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement net assets.		
		894,177
Refunding of notes is an other financing use in the governmental funds, but the payment reduces long-term liabilities in the statement net assets.		
		7,125,000
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, interest is expensed when due.		
Accrued interest		26,290
Unamortized charges		(32,950)
Bond premium		8,735
Bond issuance costs		<u>(18,858)</u>
Total		(16,783)
The issuance of notes is recorded as revenue in the funds, however, in the statement of activities, notes are not reported as other financing sources as they increase liabilities on the statement of net assets.		
		(7,025,000)
Some expenses, such as compensated absences, reported in the statement of activities do not require the use of financial resources and therefore are not reported as expenditures in governmental funds.		
		136,067
Internal service funds used by management to charge the cost of insurance, to individual funds are not reported in the expenditures and related internal service fund revenues are eliminated. The net revenue of the internal service funds is allocated among the governmental activities.		
		<u>(186,046)</u>
Change in net assets of governmental activities	\$	<u><u>828,748</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF STOW, OHIO

*STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2011*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Property and other taxes	\$ 5,010,000	\$ 5,010,000	\$ 5,031,502	\$ 21,502
Income taxes	14,607,366	14,607,366	8,990,412	(5,616,954)
Special assessments	-	-	4,675	4,675
Charges for services	329,000	329,000	378,720	49,720
Licenses and permits	521,200	521,200	733,361	212,161
Fines and forfeitures	2,170,284	2,170,284	2,392,541	222,257
Intergovernmental	3,107,357	3,078,718	3,075,542	(3,176)
Investment income	50,000	50,000	50,597	597
Rent	125,231	125,231	167,548	42,317
Contributions and donations	64	64	64	-
Other	313,108	313,108	397,734	84,626
Total revenues	<u>26,233,610</u>	<u>26,204,971</u>	<u>21,222,696</u>	<u>(4,982,275)</u>
Expenditures:				
Current:				
General government	9,059,854	9,059,854	7,621,817	1,438,037
Security of persons and property	9,717,982	9,717,982	9,611,430	106,552
Public health	377,047	377,047	377,044	3
Leisure time activities	1,591,215	1,591,215	1,513,375	77,840
Community and economic environment	1,038,410	1,038,410	1,028,066	10,344
Transportation	843,745	843,745	843,160	585
Total expenditures	<u>22,628,253</u>	<u>22,628,253</u>	<u>20,994,892</u>	<u>1,633,361</u>
Excess of revenues over expenditures	<u>3,605,357</u>	<u>3,576,718</u>	<u>227,804</u>	<u>(3,348,914)</u>
Other financing sources (uses):				
Transfers in	400,000	400,000	500,000	100,000
Transfers out	(602,676)	(602,676)	(602,673)	3
Total other financing sources (uses)	<u>(202,676)</u>	<u>(202,676)</u>	<u>(102,673)</u>	<u>100,003</u>
Net change in fund balance	3,402,681	3,374,042	125,131	(3,248,911)
Fund balance at beginning of year	3,540,081	3,540,081	3,540,081	-
Prior year encumbrances appropriated	<u>509,573</u>	<u>509,573</u>	<u>509,573</u>	<u>-</u>
Fund balance at end of year	<u>\$ 7,452,335</u>	<u>\$ 7,423,696</u>	<u>\$ 4,174,785</u>	<u>\$ (3,248,911)</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF STOW, OHIO

*STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
EMS/FIRE TAX LEVY FUND
FOR THE YEAR ENDED DECEMBER 31, 2011*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Property and other taxes.	\$ 1,745,750	\$ 1,745,750	\$ 1,753,402	\$ 7,652
Intergovernmental.	378,767	378,767	239,241	(139,526)
Other	<u>70,136</u>	<u>70,136</u>	<u>2,174</u>	<u>(67,962)</u>
Total revenues.	<u>2,194,653</u>	<u>2,194,653</u>	<u>1,994,817</u>	<u>(199,836)</u>
Expenditures:				
Current:				
Security of persons and property.	2,184,892	2,343,765	2,210,260	133,505
Capital outlay.	2,417	2,593	579	2,014
Debt service:				
Principal retirement	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>-</u>
Total expenditures	<u>2,287,309</u>	<u>2,446,358</u>	<u>2,310,839</u>	<u>135,519</u>
Excess of expenditures over revenues	<u>(92,656)</u>	<u>(251,705)</u>	<u>(316,022)</u>	<u>(64,317)</u>
Other financing sources (uses):				
Sale of notes.	800,000	800,000	475,000	(325,000)
Refunding of notes	(463,175)	(504,126)	(125,000)	379,126
Premium on notes.	27,760	27,760	3,953	(23,807)
Transfers in	<u>157,837</u>	<u>157,837</u>	<u>-</u>	<u>(157,837)</u>
Total other financing sources (uses).	<u>522,422</u>	<u>481,471</u>	<u>353,953</u>	<u>(127,518)</u>
Net change in fund balance	429,766	229,766	37,931	(191,835)
Fund balance at beginning of year	4,706	4,706	4,706	-
Prior year encumbrances appropriated.	<u>3,661</u>	<u>3,661</u>	<u>3,661</u>	<u>-</u>
Fund balance at end of year	<u>\$ 438,133</u>	<u>\$ 238,133</u>	<u>\$ 46,298</u>	<u>\$ (191,835)</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF STOW, OHIO

STATEMENT OF NET ASSETS
 PROPRIETARY FUNDS
 DECEMBER 31, 2011

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water	Golf	Storm Water Utility	Total	
Assets:					
Current assets:					
Equity in pooled cash and cash equivalents.	\$ 5,405,495	\$ 29,978	\$ 628,199	\$ 6,063,672	\$ 1,451,998
Receivables:					
Income taxes	-	62,436	-	62,436	-
Accounts	392,505	-	91,530	484,035	26,322
Materials and supplies inventory	138,511	27,678	-	166,189	-
Total current assets	5,936,511	120,092	719,729	6,776,332	1,478,320
Noncurrent assets:					
Deferred charges	8,878	71,528	-	80,406	-
Capital assets:					
Nondepreciable capital assets	2,091,180	5,115,365	-	7,206,545	-
Depreciable capital assets, net.	20,088,974	139,876	6,724,297	26,953,147	-
Total capital assets, net.	22,180,154	5,255,241	6,724,297	34,159,692	-
Total noncurrent assets	22,189,032	5,326,769	6,724,297	34,240,098	-
Total assets	28,125,543	5,446,861	7,444,026	41,016,430	1,478,320
Liabilities:					
Current liabilities:					
Accounts payable	80,004	18,364	48,292	146,660	-
Accrued wages and benefits	19,519	1,364	4,479	25,362	-
Intergovernmental	458,329	10,917	6,904	476,150	-
Accrued interest payable	7,624	17,370	-	24,994	-
Claims payable	-	-	-	-	520,387
Notes payable	400,000	-	-	400,000	-
Current portion of compensated absences.	37,068	-	9,248	46,316	-
Current portion of general obligation bonds.	14,854	160,000	-	174,854	-
Current portion of OPWC loan	11,584	-	-	11,584	-
Current portion of capital lease obligation	-	-	45,567	45,567	-
Total current liabilities	1,028,982	208,015	114,490	1,351,487	520,387
Long-term liabilities:					
Compensated absences	147,015	-	25,543	172,558	-
Loans from other funds	150,000	-	-	150,000	-
Notes payable	200,000	-	-	200,000	-
General obligation bonds payable	499,749	4,961,528	-	5,461,277	-
OPWC loan	156,392	-	-	156,392	-
Capital lease obligation	-	-	228,137	228,137	-
Total long-term liabilities	1,153,156	4,961,528	253,680	6,368,364	-
Total liabilities	2,182,138	5,169,543	368,170	7,719,851	520,387
Net assets:					
Invested in capital assets, net of related debt.	20,906,453	205,241	6,450,593	27,562,287	-
Unrestricted	5,036,952	72,077	625,263	5,734,292	957,933
Total net assets	\$ 25,943,405	\$ 277,318	\$ 7,075,856	33,296,579	\$ 957,933
Adjustment to reflect the consolidation of the internal service funds activities related to enterprise funds.				(21,552)	
Net assets of business-type activities				\$ 33,275,027	

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF STOW, OHIO

*STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET ASSETS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2011*

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water	Golf	Storm Water Utility	Total	
Operating revenues:					
Charges for services	\$ 4,973,966	\$ 685,125	\$ 809,808	\$ 6,468,899	\$ 2,371,148
Tap-in fees.	24,183	-	-	24,183	-
Other.	6,949	90,581	6,996	104,526	387,413
Total operating revenues.	5,005,098	775,706	816,804	6,597,608	2,758,561
Operating expenses:					
Personal services	1,147,982	432,050	309,428	1,889,460	-
Contract services.	2,062,488	93,473	337,675	2,493,636	301,025
Materials and supplies.	227,119	309,450	223,396	759,965	-
Claims expense	-	-	-	-	2,725,304
Depreciation.	349,943	5,004	284,255	639,202	-
Total operating expenses.	3,787,532	839,977	1,154,754	5,782,263	3,026,329
Operating income (loss)	1,217,566	(64,271)	(337,950)	815,345	(267,768)
Nonoperating revenues (expenses):					
Income taxes	-	468,841	-	468,841	-
Special assessments	1,721	-	20,700	22,421	-
Intergovernmental	225,169	-	-	225,169	-
Interest and fiscal charges	(27,537)	(168,567)	(13,507)	(209,611)	-
Total nonoperating revenues (expenses).	199,353	300,274	7,193	506,820	-
Income (loss) before capital contributions	1,416,919	236,003	(330,757)	1,322,165	(267,768)
Capital contributions.	-	-	366,417	366,417	-
Change in net assets	1,416,919	236,003	35,660	1,688,582	(267,768)
Net assets at beginning of year	24,526,486	41,315	7,040,196		1,225,701
Net assets at end of year	\$ 25,943,405	\$ 277,318	\$ 7,075,856		\$ 957,933
Adjustment to reflect the consolidation of internal service funds activities related to enterprise funds.				(81,722)	
Change in net assets of business-type activities.				\$ 1,606,860	

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF STOW, OHIO

*STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2011*

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water	Golf	Storm Water Utility	Total	
Cash flows from operating activities:					
Cash received from customers	\$ 4,961,549	\$ 685,125	\$ 806,668	\$ 6,453,342	\$ 2,371,148
Cash received from tap-in fees	24,183	-	-	24,183	-
Cash received from other operations	3,769	91,612	596	95,977	362,977
Cash payments for personal services	(1,133,113)	(433,635)	(302,690)	(1,869,438)	-
Cash payments for contract services	(1,999,933)	(95,738)	(295,033)	(2,390,704)	(301,025)
Cash payments for materials and supplies	(198,429)	(318,960)	(220,465)	(737,854)	-
Cash payments for claims	-	-	-	-	(2,514,144)
Net cash provided by (used in) operating activities	1,658,026	(71,596)	(10,924)	1,575,506	(81,044)
Cash flows from noncapital financing activities:					
Income taxes	-	406,405	-	406,405	-
Net cash provided by noncapital financing activities	-	406,405	-	406,405	-
Cash flows from capital and related financing activities:					
Acquisition of capital assets	(1,026,822)	-	-	(1,026,822)	-
Principal retirement	(819,802)	(150,000)	(43,689)	(1,013,491)	-
Special assessments	1,721	-	20,700	22,421	-
Intergovernmental	441,169	-	-	441,169	-
Note issuance	600,000	-	-	600,000	-
Premium on notes	4,993	-	-	4,993	-
Interest and fiscal charges	(37,127)	(169,215)	(13,507)	(219,849)	-
Net cash used in capital and related financing activities	(835,868)	(319,215)	(36,496)	(1,191,579)	-
Net increase (decrease) in cash and cash equivalents	822,158	15,594	(47,420)	790,332	(81,044)
Cash and cash equivalents at beginning of year . . .	4,583,337	14,384	675,619	5,273,340	1,533,042
Cash and cash equivalents at end of year	\$ 5,405,495	\$ 29,978	\$ 628,199	\$ 6,063,672	\$ 1,451,998

- - Continued

CITY OF STOW, OHIO

*STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS (CONTINUED)
 FOR THE YEAR ENDED DECEMBER 31, 2011*

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water	Golf	Storm Water Utility	Total	
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:					
Operating income (loss)	\$ 1,217,566	\$ (64,271)	\$ (337,950)	\$ 815,345	\$ (267,768)
Adjustments:					
Depreciation.	349,943	5,004	284,255	639,202	-
Changes in assets and liabilities:					
(Increase) decrease in materials and supplies inventory.	30,700	(10,294)	-	20,406	-
(Increase) decrease in accounts receivable.	(15,597)	1,031	(9,540)	(24,106)	(24,436)
Increase (decrease) in accounts payable	26,830	(1,682)	44,929	70,077	-
Decrease in accrued wages and benefits	(701)	-	(2,782)	(3,483)	-
Increase (decrease) in intergovernmental payable	34,558	(1,811)	(1,859)	30,888	-
Increase in compensated absences	14,727	427	12,023	27,177	-
Increase in claims payable	-	-	-	-	211,160
Net cash provided by (used in) operating activities	<u>\$ 1,658,026</u>	<u>\$ (71,596)</u>	<u>\$ (10,924)</u>	<u>\$ 1,575,506</u>	<u>\$ (81,044)</u>

Non-Cash Transactions:

During 2011, the Water and Storm Water Utility funds purchased \$27,607 and \$33,194 of capital assets on account. The Storm Water Utility fund received \$366,417 in capital contributions from governmental activities during 2011.

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF STOW, OHIO

*STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
DECEMBER 31, 2011*

	<u>Private-Purpose Trust</u>	<u>Agency</u>
Assets:		
Current assets:		
Equity in pooled cash and cash equivalents	\$ 1,286	\$ 647,682
Cash in segregated accounts.	-	536,299
Receivables:		
Intergovernmental.	-	5,849
Total assets	<u>1,286</u>	<u>\$ 1,189,830</u>
Liabilities:		
Intergovernmental payable.	-	\$ 249,988
Deposits held and due to others	-	30,887
Undistributed monies	-	908,955
Total liabilities	<u>-</u>	<u>\$ 1,189,830</u>
Net assets:		
Held in trust	<u>1,286</u>	
Total net assets.	<u>\$ 1,286</u>	

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF STOW, OHIO

*STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2011*

	<u>Private-Purpose Trust</u>
Net assets at beginning of year	<u>\$ 1,286</u>
Net assets at end of year	<u><u>\$ 1,286</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

THIS PAGE IS INTENTIONALLY LEFT BLANK

CITY OF STOW, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2011

NOTE 1 - DESCRIPTION OF THE CITY

The City of Stow, Ohio, (the "City") is a home rule municipal corporation which was established under the laws of the State of Ohio and operates under its own charter. The current charter, which provides for a Mayor/Council form of government, was adopted in 1958 and became effective January 2, 1960. Amendments to the charter have been approved by the electorate in 1965, 1968, 1970, 1972, 1975, 1980, 1985, 1990, 1991, 1997, 1998, 2000, 2002, 2005 and 2010.

The City provides various services and consists of many different activities and smaller accounting entities which include police, fire-fighting and EMS forces, street and highway maintenance, building and zoning inspection, comprehensive community planning, various general government services and a water distribution system. The City offers numerous parks and recreation programs and operates a park system, a golf course, three municipal cemeteries and a group of rental lodges available for public or private events.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements (BFS) of the City have been prepared in conformity with accounting principles generally accepted in the United States of America (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) guidance issued on or before November 30, 1989, to its governmental and business-type activities and its proprietary funds provided they do not conflict with or contradict GASB pronouncements. The City has the option to also apply FASB guidance issued after November 30, 1989 to its business-type activities and enterprise funds, subject to this same limitation. The City has elected not to apply this FASB guidance. The City's significant accounting policies are described below.

A. Reporting Entity

A reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the City consists of all funds, departments, boards, agencies and commissions that are not legally separate from the City.

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; (3) the City is legally obligated or has otherwise assumed the responsibility to finance deficits of, or provide financial support to, the organization; (4) or the City is obligated for the debt of the organization. Component units may also include organizations for which the City approves the budget, the issuance of debt, or the levying of taxes. Certain organizations are also included as component units if the nature and significance of the relationship between the primary government and the organization is such that exclusion by the primary government would render the primary governments financial statements incomplete or misleading. The City has one component unit.

Stow Community Improvement Corporation (CIC) - The Stow Community Improvement Corporation was formed pursuant to Ohio Revised Code Section 1724. The Articles of Incorporation were approved on November 8, 1985. The CIC was designated as a not-for-profit agency of the City for advancing, encouraging and promoting the industrial, economic, commercial, and civic development of Stow and the surrounding territory surrounding Stow.

CITY OF STOW, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2011

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

The Board of Trustees consists of nineteen members, which include the Mayor, Director of Planning and Development, Director of Finance, Law Director, City Council President, City Council Finance Committee Chairperson, Stow-Munroe Falls School District Treasurer or Designee, and City Council Chairperson. Trustees also include at least one representative of each of the following categories: private citizens, small business, commerce, industry, civic organizations, and financial institution. The City does not appoint a majority of the Board of Trustees, the CIC is fiscally dependent upon the City, the CIC does not provide services entirely or almost entirely to the City, and is therefore presented as a discrete component unit of the City. Financial statements can be obtained from the Director of Finance, Stow Community Improvement Corporation, 3760 Darrow Road, Stow, Ohio 44224. Information relative to the component unit is presented in Note 22.

B. Basis of Presentation - Fund Accounting

The City's BFS 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 activities of the internal service funds are eliminated to avoid "doubling up" revenues and expenses. The statements distinguish between those activities of the City that are governmental and those that are considered business-type activities.

The statement of net assets presents the financial condition of the governmental and business-type 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 and for the business-type activities of the City. 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 business segment or governmental functions are self-financing or draw 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 and enterprise fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. The internal service funds are presented in a single column on the face of the proprietary fund financial statements. Fiduciary funds are reported by type.

CITY OF STOW, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2011

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operation. The principal operating revenues of the City's proprietary funds are charges for services. Operating expenses for the enterprise funds include personnel and other expenses related to water, golf course and storm water operations and operating expenses for the internal service funds include claims and administrative expenses. All revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses.

C. 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 three categories of funds: governmental, proprietary and fiduciary. The following categories are used by the City:

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 is used to account for and report all financial resources not accounted for and reported 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 of Stow and/or the general laws of Ohio.

EMS/fire tax levy fund - The EMS/fire tax levy fund is a special revenue fund that accounts for proceeds of levy money that is legally restricted to expenditures to provide EMS and fire protection services.

General capital improvements fund - The general capital improvements fund accounts for the portion of municipal income tax designated by Council for the purpose of improving, constructing, maintaining, and purchasing the capital items necessary to enhance the operation of the City.

Other governmental funds of the City are used to account for (a) specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects and (b) financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

Proprietary Funds - Proprietary fund reporting focuses on changes in net assets, financial position and cash flows. Proprietary funds are classified as either enterprise or internal service.

Enterprise funds - The enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The following are the City's major enterprise funds:

Water fund - This fund accounts for revenues generated from the charges for the treatment and provisions of water to the residents and commercial users of the City.

Storm water utility fund - The storm water utility fund accounts for the provision of storm drainage runoff service to the residents and commercial users located within the City.

CITY OF STOW, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2011

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Golf fund - The golf fund accounts for revenues generated and expenses for the Fox Den golf course.

Internal service fund - Internal service funds account for the financing of services provided by one department or agency to other departments or agencies of the City on a cost-reimbursement basis. The City's internal service funds are the Administrative Insurance fund and the Self-Insurance fund which report on the administrative costs and the payments of premiums and claims for healthcare.

Fiduciary Funds - Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and agency funds. Trust funds are used to account for assets held by the City under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the City's own programs. The City's trust funds are private-purpose trust funds established to account for funds bequeathed and donated to the City for the Wells Perkins cemetery, scholarships and Stow seniors commission. The City's agency funds are purely custodial (assets equal liabilities) and thus do not involve measurement of results of operations. The City's agency funds account for building permit fees collected on behalf of the State, municipal court collections that are distributed to various local governments, performance bonds pledged by contractors, a flexible spending plan and money on deposit with the Stow Municipal Court. The City does not have pension trust funds or investment trust funds.

D. Measurement Focus

Government-wide Financial Statements - The government-wide financial statements are prepared using the economic resources measurement focus. All non-fiduciary assets and all liabilities associated with the operation of the City are included on the statement of net assets. The statement of activities presents increases (e.g. revenues) and decreases (e.g. expenses) in total 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 financial statements for governmental funds.

Like the government-wide statements, all proprietary funds are accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the statement of net assets. The statement of changes in fund net assets presents increases (i.e., revenues) and decreases (i.e., expenses) in total net assets. The statement of cash flows provides information about how the City finances and meets the cash flow needs of its proprietary activities. The private-purpose trust fund is accounted for using the flow of economic resources measurement focus.

The agency funds do not report on a measurement focus as they do not report operations.

CITY OF STOW, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2011

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

E. 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. Proprietary and agency 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 Nonexchange 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 (See Note 8). Revenue from property taxes is recognized in the year for which the taxes are levied (See Note 7). 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, local government funds and permissive tax), interest, grants, fees and rentals.

Unearned Revenue and Deferred Revenue - Unearned revenue and deferred revenue arise when assets are recognized before revenue recognition criteria have been satisfied.

Property taxes for which there is an enforceable legal claim as of December 31, 2011, but which were levied to finance year 2012 operations, and other revenues received in advance of the fiscal year for which they were intended to finance, have been recorded as unearned revenue. Income taxes and special assessments not received within the available period, grants and entitlements received before the eligibility requirements are met, and delinquent property taxes due at December 31, 2011, are recorded as deferred revenue in the governmental funds.

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

Expenses/Expenditures - On the accrual basis of accounting, expenses are recognized at the time they are incurred.

CITY OF STOW, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2011

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

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.

F. Budgetary Process

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the Tax Budget (or the Alternative Tax Budget as permitted by law), the certificate of estimated resources and the annual appropriation ordinance, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the annual appropriation ordinance are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. All funds, other than agency funds, are legally required to be budgeted and appropriated. The legal level of budgetary control has been established by Council at the personal services and other object level within each department of each fund. For both the personal services and object levels the Finance Director has been authorized to allocate appropriations within any object level which he maintains on his books.

Estimated Resources - The County Budget Commission determines if the budget substantiates a need to levy all or part of previously authorized taxes and reviews estimated revenue. The Commission certifies its actions to the City by September 1. As part of this certification, the City receives the official certificate of estimated resources, which states the projected revenue of each fund. Prior to December 31, the City must revise its budget so that the total contemplated expenditures from any fund during the ensuing year will not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriation ordinance. On or about January 1, the certificate of estimated resources is amended to include unencumbered fund balances at December 31 of the preceding year. The certificate of estimated resources may be further amended during the year if the Finance Director determines and the Budget Commission agrees that an estimate needs to be either increased or decreased. The amounts reported on the budgetary statements reflect the amounts in the original and final amended official certificate of estimated resources issued during 2011.

Appropriations - For management, a temporary appropriation ordinance to control expenditures may be passed on or about January 1 of each year for the period January 1 to March 31. The Annual Appropriation Ordinance must be passed by April 1 of each year for the period January 1 to December 31. Appropriations by fund must be within the estimated resources as certified by the County Budget Commission and the total of expenditures and encumbrances may not exceed the appropriations at any level of control.

Any revisions that alter the appropriations of the legal level of budgetary control within a fund must first be approved by City Council. Council may pass supplemental fund appropriations so long as the total appropriations by fund do not exceed the amounts set forth in the most recent certificate of estimated resources.

Formal budgetary integration is employed as a management control device during the year for all funds consistent with statutory provisions. Appropriation amounts are as originally adopted, or as amended by City Council throughout the year by supplemental appropriations which either reallocate or increase the original appropriation amounts. During the year, supplemental appropriation measures were legally enacted; however, none of these amendments were significant. The budgetary figures which appear in the statements of budgetary comparisons represent the original and final appropriation amounts, including all amendments and modifications.

CITY OF STOW, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2011

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Encumbrances - As part of formal budgetary control, purchase orders, contracts and other commitments for the expenditure of monies are recorded as the equivalent of expenditures on the non-GAAP budgetary basis in order to reserve that portion of the applicable appropriation and to determine and maintain legal compliance. The Ohio Revised Code prohibits expenditures plus encumbrances from exceeding appropriations at the legal level of budgetary control. On the GAAP basis, encumbrances outstanding at year end are reported as assigned, committed, or restricted fund balances for subsequent-year expenditures for governmental funds.

Lapsing of Appropriations - At the close of each year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriations. The encumbered appropriation balance is carried forward to the succeeding year and is not reappropriated.

G. Cash, Cash Equivalents and Investments

To improve cash management, cash received by the City is pooled. Monies for all funds, including proprietary funds, are maintained in this pool. Individual fund integrity is maintained through the City's records. Each fund's interest in the pool is presented as "equity in pooled cash and cash equivalents" on the financial statements.

During 2011, investments were limited to the State Treasury Asset Reserve of Ohio (STAR Ohio), repurchase agreements, and federal agency securities.

Except for nonparticipating investment contracts, investments are reported at fair value which is based on quoted market prices. Nonparticipating investment contracts such as repurchase agreements are reported at cost.

STAR Ohio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio 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 STAR Ohio are valued at STAR Ohio's shares price which is the price the investment could be sold for on December 31, 2011.

Following Ohio statutes, the City has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue credited to the general fund during 2011 amounted to \$73,937 of which \$57,480 was assigned from other City funds.

For purposes of the statement of cash flows and for presentation on the statement of net assets, investments of the cash management pool and investments with original maturities of three months or less at the time they are purchased by the City, are considered to be cash equivalents. Investments with maturities greater than three months at the time of purchase are reported as investments. An analysis of the City's investment account at year end is provided in Note 4.

H. Interfund Balances

On fund financial statements, long-term interfund loans are classified as "loans to/from other funds". These amounts are eliminated in the governmental and business-type activities columns of the statement of net assets, except for any net residual amounts due between governmental and business-type activities, which are presented as internal balances.

CITY OF STOW, OHIO

*NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011*

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

I. Inventory

Inventories of all funds are stated at cost which is determined on a first-in, first-out basis. Inventory in governmental funds consists of expendable supplies held for consumption. The cost of inventory items is recorded as expenditures in the governmental fund types and as expenses in the proprietary fund type.

J. Capital Assets

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net assets, but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net assets and in the respective funds.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. The City was able to estimate the historical cost for the initial reporting of infrastructure by back trending (i.e. estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost of the acquisition year or estimated acquisition year). Donated capital assets are recorded at their fair market values as of the date received. The City maintains a capitalization threshold of \$5,000. The City's infrastructure consists of bridges, culverts, curbs, storm sewers, streets, irrigation systems, water and sewer lines and infrastructure acquired December 31, 1980 and later. 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 for business-type activities.

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. Useful lives for infrastructure were estimated based on the City's historical records of necessary improvements and replacement. Depreciation is computed using the straight-line method over the following useful lives:

Description	Governmental Activities Estimated Lives	Business-Type Activities Estimated Lives
Buildings and improvements	4 to 50 years	4 to 50 years
Infrastructure	20 to 75 years	20 to 75 years
Equipment, furniture and fixtures	3 to 15 years	3 to 15 years
Vehicles	15 years	15 years

K. Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employee's rights to receive compensation are attributable to services already rendered and it is probable that the City will compensate the employees for the benefits through paid time off or some other means. The City records a liability for accumulated unused vacation time when earned for all employees with more than one year of service.

CITY OF STOW, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2011

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Sick leave benefits are accrued as a liability using the termination method. An accrual for sick leave is made to the extent that it is probable that benefits will result in termination payments. The liability is an estimate based on the City's past experience of making termination payments. In proprietary funds, the entire amount of compensated absences is reported as a fund liability. The entire compensated absence liability is reported on the government-wide financial statements.

For governmental funds, the current portion of unpaid compensated absences is the amount expected to be paid using expendable available resources based upon the occurrence of employee resignations and retirements. These amounts are recorded in the account "compensated absences payable" in the fund from which the employees who have accumulated unpaid leave are paid.

L. Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary fund 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 and compensated absences 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, long-term notes and capital leases are recognized as a liability on the governmental fund financial statements when due.

M. Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the City is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

Nonspendable - The nonspendable fund balance classification includes amounts that cannot be spent because they are not in spendable form or legally required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of loans receivable in the general fund.

Restricted - Fund balance is reported as restricted when constraints are placed on the use of resources that are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

Committed - The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by a formal action (ordinance) of City Council (the highest level of decision making authority). Those committed amounts cannot be used for any other purpose unless City Council removes or changes the specified use by taking the same type of action (ordinance) it employed to previously commit those amounts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

CITY OF STOW, OHIO

*NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011*

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Assigned - Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted nor committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by policies of City Council, which includes giving the Finance Director the authority to constrain monies for intended purposes.

Unassigned - Unassigned fund balance is the residual classification for the general fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is only used to report a deficit fund balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

The City applies restricted resources first when expenditures are incurred for purposes for which restricted and unrestricted (committed, assigned, and unassigned) fund balance is available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

N. 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.

O. Unamortized Issuance Costs/Bond Premium and Discount/Accounting Gain or Loss

On government-wide financial statements, bond issuance costs are deferred and amortized over the term of the bonds using the straight-line method, which approximates the effective interest method. Unamortized bond issuance costs are recorded as an asset on the financial statements.

Bond premiums are deferred and accreted over the term of the bonds. Bond premiums are presented as an addition to the face amount of the bonds.

For advance refunding resulting in the defeasance of debt, the difference between the reacquisition price and the net carrying amount of the old debt is deferred and amortized as a component of interest expense. This accounting gain or loss is amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter, and is presented as an addition to or reduction of the face amount of the new debt.

On the governmental fund financial statements, issuance costs and bond premiums are recognized in the current period.

CITY OF STOW, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2011

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

P. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are for water, golf course, storm water and self-insurance programs. Operating expenses are necessary costs incurred to provide the goods or services that are the primary activity of the funds. All revenues and expenses not meeting these definitions are reported as non-operating.

Q. Contributions of Capital

Contributions of capital in proprietary fund financial statements arise from outside contributions of capital assets or from grants or outside contributions of resources restricted to capital acquisition and construction and from contributions from governmental funds.

R. Interfund Activity

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues.

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 and after nonoperating revenues/expenses in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the Basic Financial Statements ("BFS").

S. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the City Administration and that are either unusual in nature or infrequent in occurrence. Neither item occurred during 2011.

T. Estimates

The preparation of the BFS in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the BFS and accompanying notes. Actual results may differ from those estimates.

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE

A. Change in Accounting Principles

For 2011, the City has implemented GASB Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions", and GASB Statement No. 59, "Financial Instruments Omnibus".

GASB Statement No. 54 establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. GASB Statement No. 54 also clarifies the definitions of governmental fund types.

CITY OF STOW, OHIO

*NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011*

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE - (Continued)

GASB Statement No. 59 updates and improves guidance for financial reporting and disclosure requirements of certain financial instruments and external investment pools. The implementation of GASB Statement No. 59 did not have an effect on the financial statements of the City.

B. Fund Reclassification

A fund reclassification is required in order to report funds in accordance with GASB Statement No 54. The fund reclassification had the following effect on the City's governmental fund balances as previously reported:

	<u>General</u>	<u>EMS/Fire Tax Levy</u>	<u>General Capital Improvements</u>	<u>Nonmajor Governmental</u>	<u>Total Governmental</u>
Fund balance (deficit) as previously reported	\$ 4,682,197	\$ (255,831)	\$ 2,686,740	\$ 4,013,323	\$ 11,126,429
Fund reclassification:					
Residential snow removal	<u>8,880</u>	<u>-</u>	<u>-</u>	<u>(8,880)</u>	<u>-</u>
Restated fund balance (deficit) at January 1, 2011	<u>\$ 4,691,077</u>	<u>\$ (255,831)</u>	<u>\$ 2,686,740</u>	<u>\$ 4,004,443</u>	<u>\$ 11,126,429</u>

The fund reclassification did not have an effect on net assets as previously reported.

C. Deficit Fund Balances

Fund balances/net assets, at December 31, 2011 included the following individual fund deficits:

<u>Major governmental fund</u>	<u>Deficit</u>
EMS/Fire tax levy	\$ 223,124
<u>Nonmajor governmental funds</u>	
Police pension and disability	148,859
Fire pension and disability	154,580
Community events	1,566
Community relations	8,463

These funds complied with Ohio State law, which does not permit a cash basis deficit at year end. The general fund is liable for any deficit in these funds and provides transfers when cash is required, not when accruals occur.

CITY OF STOW, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2011

NOTE 4 - DEPOSITS AND INVESTMENTS

State statutes classify monies held by the City into three categories:

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

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

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

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal or interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in items (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasurer's investment pool (STAR Ohio);
7. High grade commercial paper for a period not to exceed 180 days in an amount not to exceed twenty-five percent of the City's interim monies available for investment; and,
8. Bankers acceptances for a period not to exceed 180 days and in an amount not to exceed twenty-five percent of the City's interim monies available for investment.

CITY OF STOW, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2011

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

The City may also invest any monies not required to be used for a period of six months or more in the following:

1. Bonds of the State of Ohio;
2. Bonds of any municipal corporation, village, county, township, or other political subdivision of this State, as to which there is no default of principal, interest or coupons;
3. Obligations of the City.

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

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

A. Cash in Segregated Accounts

Cash in Segregated Accounts: At year end, the City had \$536,299 deposited with a financial institution for monies related to the Stow Municipal Court agency fund. This amount is included in the City's depository balance below.

B. Deposits with Financial Institutions

At December 31, 2011, the carrying amount of all City deposits was \$7,095,217, exclusive of the \$4,395,000 repurchase agreement included in investments below. As of December 31, 2011, the City's bank balance was \$7,610,860, of which \$2,543,915 was exposed to custodial risk as discussed below, while \$5,066,945 was covered by the FDIC.

Custodial credit risk is the risk that, in the event of bank failure, the City will not be able to recover deposits or collateral securities that are in the possession of an outside party. As permitted by Ohio Revised Code, the City's deposits are collateralized by a pool of eligible securities deposited with Federal Reserve Banks, or at member banks of the Federal Reserve System, in the name of the depository bank and pledged as a pool of collateral against all public deposits held by the depository. The City has no deposit policy for custodial credit risk beyond the requirements of State statute. Although the securities were held by the pledging institutions' trust department and all statutory requirements for the deposit of money had been followed, noncompliance with federal requirements could potentially subject the City to a successful claim by the FDIC.

CITY OF STOW, OHIO

*NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011*

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

C. Investments

As of December 31, 2011, the City had the following investments and maturities:

<u>Investment type</u>	<u>Fair Value</u>	<u>Investment Maturities</u>		
		<u>6 months or less</u>	<u>13 to 18 months</u>	<u>19 to 24 months</u>
FFCB	\$ 3,005,975	\$ -	\$ 1,504,715	\$ 1,501,260
FHLB	3,998,380	-	2,000,360	1,998,020
STAR Ohio	2,319,416	2,319,416	-	-
Repurchase agreement	<u>4,395,000</u>	<u>4,395,000</u>	-	-
Total	<u>\$ 13,718,771</u>	<u>\$ 6,714,416</u>	<u>\$ 3,505,075</u>	<u>\$ 3,499,280</u>

Interest Rate Risk: The Ohio Revised Code generally limits security purchases to those that mature within five years of the settlement date. Interest rate risk arises because potential purchasers of debt securities will not agree to pay face value for those securities if interest rates subsequently increase. The City's investment policy addresses interest rate risk by requiring the consideration of market conditions and cash flow requirements in determining the term of an investment.

Custodial Credit Risk: For an investment, 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 investment or collateral securities that are in the possession of an outside party. The City has no investment policy dealing with investment custodial risk beyond the requirement in Ohio law that prohibits payments for investments prior to the delivery of the securities representing such investments to the treasurer or qualified trustee. The City's investment in repurchase agreements is collateralized by underlying securities pledged by the investment's counterparty, not in the name of the City. Ohio law requires the fair value of the securities subject to a repurchase agreement must exceed the principal value of securities subject to a repurchase agreement by 2%. The City has no investment policy dealing with investment custodial risk beyond the requirement in State statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the Treasurer or qualified trustee.

Credit Risk: STAR Ohio carries a rating of AAAM by Standard & Poor's. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. The City's investments in federal agency securities, and the federal agency securities that underlie the repurchase agreement, were rated AA+ and Aaa by Standard & Poor's and Moody's Investor Services, respectively. The City's investment policy does not specifically address credit risk beyond requiring the City to only invest in securities authorized by State statute.

Concentration of Credit Risk: The City's investment policy addresses concentration of credit risk by requiring investments to be diversified to reduce the risk of loss resulting from over concentration of assets in a specific issue or specific class of securities.

CITY OF STOW, OHIO

*NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011*

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

The following table includes the percentage of each investment type held by the City at December 31, 2011:

<u>Investment type</u>	<u>Fair Value</u>	<u>% of Total</u>
FFCB	\$ 3,005,975	21.91
FHLB	3,998,380	29.15
STAR Ohio	2,319,416	16.91
Repurchase agreement	<u>4,395,000</u>	<u>32.03</u>
 Total	 <u>\$ 13,718,771</u>	 <u>100.00</u>

D. Reconciliation of Cash and Investments to the Statement of Net Assets

The following is a reconciliation of cash and investments as reported in the note above to cash and investments as reported on the statement of net assets as of December 31, 2011:

<u>Cash and investments per note</u>	
Carrying amount of deposits	\$ 7,095,217
Investments	<u>13,718,771</u>
Total	<u>\$ 20,813,988</u>
 <u>Equity in pooled cash and investments per statement of net assets</u>	
Governmental activities	\$ 13,565,049
Business type activities	6,063,672
Private purpose trust funds	1,286
Agency funds	<u>1,183,981</u>
Total	<u>\$ 20,813,988</u>

NOTE 5 - INTERFUND TRANSACTIONS

A. Long-term loans to/from other funds at December 31, 2011, consist of the following:

	<u>Receivable</u>
	<u>Fund</u>
<u>Payable fund</u>	<u>General</u>
Water	<u>\$ 150,000</u>

Loan balances between governmental funds are eliminated for reporting on the government-wide statement of net assets. The loan is scheduled to be repaid by fiscal year 2013. Loan balances between governmental activities and business-type activities are reported as a component of the “internal balances” reported on the statement of net assets.

CITY OF STOW, OHIO

*NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011*

NOTE 5 - INTERFUND TRANSACTIONS - (Continued)

B. Interfund transfers for the year ended December 31, 2011, consisted of the following:

<u>Transfer To</u>	<u>Transfers From</u>	
	<u>General</u>	<u>Nonmajor Governmental</u>
General	\$ -	\$ 500,000
Nonmajor governmental	592,673	856,214

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; to move unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations; to segregate money for anticipated capital projects; to provide additional resources for current operations or debt service; and to return money to the fund from which it was originally provided once a project is completed.

Transfers out from the court special projects, probation, indigent drivers, and IDIA monitoring nonmajor special revenue funds in the amount of \$450,000, \$50,000, \$500,000, and \$356,214, respectively, were court ordered to provide for reimbursement from one court fund to another for expenditures, and to supplement, or cover the deficit, of the overall general fund court operating budget.

NOTE 6 - RECEIVABLES

Receivables at December 31, 2011, consisted primarily of taxes, accounts (billings for user charged services, rents and royalties), special assessments, accrued interest, loans receivable and intergovernmental receivables arising from grants, entitlements and shared revenues. All receivables are deemed collectible in full. All receivables, other than loans, are expected to be collected within the subsequent year.

NOTE 7 - PROPERTY TAXES

Property taxes include amounts levied against all real and public utility property located in the City. Taxes collected from real property taxes (other than public utility) in one calendar year are levied in the preceding calendar year on the assessed value as of January 1 of that preceding year, the lien date. Assessed values are established by the County Auditor at 35 percent of appraised market value. All property is required to be revaluated every six years. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits later payment dates to be established.

Public utility real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Public utility tangible personal property is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2011 public utility property taxes became a lien December 31, 2010, are levied after October 1, 2011, and are collected in 2012 with real property taxes. Public utility property taxes are payable on the same dates as real property taxes described previously.

CITY OF STOW, OHIO

*NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011*

NOTE 7 - PROPERTY TAXES - (Continued)

The Summit County Fiscal Officer collects property taxes on behalf of all taxing districts in the County, including the City of Stow. The Summit County Fiscal Officer periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real property taxes, public utility taxes, delinquent tangible personal property taxes and other outstanding delinquencies which are measurable as of December 31, 2011 and for which there is an enforceable legal claim. In the governmental funds, the current portion receivable has been offset by unearned revenue since the current taxes were not levied to finance 2011 operations and the collection of delinquent taxes has been offset by deferred revenue since the collection of the taxes during the available period is not subject to reasonable estimation. On a full accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue while on a modified accrual basis the revenue is deferred.

The full tax rate for all City operations for the year ended December 31, 2011 was \$9.50 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2011 property tax receipts were based are as follows:

Real Property

Residential/Agricultural	\$654,519,740
Commercial/Industrial/Mineral	202,313,580

Public Utility

Real	15,960
Personal	<u>7,868,390</u>

Total Assessed Value	<u><u>\$864,717,670</u></u>
----------------------	-----------------------------

NOTE 8 - INCOME TAX

The City levies and collects a municipal income tax of two percent on all income earned within the City as well as on income of residents earned outside of the City. In the latter case, the City allows a credit of 100 percent on the income earned outside of the City and paid to another municipality. Employers within the City are required to withhold income tax on employee earnings and remit the tax to the City at least quarterly. Corporations and other individual taxpayers are required to pay their estimated tax at least quarterly and file a final return annually.

Income tax revenues are distributed among the general fund (60 percent) and the general capital improvement fund and further distribution to other funds, including the street construction fund to be used for existing and future capital projects and/or expansion or for debt service for existing and future capital improvements (40 percent). In accordance with the City's codified ordinances, all income tax revenues are first recorded in the general fund. Subsequently, 40 percent of those revenues, net of collection expenditures, are distributed to the capital improvement fund and other funds mentioned above, unless a lesser amount than 40 percent is approved by City Council.

CITY OF STOW, OHIO

*NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011*

NOTE 9 - CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2011, was as follows:

	Balance			Balance
<u>Governmental activities:</u>	<u>12/31/10</u>	<u>Additions</u>	<u>Deductions</u>	<u>12/31/11</u>
<i>Capital assets, not being depreciated:</i>				
Land	\$ 11,202,207	\$ -	\$ -	\$ 11,202,207
Construction in progress	<u>1,761,672</u>	<u>1,349,161</u>	<u>-</u>	<u>3,110,833</u>
Total capital assets, not being depreciated	<u>12,963,879</u>	<u>1,349,161</u>	<u>-</u>	<u>14,313,040</u>
<i>Capital assets, being depreciated:</i>				
Buildings and building improvements	32,335,145	98,964	-	32,434,109
Vehicles	7,228,506	110,513	-	7,339,019
Equipment, furniture and fixtures	6,045,741	65,036	-	6,110,777
Infrastructure	<u>31,012,207</u>	<u>439,288</u>	<u>(132,646)</u>	<u>31,318,849</u>
Total capital assets, being depreciated	<u>76,621,599</u>	<u>713,801</u>	<u>(132,646)</u>	<u>77,202,754</u>
<i>Less: accumulated depreciation:</i>				
Buildings and building improvements	(6,577,735)	(782,983)	-	(7,360,718)
Vehicles	(3,587,293)	(407,907)	-	(3,995,200)
Equipment, furniture and fixtures	(3,443,405)	(329,290)	-	(3,772,695)
Infrastructure	<u>(10,231,459)</u>	<u>(1,418,360)</u>	<u>120,000</u>	<u>(11,529,819)</u>
Total accumulated depreciation	<u>(23,839,892)</u>	<u>(2,938,540)</u>	<u>120,000</u>	<u>(26,658,432)</u>
Total capital assets, being depreciated, net	<u>52,781,707</u>	<u>(2,224,739)</u>	<u>(12,646)</u>	<u>50,544,322</u>
Governmental activities capital assets, net	<u>\$ 65,745,586</u>	<u>\$ (875,578)</u>	<u>\$ (12,646)</u>	<u>\$ 64,857,362</u>

Depreciation expense was charged to governmental activities as follows:

General government	\$ 389,455
Security of persons and property	876,175
Public health	7,049
Leisure time activities	143,416
Community and economic development	29,350
Transportation	<u>1,493,095</u>
Total depreciation expense	<u>\$ 2,938,540</u>

CITY OF STOW, OHIO

*NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011*

NOTE 9 - CAPITAL ASSETS - (Continued)

Capital assets of the business-type activities are as follows:

	Balance			Balance
	12/31/10	Additions	Deductions	12/31/11
<u>Business-type activities:</u>				
<i>Capital assets, not being depreciated:</i>				
Land	\$ 5,377,376	\$ -	\$ -	\$ 5,377,376
Construction in progress	<u>1,828,026</u>	<u>1,097,973</u>	<u>(1,096,830)</u>	<u>1,829,169</u>
Total capital assets, not being depreciated	<u>7,205,402</u>	<u>1,097,973</u>	<u>(1,096,830)</u>	<u>7,206,545</u>
<i>Capital assets, being depreciated:</i>				
Buildings and building improvements	3,415,519	-	-	3,415,519
Vehicles	790,563	-	-	790,563
Equipment, furniture and fixtures	346,879	-	-	346,879
Infrastructure	<u>27,351,940</u>	<u>1,419,703</u>	<u>-</u>	<u>28,771,643</u>
Total capital assets, being depreciated	<u>31,904,901</u>	<u>1,419,703</u>	<u>-</u>	<u>33,324,604</u>
<i>Less: accumulated depreciation:</i>				
Buildings and building improvements	(644,590)	(74,129)	-	(718,719)
Vehicles	(204,218)	(46,579)	-	(250,797)
Equipment, furniture and fixtures	(209,761)	(26,946)	-	(236,707)
Infrastructure	<u>(4,673,686)</u>	<u>(491,548)</u>	<u>-</u>	<u>(5,165,234)</u>
Total accumulated depreciation	<u>(5,732,255)</u>	<u>(639,202)</u>	<u>-</u>	<u>(6,371,457)</u>
Total capital assets, being depreciated, net	<u>26,172,646</u>	<u>780,501</u>	<u>-</u>	<u>26,953,147</u>
Business-type activities capital assets, net	<u>\$ 33,378,048</u>	<u>\$ 1,878,474</u>	<u>\$ (1,096,830)</u>	<u>\$ 34,159,692</u>

Depreciation expense was charged to business - type activities as follows:

Water	\$ 349,943
Golf	5,004
Storm water utility	<u>284,255</u>
Total depreciation expense	<u>\$ 639,202</u>

NOTE 10 - LEASES

A. Capital Leases - Lessee Disclosure

In prior years, the City entered into capital lease agreements for courthouse furnishings, brine equipment, a bus, a leaf machine, two road rescue/EMS vehicles, a vactor truck, dispatch consoles and cabinetry. Principal and interest payments for the courthouse furnishings, brine equipment, bus, road rescue/EMS vehicles, dispatch consoles and cabinetry will be paid from the governmental funds and the principal and interest payments for the leaf machine and vactor truck will be paid from the storm water utility enterprise fund.

CITY OF STOW, OHIO

*NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011*

NOTE 10 - LEASES - (Continued)

The lease agreements meet the criteria of a capital lease as defined by FASB Statement No. 13, “Accounting for Leases”, which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee. Capital lease payments in governmental funds have been reclassified and are reflected as debt service expenditures in the combined BFS and are reported as function expenditures on the budgetary statements. In the enterprise fund a liability has been recorded.

Capital assets have been capitalized in the statement of net assets in the amount of \$1,413,327 in governmental activities. This amount represents the present value of the minimum lease payments at the time of acquisition. A liability of \$989,182 is reported on the statement of net assets at year end, which represents the amount of principal payments the EMS/fire levy fund and the capital projects fund will be making. Principal and interest payments in 2011 totaled \$178,187 and \$49,170, respectively.

Capital assets have been capitalized in the storm water utility enterprise fund in the amount of \$383,367. The amount of \$273,704 represents the present value of the future minimum lease payments and has been recorded as a liability in the storm water utility fund. Principal and interest payments in 2011 totaled \$43,689 and \$13,486, respectively.

The assets acquired through capital leases are as follows:

	<u>Governmental Activities</u>	<u>Business-type Activities</u>
Assets:		
Equipment	\$ 1,063,556	\$ -
Vehicles	<u>349,771</u>	<u>383,367</u>
Less: accumulated depreciation	<u>(296,070)</u>	<u>(75,230)</u>
Total	<u>\$ 1,117,257</u>	<u>\$ 308,137</u>

The following is a schedule of the future long-term minimum lease payments required under the capital leases and the present value of the minimum lease payments as of December 31, 2011.

<u>Year Ending December 31,</u>	<u>Governmental Activities</u>	<u>Business-type Activities</u>
2012	\$ 225,085	\$ 56,444
2013	227,359	57,174
2014	227,360	57,175
2015	112,869	36,243
2016	112,870	36,244
2017 - 2018	<u>225,739</u>	<u>72,487</u>
Total	1,131,282	315,767
Less: amount representing interest	<u>(142,100)</u>	<u>(42,063)</u>
Present value of net minimum lease payments	<u>\$ 989,182</u>	<u>\$ 273,704</u>

CITY OF STOW, OHIO

*NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011*

NOTE 10 - LEASES - (Continued)

B. Operating Leases - Lessee Disclosure

In February 2006, the City acquired a golf course and the City assumed an existing operating lease agreement with George and Patricia Hanson to use their premises to operate a driving range. The City renewed the operating lease for a period commencing April 1, 2009 through April 11, 2012. Monthly lease payments have been established at \$2,000 per month for thirty-six consecutive months. The amount of the future lease payments required under the operating lease at December 31, 2011 are:

<u>Year Ending December 31,</u>	<u>Amount</u>
2012	<u>\$ 6,000</u>

The City entered into an operating lease agreement on April 18, 2008, with South East Golf Car Company to lease fifty eight golf cars for use on the Fox Den golf course. The lease is for a period of five years, commencing April 1, 2008, and ending on April 1, 2013. The lease payments are \$900 per car per year, or \$52,200 per year with payments due in five equal monthly installments of \$10,440 due on the tenth day of the months of May through September for each year of the agreement. The amount of the future lease payments required under the operating lease at December 31, 2011 are:

<u>Year Ending December 31,</u>	<u>Amount</u>
2012	<u>\$ 52,200</u>

NOTE 11 - SHORT-TERM NOTES PAYABLE

Changes in the City's short-term note activity for the year ended December 31, 2011, was as follows:

	<u>Balance 12/31/2010</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance 12/31/2011</u>
<u>Governmental fund notes</u>				
Fire rescue vehicles - 2.00%	\$ 100,000	\$ -	\$ (100,000)	\$ -
Fire rescue vehicles - 1.50%	-	100,000	-	100,000
Municipal courthouse construction - 2.00%	100,000	-	(100,000)	-
Municipal courthouse construction - 1.50%	-	200,000	-	200,000
Rt. 8/Seasons Road interchange - 2.00%	500,000	-	(500,000)	-
Rt. 8/Seasons Road interchange - 1.50%	-	350,000	-	350,000
Steel Corners upgrade - 2.00%	100,000	-	(100,000)	-
Steel Corners upgrade - 1.50%	-	200,000	-	200,000
Total governmental fund notes	<u>\$ 800,000</u>	<u>\$ 850,000</u>	<u>\$ (800,000)</u>	<u>\$ 850,000</u>

CITY OF STOW, OHIO

*NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011*

NOTE 11 - SHORT-TERM NOTES PAYABLE - (Continued)

	<u>Balance</u>			<u>Balance</u>
	<u>12/31/2010</u>	<u>Issued</u>	<u>Retired</u>	<u>12/31/2011</u>
<u>Enterprise fund notes</u>				
Automated water reading system - 2.00%	\$ 200,000	\$ -	\$ (200,000)	\$ -
Automated water reading system - 1.50%	-	400,000	-	400,000
Total enterprise fund notes	<u>\$ 200,000</u>	<u>\$ 400,000</u>	<u>\$ (200,000)</u>	<u>\$ 400,000</u>

The short-term notes outstanding at December 31, 2011 were issued on May 5, 2011 and represent the portion of the 2011 note issues that will be retired when the notes are refinanced on May 3, 2012 (see Note 23 for detail).

All short-term notes were backed by the full faith and credit of the City and mature within one year. The short-term note liability is reflected in the fund which received the proceeds. The short-term notes were issued in anticipation of long-term bond financing and will be refinanced until such funds are issued.

NOTE 12 - LONG-TERM OBLIGATIONS

The original issue date, interest rate, original issue amount and date of maturity of each of the City's debt issues follows:

<u>Debt Issue</u>	<u>Interest</u>	<u>Original</u>	<u>Date of</u>
	<u>Rate</u>	<u>Issue Amount</u>	<u>Maturity</u>
Business-type activities:			
OPWC Lillian Road waterline improvement	0.00%	\$ 231,688	7/1/2025
Golf course general obligation bonds	4.25%-5.25%	5,500,000	12/1/2032
Service center general obligation bonds	3.25%-6.25%	546,068	12/1/2033
2011 Water meter reading system note	1.50%	200,000	5/3/2012
Governmental activities:			
Safety center construction general obligation bond	2.00%-4.05%	6,440,000	12/1/2018
Courthouse general obligation bonds	4.25%-5.25%	4,200,000	12/1/2035
Service center general obligation bonds	3.25%-6.25%	5,923,932	12/1/2033
Fire station general obligation bonds	3.25%-6.25%	2,150,000	12/1/2033
2011 Fire rescue vehicles note	1.50%	375,000	5/3/2012
2011 Municipal court construction note	1.50%	4,600,000	5/3/2012
2011 Rt. 8/Seasons Rd. interchange note	1.50%	800,000	5/3/2012
2011 Steel Corners upgrade note	1.50%	500,000	5/3/2012
2011 Hudson Drive reconstruction note	1.50%	750,000	5/3/2012

CITY OF STOW, OHIO

*NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011*

NOTE 12 - LONG-TERM OBLIGATIONS - (Continued)

Long-term obligations activity for the year ended December 31, 2011 was as follows:

Governmental activities:	<u>Balance 12/31/2010</u>	<u>Increase</u>	<u>Decrease</u>	<u>Balance 12/31/2011</u>	<u>Amounts Due in One Year</u>
<u>General obligation bonds:</u>					
Safety center construction					
general obligation bonds	\$ 3,785,000	\$ -	\$ (415,000)	\$ 3,370,000	\$ 430,000
Less: deferred unamortized charges	(263,601)	-	32,950	(230,651)	-
Add: Unamortized premium					
Service center construction					
general obligation bonds	5,638,265	-	(151,990)	5,486,275	161,146
Add: unamortized premium	111,648	-	(4,872)	106,776	-
Fire station construction					
general obligation bonds	2,047,000	-	(54,000)	1,993,000	59,000
Add: unamortized premium	40,381	-	(1,762)	38,619	-
Municipal court general					
obligation bonds	4,020,000	-	(95,000)	3,925,000	100,000
Add: unamortized premium	52,338	-	(2,100)	50,238	-
Total general obligation bonds	<u>15,431,031</u>	<u>-</u>	<u>(691,774)</u>	<u>14,739,257</u>	<u>750,146</u>
<u>Long-term notes:</u>					
2010 Fire rescue vehicles note	475,000	-	(475,000)	-	-
2010 Municipal court construction note	4,800,000	-	(4,800,000)	-	-
2010 Rt. 8/Seasons Rd. interchange note	1,150,000	-	(1,150,000)	-	-
2010 Steels Corners upgrade note	700,000	-	(700,000)	-	-
2011 Fire rescue vehicles note	-	375,000	-	375,000	-
2011 Municipal court construction note	-	4,600,000	-	4,600,000	-
2011 Rt. 8/Seasons Rd. interchange note	-	800,000	-	800,000	-
2011 Steels Corners upgrade note	-	500,000	-	500,000	-
2011 Hudson Drive reconstruction note	-	750,000	-	750,000	-
Total long-term notes	<u>7,125,000</u>	<u>7,025,000</u>	<u>(7,125,000)</u>	<u>7,025,000</u>	<u>-</u>
<u>Other debt:</u>					
Capital lease obligation	1,167,369	-	(178,187)	989,182	185,731
Compensated absences	4,729,823	1,160,021	(1,136,135)	4,753,709	1,018,806
Total other debt	<u>5,897,192</u>	<u>1,160,021</u>	<u>(1,314,322)</u>	<u>5,742,891</u>	<u>1,204,537</u>
Total governmental activities	<u>\$ 28,453,223</u>	<u>\$ 8,185,021</u>	<u>\$ (9,131,096)</u>	<u>\$ 27,507,148</u>	<u>\$ 1,954,683</u>

CITY OF STOW, OHIO

*NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011*

NOTE 12 - LONG-TERM OBLIGATIONS - (Continued)

Business-type activities:	<u>Balance</u>			<u>Balance</u>	<u>Amounts</u>
	<u>12/31/2010</u>	<u>Increase</u>	<u>Decrease</u>	<u>12/31/2011</u>	<u>Due in</u>
					<u>One Year</u>
<u>General obligation bonds:</u>					
Golf course general					
obligation bonds	\$ 5,200,000	\$ -	\$ (150,000)	\$ 5,050,000	\$ 160,000
Add: unamortized premium	74,948	-	(3,420)	71,528	-
Service center general					
obligation bonds	519,735	-	(14,010)	505,725	14,854
Add: unamortized premium	9,283	-	(405)	8,878	-
Total general obligation bonds	<u>5,803,966</u>	<u>-</u>	<u>(167,835)</u>	<u>5,636,131</u>	<u>174,854</u>
<u>Long-term notes:</u>					
2010 Automated water reading system	600,000	-	(600,000)	-	-
2011 Automated water reading system	<u>-</u>	<u>200,000</u>	<u>-</u>	<u>200,000</u>	<u>-</u>
Total long-term notes	<u>600,000</u>	<u>200,000</u>	<u>(600,000)</u>	<u>200,000</u>	<u>-</u>
<u>Other debt:</u>					
OPWC Lillian Road water line					
Improvement	173,768	-	(5,792)	167,976	11,584
Capital lease obligation	317,393	-	(43,689)	273,704	45,567
Compensated absences	<u>192,124</u>	<u>67,405</u>	<u>(40,655)</u>	<u>218,874</u>	<u>46,316</u>
Total other debt	<u>683,285</u>	<u>67,405</u>	<u>(90,136)</u>	<u>660,554</u>	<u>103,467</u>
Total business-type activities	<u>\$ 7,087,251</u>	<u>\$ 267,405</u>	<u>\$ (857,971)</u>	<u>\$ 6,496,685</u>	<u>\$ 278,321</u>

General Obligation Bonds

The government issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for governmental activities. During 2004, general obligation bonds totaling \$6,440,000 were issued to refund general obligation bonds of \$5,820,000. During 2007, the City issued \$4,200,000 in general obligation bonds to finance the construction of the Municipal Courthouse. During 2008, the City issued \$6,470,000 and \$2,150,000 in general obligation bonds to retire notes issued to finance the construction of the service and parks maintenance center building and the fire station, respectively. Approximately 8.44 percent of the service and parks maintenance center construction bond is being used to finance the water department maintenance and operational areas of the new service building. Therefore, \$546,068 (approximately 8.44 percent) of the above mentioned \$6,470,000 bond was allocated to the water fund. General obligation bonds are direct obligations and pledge the full faith and credit of the government. The general obligation bonds will be repaid from income tax monies allocated into the debt service fund from the capital projects funds.

CITY OF STOW, OHIO

*NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011*

NOTE 12 - LONG-TERM OBLIGATIONS - (Continued)

Loans Payable

The OPWC loan will be repaid with operating revenue from the water fund.

Long-Term Notes Payable

The City issued various long-term notes payable on May 5, 2011. The notes bear an interest rate of 1.50% and mature on May 3, 2012. The \$375,000 long-term note in governmental activities is being used to finance the purchase of fire/rescue vehicles and is accounted for in the EMS/fire levy fund. The City reissued \$4,600,000 in municipal courthouse construction notes during 2011. The City also reissued long-term notes in the amounts of \$800,000 and \$500,000 in 2011 to finance the Rt.8/Seasons Rd. interchange and Steels Corners upgrade. In 2011 the City issued a new note for the Hudson Drive reconstruction in the amount of \$750,000. The \$200,000 long-term note in the water fund is being used to finance the installation of the automated water meter reading system.

Notes that were refinanced prior to the issuance of the financial statements and have a new maturity beyond the end of the year in which the report is issued have been reported in the government-wide statements as a long-term liability. The portion of the 2011 note issues that will be retired on May 3, 2012 (see Note 23 for detail) have been reported as short-term notes payable in Note 11. The notes are backed by the full faith and credit of the City.

Compensated Absences

Compensated absences will be paid from the funds from which the employees' salaries are paid. For the City, compensated absences will be paid from the general, EMS/fire tax levy, water, and storm water utility funds.

Capital Lease Obligations

See Note 10 for detail on the City's capital lease obligations.

Legal Debt Margin

As of December 31, 2011, the City's overall legal debt margin (the ability to issue additional amounts of general obligation debt) was \$67,787,963 and the unvoted legal debt margin was \$47,559,472.

The annual requirements to amortize all long-term debt outstanding as of December 31, 2011 are as follows:

Year Ended	Governmental Activities			Business-Type Activities		
	General Obligation Bonds Payable		Total	General Obligation Bonds Payable		Total
	Principal	Interest		Principal	Interest	
2012	\$ 750,146	\$ 599,854	\$ 1,350,000	\$ 174,854	\$ 232,101	\$ 406,955
2013	779,470	572,615	1,352,085	180,530	223,218	403,748
2014	808,880	543,400	1,352,280	186,120	214,050	400,170
2015	833,542	506,642	1,340,184	191,458	204,198	395,656
2016	872,614	467,643	1,340,257	202,386	193,983	396,369
2017 - 2021	3,142,856	1,846,841	4,989,697	1,132,144	848,241	1,980,385
2022 - 2026	2,556,587	1,351,363	3,907,950	1,383,413	609,151	1,992,564
2027 - 2031	3,111,098	795,013	3,906,111	1,688,902	305,920	1,994,822
2032 - 2035	1,919,082	163,141	2,082,223	415,918	18,955	434,873
Total	<u>\$ 14,774,275</u>	<u>\$ 6,846,512</u>	<u>\$ 21,620,787</u>	<u>\$ 5,555,725</u>	<u>\$ 2,849,817</u>	<u>\$ 8,405,542</u>

CITY OF STOW, OHIO

*NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011*

NOTE 12 - LONG-TERM OBLIGATIONS - (Continued)

Year Ended	Business-Type Activities OPWC Loan Payable		
	Principal	Interest	Total
2012	\$ 11,584	\$ -	\$ 11,584
2013	11,584	-	11,584
2014	11,584	-	11,584
2015	11,584	-	11,584
2016	11,584	-	11,584
2017 - 2021	57,924	-	57,924
2022 -2025	52,132	-	52,132
Total	<u>\$ 167,976</u>	<u>\$ -</u>	<u>\$ 167,976</u>

NOTE 13 - RISK MANAGEMENT

A. Liability Insurance

The City is exposed to various risks of loss related to torts, theft, damage to or destruction of assets, errors and omissions, employee injuries, and natural disasters. The City has a comprehensive property and casualty policy with a deductible of \$1,000 per incident. The City’s vehicle liability insurance policy limit is \$1,000,000 with a \$1,000 collision deductible; vehicles with a cost of over \$100,000 have a \$1,000 deductible. All Council members, administrators and employees are covered under a City liability policy. The limits of this coverage are \$1,000,000 per occurrence and \$1,000,000 in aggregate. The general liability aggregate is \$2,000,000. The City also carries a \$10,000,000 umbrella liability extending coverage of the general, automobile and employers/public official’s liability. Settled claims have not exceeded this commercial coverage in any of the past three years. There has not been a reduction of coverage from the prior year.

B. Fidelity Bond

The Finance Director, Assistant Finance Director/Director of Budget and Management and Tax Administrator have a \$100,000 position bond. All other City employees who are specifically bonded are covered by a \$100,000 general faithful performance and honesty blanket position bond.

C. Workers’ Compensation

The City pays the State Workers’ Compensation System, an insurance purchasing pool, a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs. The City participates in a group rating plan to help control workers’ compensation premium costs.

CITY OF STOW, OHIO

*NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011*

NOTE 13 - RISK MANAGEMENT - (Continued)

D. Employee Health Insurance

The City has elected to provide employee medical, prescription and dental benefits through a self-insurance program. The City maintains a self-insurance internal service fund to account for and finance its uninsured risk of loss in this program. This 2011 plan provides a medical plan with a \$700.00 family and \$350.00 single deductible and a dental plan with a \$75.00 family and \$25.00 single deductible. A third party administrator, a subsidiary of Medical Mutual of Ohio (MMO), reviews all medical and dental claims which are then paid by the City. The City has purchased stop-loss coverage of \$150,000 per employee and for claims in excess of \$2,790,566 in the aggregate from Medical Mutual of Ohio. The City pays into the self-insurance internal service fund \$1,076.96 per month for each employee with family medical coverage and \$344.89 per month for each employee with individual medical coverage. Premiums for dental coverage are \$119.67 monthly for each employee with family coverage and \$38.31 monthly for each employee with individual coverage. All premiums are paid by the fund that pays the salary for the employee.

The claims liability of \$520,387 reported in the self-insurance internal service fund at December 31, 2011 is based on the requirements of GASB Statement No. 10, "Accounting and Financial Reporting for Risk Financing and Related Insurance Services", which requires that a liability for unpaid claim costs, including estimates of costs relating to incurred but not reported claims, be reported. The claims liability is based on an estimate supplied by the City's third party administrator. The claims liability is expected to be paid within one year.

A summary of the fund's claims liability during the past two years is as follows:

	<u>Balance at Beginning of Year</u>	<u>Current Claims</u>	<u>Claims Payment</u>	<u>Balance at End of Year</u>
2011	\$ 309,227	\$ 2,725,304	\$ (2,514,144)	\$ 520,387
2010	707,200	2,243,691	(2,641,664)	309,227

NOTE 14 - PENSION PLANS

A. Ohio Public Employees Retirement System

Plan Description - The City participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The Traditional Pension Plan is a cost-sharing, multiple-employer defined benefit pension plan. The Member-Directed Plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20% per year). Under the Member-Directed Plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earnings. The Combined Plan is a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and a defined contribution plan. Under the Combined Plan, employer contributions are invested by the retirement system to provide a formula retirement benefit similar to the Traditional Pension Plan benefit. Member contributions, whose investment is self-directed by the member, accumulate retirement assets in a manner similar to the Member-Directed Plan.

CITY OF STOW, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2011

NOTE 14 - PENSION PLANS

OPERS provides retirement, disability, survivor and death benefits and annual cost of living adjustments to members of the Traditional Pension and the Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report which may be obtained by visiting <https://www.opers.org/investments/cafr.shtml>, writing to OPERS, Attention: Finance Director, 277 E. Town St., Columbus, OH 43215-4642 or by calling (614) 222-5601 or (800) 222-7377.

Funding Policy - The Ohio Revised Code provides statutory authority for member and employer contributions. For 2011, member and contribution rates were consistent across all three plans. The 2011 member contribution rates were 10.00% for members. The City's contribution rate for 2011 was 14.00% of covered payroll.

The City's contribution rate for pension benefits for members in the Traditional Plan for 2011 was 10.00%. The City's contribution rate for pension benefits for members in the Combined Plan for 2011 was 7.95%. The City's required contributions for pension obligations to the Traditional Pension and Combined Plans for the years ended December 31, 2011, 2010, and 2009 were \$923,268, \$880,009, and \$872,531, respectively; 92.40% has been contributed for 2011 and 100% has been contributed for 2010 and 2009. Contributions to the member-directed plan for 2011 were \$9,847 made by the City and \$7,033 made by the plan members.

B. Ohio Police and Fire Pension Fund

Plan Description - The City contributes to the Ohio Police and Fire Pension Fund (OP&F), a cost-sharing multiple-employer defined benefit pension plan. 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 are codified in Chapter 742 of the Ohio Revised Code. OP&F issues a publicly available financial report that includes financial statements and required supplementary information for the plan. That report may be obtained by writing to the OP&F, 140 East Town Street, Columbus, Ohio 43215-5164.

Funding Policy - Plan members are required to contribute 10.0% of their annual covered salary, while the City is required to contribute 19.50% and 24.00% for police officers and firefighters, respectively. Contribution rates are established by State statute. For 2011, the portion of the City's contributions to fund pension obligations was 12.75% for police officers and 17.25% for firefighters. The City's required contributions for pension obligations to OP&F for police officers and firefighters were \$366,291 and \$631,257 for the year ended December 31, 2011, \$371,980 and \$614,776 for the year ended December 31, 2010, and \$382,592 and \$617,398, for the year ended December 31, 2009. The full amount has been contributed for 2010 and 2009. 73.41% has been contributed for police and 72.48% has been contributed for firefighters for 2011.

CITY OF STOW, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2011

NOTE 15 - POSTRETIREMENT BENEFIT PLANS

A. Ohio Public Employees Retirement System

Plan Description - OPERS maintains a cost-sharing multiple employer defined benefit post-employment healthcare plan, which includes a medical plan, prescription drug program and Medicare Part B premium reimbursement, to qualifying members of both the Traditional Pension and the Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits, including post-employment health care coverage.

To qualify for post-employment health care coverage, age-and-service retirees under the Traditional Pension and Combined Plans must have ten years or more of qualifying Ohio service credit. The Ohio Revised Code permits, but does not mandate, OPERS to provide OPEB benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.

Disclosures for the healthcare plan are presented separately in the OPERS financial report which may be obtained by visiting <https://www.opers.org/investments/cafr.shtml>, writing to OPERS, Attention: Finance Director, 277 E. Town St., Columbus, OH 43215-4642 or by calling (614) 222-5601 or (800) 222-7377.

Funding Policy - The post-employment healthcare plan was established under, and is administered in accordance with, Internal Revenue Code Section 401(h). State statute requires that public employers fund post-employment healthcare through contributions to OPERS. A portion of each employer's contribution to the Traditional or Combined Plans is set aside for the funding of post-employment health care.

Employer contribution rates are expressed as a percentage of the covered payroll of active employees. In 2011, local government employers contributed 14.00% of covered payroll. Each year the OPERS' Retirement Board determines the portion of the employer contribution rate that will be set aside for the funding of the postemployment health care benefits. The portion of employer contributions allocated to fund post-employment healthcare for members in the Traditional Plan for 2011 was 4.00%. The portion of employer contributions allocated to fund post-employment healthcare for members in the Combined Plan for 2011 was 6.05%.

The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the health care benefits provided by the retiree or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected. Active members do not make contributions to the post-employment healthcare plan.

The City's contributions allocated to fund post-employment health care benefits for the years ended December 31, 2011, 2010, and 2009 were \$377,740, \$497,876, and \$631,408, respectively; 92.40% has been contributed for 2011 and 100% has been contributed for 2010 and 2009.

The Health Care Preservation Plan (HCPP) adopted by the OPERS Board of Trustees on September 9, 2004, was effective January 1, 2007. Member and employer contribution rates for state and local employers increased on January 1 of each year from 2006 to 2008. Rates for law and public safety employers increased over a six year period beginning on January 1, 2006, with a final rate increase on January 1, 2011. These rate increases allowed additional funds to be allocated to the health care plan.

CITY OF STOW, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2011

NOTE 15 - POSTRETIREMENT BENEFIT PLANS - (Continued)

B. Ohio Police and Fire Pension Fund

Plan Description - The City contributes to the OP&F Pension Fund sponsored health care program, a cost-sharing multiple-employer defined postemployment health care plan administered by OP&F. OP&F provides healthcare benefits including coverage for medical, prescription drugs, dental, vision, Medicare Part B Premium and long term care to retirees, qualifying benefit recipients and their eligible dependents.

OP&F provides access to post-employment health care coverage to any person who receives or is eligible to receive a monthly service, disability or survivor benefit check or is a spouse or eligible dependent child of such person.

The Ohio Revised Code allows, but does not mandate OP&F to provide OPEB benefits. Authority for the OP&F Board of Trustees to provide health care coverage to eligible participants and to establish and amend benefits is codified in Chapter 742 of the Ohio Revised Code.

OP&F issues a publicly available financial report that includes financial statements and required supplementary information for the plan. That report may be obtained by writing to the OP&F, 140 East Town Street, Columbus, Ohio 43215-5164.

Funding Policy - The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OP&F (defined benefit pension plan). Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently, 19.50% and 24.00% of covered payroll for police and fire employers, respectively. The Ohio Revised Code states that the employer contribution may not exceed 19.50% of covered payroll for police employer units and 24.00% of covered payroll for fire employer units. Active members do not make contributions to the OPEB Plan.

OP&F maintains funds for health care in two separate accounts, one account is for health care benefits under an Internal Revenue Code Section 115 trust and the other account is for Medicare Part B reimbursements administered as an Internal Revenue Code Section 401(h) account, both of which are within the defined benefit pension plan, under the authority granted by the Ohio Revised Code to the OP&F Board of Trustees.

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan into the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. For the year ended December 31, 2011, the employer contribution allocated to the health care plan was 6.75% of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that the pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

The OP&F Board of Trustees also is authorized to establish requirements for contributions to the health care plan by retirees and their eligible dependents, or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

The City's contributions to OP&F which were allocated to fund post-employment healthcare benefits for police officers and firefighters were \$193,919 and \$247,013 for the year ended December 31, 2011, \$196,930 and \$240,564 for the year ended December 31, 2010, and \$202,548 and \$241,590 for the year ended December 31, 2009. The full amount has been contributed for 2010 and 2009. 73.41% has been contributed for police and 72.48% has been contributed for firefighters for 2011.

CITY OF STOW, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2011

NOTE 16 - COMPENSATED ABSENCES

Full-time City employees earn and accumulate paid vacation leave for each work hour or paid service hour completed for the City. The maximum base used for accumulation of vacation pay is eighty hours per pay period. Based upon length of service, employees can earn vacation at rates varying from two weeks to six weeks per year. Part-time employees may earn partial vacation credits while seasonal employees are ineligible for vacation benefits. Upon termination from the City, an employee is entitled to compensation at his or her current base rate of pay for all earned, but unused vacation leave to his or her credit at the time of termination, subject to the maximum amount which can be accumulated at any time, provided the 50th week of employment had been reached. In the case of death, unused vacation leave is paid in the name of the employee to his or her spouse.

Full-time City employees and certain part-time employees earn sick leave at the rate of .05769 hours for every paid service hour completed for the City. The maximum base used for accumulation of sick pay is 80 hours per pay period. Sick leave to be paid for time away from work due to illness may be accumulated without limit. For employees hired prior to July 1, 1996, an employee or his/her estate is paid upon retirement or death 100 percent of the unused amount accumulated equivalent up to 1,000 hours and 50 percent of unused sick leave up to a maximum hours of an additional 1,000 hours at the current base rate, but only to the extent such benefits have been earned as employees of the City. In the case of retirement or death of an employee hired on or after July 1, 1996, the employee or his/her estate is paid 100 percent of the unused amount accumulated to a maximum of 1,000 hours and is not eligible to receive cash payment of 50 percent of unused sick leave up to a maximum of an additional 1,000 hours. The entitlement award for firefighters is prorated according to their respective work year.

Full-time police officers, communication specialists and firefighters are permitted to accumulate holiday time. Police department employees must use their accumulated holiday time prior to April 1 of the following year and the employees of the fire department by July 1 of the following year.

As of December 31, 2011, the liability for compensated absences was \$4,972,583 for the entire City.

NOTE 17 - JOINT ECONOMIC DEVELOPMENT ZONE AGREEMENT

The City of Stow and the City of Akron entered into a Joint Economic Development Zone Agreement (JEDZ Agreement). The revenue sharing agreement was established to facilitate economic development, to create or preserve jobs and employment opportunities, and to improve the economic welfare in the region. The agreement became effective November 6, 2001 and will continue for a period of ninety-nine years, unless modified, supplemented, rescinded, or canceled by mutual agreement.

The JEDZ Agreement establishes three joint economic development zones and details how income tax revenues will be collected and shared within each zone between the City of Stow and the City of Akron. The City made payments of \$180,125, which includes \$41,314 in accounts payable, during 2011 to the City of Akron as a result of this agreement.

CITY OF STOW, OHIO

*NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011*

NOTE 18 - BUDGETARY BASIS OF ACCOUNTING

While 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 and disbursements.

The statement of revenue, expenditures and changes in fund balance - budget and actual (non-GAAP budgetary basis) presented for the general fund and the EMS/fire tax levy fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are that:

- (a) Revenues and other financing sources are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis);
- (b) Expenditures and other financing uses are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis);
- (c) In order to determine compliance with Ohio law, and to reserve that portion of the applicable appropriation, total outstanding encumbrances (budget basis) are recorded as the equivalent of an expenditure, as opposed to assigned, committed, or restricted fund balance for that portion of outstanding encumbrances not already recognized as an account payable (GAAP basis);
- (d) Advances-in and advances-out are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP basis);
- (e) Investments are reported at fair value (GAAP basis) rather than cost (budget basis); and,
- (f) Some funds are included in the general fund (GAAP basis), but have separate legally adopted budgets (budget basis).

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements (as reported in the fund financial statements) to the budgetary basis statements for all governmental funds for which a budgetary basis statement is presented:

	Net Change in Fund Balance	
	<u>General</u>	<u>EMS/Fire Tax Levy</u>
Budget basis	\$ 125,131	\$ 37,931
Net adjustment for revenue accruals	178,102	(21)
Net adjustment for expenditure accruals	(149,691)	90,888
Net adjustment for other sources (uses)	10,000	(100,000)
Funds budgeted elsewhere	5,001	-
Adjustment for encumbrances	<u>514,559</u>	<u>3,909</u>
GAAP basis	<u>\$ 683,102</u>	<u>\$ 32,707</u>

CITY OF STOW, OHIO

*NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011*

NOTE 19 - FUND BALANCE

Fund balance is classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the City is bound to observe constraints imposed upon the use of resources in the governmental funds. The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented below:

Fund balance	General	Fire/EMS Tax Levy	General Capital Improvements	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable:					
Materials and supplies inventory	\$ 170,672	\$ -	\$ -	\$ 533,237	\$ 703,909
Loans	<u>150,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>150,000</u>
Total nonspendable	<u>320,672</u>	<u>-</u>	<u>-</u>	<u>533,237</u>	<u>853,909</u>
Restricted:					
Police and fire	-	-	-	113,958	113,958
Street repair and maintenance	-	-	-	1,618,971	1,618,971
Public health	-	-	-	135,793	135,793
Leisure time activities	-	-	-	5,982	5,982
Special assessments	-	-	-	4,497	4,497
Municipal court	-	-	-	1,633,346	1,633,346
Capital outlay	<u>-</u>	<u>-</u>	<u>2,056,102</u>	<u>-</u>	<u>2,056,102</u>
Total restricted	<u>-</u>	<u>-</u>	<u>2,056,102</u>	<u>3,512,547</u>	<u>5,568,649</u>
Committed:					
General government	64,787	-	-	336,258	401,045
Police and fire	89	-	-	93,194	93,283
Leisure time activities	-	-	-	132,095	132,095
Community & economic development	-	-	-	400,620	400,620
Debt service	-	-	-	143,716	143,716
Capital outlay	<u>-</u>	<u>-</u>	<u>314,243</u>	<u>-</u>	<u>314,243</u>
Total committed	<u>64,876</u>	<u>-</u>	<u>314,243</u>	<u>1,105,883</u>	<u>1,485,002</u>
Assigned:					
Subsequent year appropriations	2,174,294	-	-	-	2,174,294
General government	116,803	-	-	-	116,803
Police and fire	114,706	-	-	-	114,706
Street repair and maintenance	1,981	-	-	-	1,981
Leisure time activities	60,408	-	-	-	60,408
Community & economic development	<u>17,652</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>17,652</u>
Total assigned	<u>2,485,844</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,485,844</u>
Unassigned (deficit)	<u>2,502,787</u>	<u>(223,124)</u>	<u>-</u>	<u>(313,468)</u>	<u>1,966,195</u>
Total fund balances	<u>\$ 5,374,179</u>	<u>\$ (223,124)</u>	<u>\$ 2,370,345</u>	<u>\$ 4,838,199</u>	<u>\$ 12,359,599</u>

CITY OF STOW, OHIO

*NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011*

NOTE 20 - CONTINGENCIES

A. Grants

The City receives significant financial assistance from numerous federal and State agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on any of the financial statements of the reporting units included herein or on the overall financial position of the City at December 31, 2011.

B. Litigation

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

NOTE 21 - OTHER COMMITMENTS

The City utilizes encumbrance accounting as part of its budgetary controls. Encumbrances outstanding at year end may be reported as part of restricted, committed, or assigned classifications of fund balance. At year end, the City's commitments for encumbrances in the governmental funds were as follows:

<u>Fund</u>	<u>Year-End Encumbrances</u>
General fund	\$ 372,517
Fire/EMS levy fund	878
General capital improvements	931,663
Other governmental	<u>363,833</u>
Total	<u>\$ 1,668,891</u>

NOTE 22 - STOW COMMUNITY IMPROVEMENT CORPORATION

The Stow Community Improvement Corporation ("CIC") was formed pursuant to Ohio Revised Code Section 1724. The Articles of Incorporation were approved on November 8, 1985. The CIC was designated as a not-for-profit agency of the City for advancing, encouraging and promoting the industrial, economic, commercial, and civic development of Stow and the territory surrounding Stow.

The City of Stow (the "City") is a charter municipal corporation incorporated under the laws of the State of Ohio. In accordance with the Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, the City's financial statements include all organizations, activities and functions which comprise the primary government and those legally separate entities for which the City is financially accountable. The City does not appoint a majority of the Board of Trustees, the CIC is fiscally dependent upon the City, the CIC does not provide services entirely or almost entirely to the City, and is therefore presented as a discrete component unit of the City. The CIC does not include any other units in its presentation.

CITY OF STOW, OHIO

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2011

NOTE 22 - STOW COMMUNITY IMPROVEMENT CORPORATION - (Continued)

Summary of Significant Accounting Policies

The basic financial statements (BFS) of the CIC have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The CIC's significant accounting policies are described below.

A. Basis of Accounting

The financial statements of the CIC are prepared using the accrual basis of accounting.

B. Federal Income Tax

The Stow Community Improvement Corporation is exempt from federal income tax under Section 501 (c) (3) of the Internal Revenue Code.

C. Cash

All monies received by the CIC are deposited in a demand deposit account and covered by FDIC.

D. Net Assets

Net assets represent the difference between assets and liabilities.

E. Estimates

The preparation of financial statements in conformity with GAAP 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.

Related Party Transactions and Economic Dependence

The CIC received contributions from the City of Stow in the amount of \$50,000 to support operations of the CIC for fiscal year 2011.

Ohio Department of Development Loan

On July 12, 2011, the CIC, acting as a pass-through entity, received a \$1,250,000 loan from the Ohio Department of Development (ODOD) to be used for the purchase and subsequent leaseback of certain machinery and equipment owned by Wrayco LLC. The CIC then entered into an agreement to assign the lease payments from Wrayco LLC to the ODOD for payment of the loan. The principal and interest payments on the loan will be made directly from Wrayco LLC to the ODOD. The loan is scheduled to mature on August 1, 2018 and bears an interest rate of 1% in the first year and an interest rate of 3% for the remaining years. The CIC has no responsibility for the payment of the debt issued as the repayment is supported solely by pledged receipts of Wrayco LLC. The CIC has no obligation to the ODOD in the event of Wrayco LLC's default.

CITY OF STOW, OHIO

*NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011*

NOTE 23 - SIGNIFICANT SUBSEQUENT EVENTS

The following notes were due and refinanced in 2012:

- The \$475,000 2011 fire/rescue vehicles notes were retired and \$375,000 was refinanced on May 3, 2012.
- The \$4,800,000 2011 municipal courthouse construction notes were retired and \$4,600,000 was refinanced on May 3, 2012.
- The \$600,000 2011 water meter notes were retired and \$200,000 was refinanced on May 3, 2012.
- The \$1,150,000 2011 Rt. 8/Seasons Rd. interchange notes were retired and \$800,000 was refinanced on May 3, 2012.
- The \$700,000 2011 Steels Corners upgrade notes were retired and \$500,000 was refinanced on May 3, 2012.
- The \$750,000 2011 Hudson Drive reconstruction project notes were retired and reissued for \$750,000 on May 3, 2012.

THIS PAGE IS INTENTIONALLY LEFT BLANK

COMBINING STATEMENTS
AND INDIVIDUAL FUND SCHEDULES

THIS PAGE IS INTENTIONALLY LEFT BLANK

CITY OF STOW, OHIO

*INDIVIDUAL FUND SCHEDULES
FUND DESCRIPTIONS - 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.

SPECIAL REVENUE FUNDS

The special revenue funds are used to account for all specific financial resources (other than major capital projects) that are legally restricted or committed for specified expenditure purposes. The following are the special revenue funds which the City operates:

Major Special Revenue Fund

EMS/Fire Tax Levy Fund

This fund accounts for proceeds of levy money that is legally restricted to expenditures to provide EMS and fire protection services.

Nonmajor Special Revenue Funds

Street Construction Fund

This fund accounts for the portion of state gasoline tax and motor vehicle registration fees designated for the maintenance of the streets within the City.

State Highway Improvement Fund

This fund accounts for the portion of the state gasoline tax and motor vehicle registration fees designated for maintenance of state highways within the City.

Police Pension and Disability Fund

This fund accounts for property taxes levied and other monies for the payment of the accrued liability for police disability and pension benefits.

Fire Pension and Disability Fund

This fund accounts for property taxes levied and other monies for the payment of the accrued liability for fire disability and pension benefits.

Motor Vehicle License Tax Fund

This fund accounts for the additional motor vehicle registration fees designated for maintenance and repair of streets within the City.

ODNR Litter Prevention Grant Fund

This fund accounts for grants received from the Ohio Department of Natural Resources and Summit County for the City's litter prevention program.

EMS Transport Fees Fund

This fund accounts for EMS transport fees collected and to disburse collections in accordance with City policy.

Police Enforcement and Education Fund

This fund accounts for proceeds of fines imposed by the Municipal Court for alcohol related offenses involving the operation of a motor vehicle. Fines collected are used for law enforcement and educating the public of the dangers of operating a motor vehicle while under the influence of alcohol.

CITY OF STOW, OHIO

*INDIVIDUAL FUND SCHEDULES
FUND DESCRIPTIONS - GOVERNMENTAL FUNDS*

Nonmajor Special Revenue Funds (Continued)

Special Assessment Improvements Fund

This fund accounts for the collected taxes levied by special assessment where specified improvements were levied to specific taxpayers and expenditures to pay the related applicable debt payments and the costs associated with collection and payment.

Tree Trust Fund

This fund accounts for donations or restitutions for damages for planting and relocation of trees and other greenery within the City.

Communications Tower Fund

This fund accounts for monies received from carriers using the GTE MobilNet Communication Tower. Monies are used for park improvements.

Cemetery Trust Fund

This fund accounts for sale of graves, opening and closing of same, sale of monuments, tombs or vaults, burying ashes and disinterment.

Park Improvements Fund

This fund accounts for contributions from residents, civic groups, industries or other gratuitous donors for improvements of City parks.

Other Nonmajor Special Revenue Funds

Federal Law Enforcement Forfeited Fees	FEMA
Community Events	Business Assistance
Safety Town	City Lodging Tax
D.A.R.E. Program	Enhanced 911 Wireless
Youth Division Donations	Adopt a Tree/Tree City
Fire Department Emergency Equipment	Police Officer Training
Parks Youth	Court Special Projects
Police Department Emergency Equipment	Probation
Youth Division Teen Center	Indigent Drivers
Parks Lodge Improvement	Court Technology
Community Relations	Court Clerk Technology
SS Ballfield Complex	IDIA Monitoring
Park and Recreation Scholarship	Safe Route to School
Community Development	

The following fund is included in the general fund (GAAP-basis), but has a separate legally adopted budget (budget basis). This fund is not included in the combining statements for the nonmajor special revenue funds since it is reported in the general fund (GAAP-basis); however, the budgetary schedule for this fund is presented in this section.

Residential Snow Removal Fund

This fund accounts for transfers from the general fund to provide for residential snow removal within the City.

NONMAJOR DEBT SERVICE FUND

General Obligation Bond Retirement Fund

This fund accounts for the resources that are used for the payment of principal, interest, and other fiscal charges on general obligation debt.

CITY OF STOW, OHIO

*INDIVIDUAL FUND SCHEDULES
FUND DESCRIPTIONS - GOVERNMENTAL FUNDS*

MAJOR CAPITAL PROJECTS FUND

The capital project funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary fund types. Following is a description of the City's capital projects fund:

General Capital Improvements Fund

This fund accounts for the portion of municipal income tax designated by Council for the purpose of improving, constructing, maintaining, and purchasing the capital items necessary to enhance the operation of the City.

THIS PAGE IS INTENTIONALLY LEFT BLANK

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2011*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Property and other taxes	\$ 5,010,000	\$ 5,010,000	\$ 5,031,502	\$ 21,502
Income taxes	14,607,366	14,607,366	8,990,412	(5,616,954)
Special assessments	-	-	4,675	4,675
Charges for services	329,000	329,000	378,720	49,720
Licenses and permits.	521,200	521,200	733,361	212,161
Fines and forfeitures.	2,170,284	2,170,284	2,392,541	222,257
Intergovernmental	3,107,357	3,078,718	3,075,542	(3,176)
Investment income	50,000	50,000	50,597	597
Rental income	125,231	125,231	167,548	42,317
Contributions and donations.	64	64	64	-
Other	313,108	313,108	397,734	84,626
Total revenues	26,233,610	26,204,971	21,222,696	(4,982,275)
Expenditures:				
Current:				
General government				
City Council				
Personal services	264,232	264,232	264,230	2
Other	23,019	23,019	23,016	3
Mayor's Office				
Personal services	184,966	184,966	184,964	2
Other	15,190	15,190	13,185	2,005
Finance Department				
Personal services	381,933	381,933	381,912	21
Other	56,430	56,430	54,639	1,791
Law Department				
Personal services	320,631	320,631	320,594	37
Other	21,662	21,662	20,856	806
Civil Service Commission				
Other	650	650	520	130
Computer Services				
Personal services	344,193	344,193	337,614	6,579
Other	72,920	72,920	69,981	2,939
Service-Administration				
Personal services	330,040	330,040	330,037	3
Other	23,571	23,571	22,712	859
Service-Engineer				
Personal services	508,128	508,128	508,125	3
Other	39,139	39,139	36,675	2,464
Service-City Hall				
Personal services	369,859	369,859	369,854	5
Other	315,395	315,395	292,604	22,791
Service-Office				
Personal services	280,190	280,190	275,747	4,443
Other	34,935	34,935	33,788	1,147
Income Tax				
Personal services	284,539	284,539	284,535	4
Other	575,051	575,051	539,259	35,792
Human Resources				
Personal services	23,870	23,870	21,570	2,300
Other	7,020	7,020	6,288	732

---Continued

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND - (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2011*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Public Defender				
Other	\$ 6,880	\$ 6,880	\$ 6,880	\$ -
SC Emergency Management - Subsidy				
Other	9,392	9,392	7,838	1,554
Municipal Court - Judges				
Personal services	1,254,657	1,254,657	1,178,922	75,735
Other	213,478	213,478	185,527	27,951
Clerk of Courts				
Personal services	1,199,770	1,199,770	1,062,951	136,819
Other	163,811	163,811	155,957	7,854
County and State Fees				
Other	232,563	232,563	222,432	10,131
Miscellaneous				
Other	1,501,740	1,501,740	408,605	1,093,135
Total general government.	<u>9,059,854</u>	<u>9,059,854</u>	<u>7,621,817</u>	<u>1,438,037</u>
Security of persons and property				
Police				
Personal services	4,341,296	4,341,296	4,340,737	559
Other	745,156	745,156	695,441	49,715
Fire				
Personal services	2,931,726	2,931,726	2,931,719	7
Other	506,151	506,151	456,785	49,366
Police/Fire Communications				
Personal services	960,729	960,729	960,725	4
Other	134,241	134,241	127,341	6,900
Public Safety Service				
Other	98,683	98,683	98,682	1
Total security of persons and property.	<u>9,717,982</u>	<u>9,717,982</u>	<u>9,611,430</u>	<u>106,552</u>
Public health				
Service - Cemetery				
Personal services	82,394	82,394	82,391	3
Other	200	200	200	-
County Health - Subsidy				
Other	294,453	294,453	294,453	-
Total public health.	<u>377,047</u>	<u>377,047</u>	<u>377,044</u>	<u>3</u>
Leisure time activities				
Parks and Recreation - Administration				
Personal services	336,556	336,556	329,461	7,095
Other	24,140	24,140	21,946	2,194
Parks and Recreation - Recreation				
Personal services	294,962	294,962	282,863	12,099
Other	195,560	195,560	178,363	17,197
Parks and Recreation - Facility				
Other	7,504	7,504	6,881	623

---Continued

CITY OF STOW, OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND - (CONTINUED)
 FOR THE YEAR ENDED DECEMBER 31, 2011

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Parks and Recreation - Service				
Personal services	\$ 468,712	\$ 468,712	\$ 468,709	\$ 3
Other	263,781	263,781	225,152	38,629
Total leisure time activities	<u>1,591,215</u>	<u>1,591,215</u>	<u>1,513,375</u>	<u>77,840</u>
Community and economic environment				
Planning and Development				
Personal services	349,479	349,479	349,477	2
Other	25,017	25,017	23,278	1,739
Service - Tree Program				
Personal services	250,924	250,924	250,920	4
Other	54,883	54,883	47,998	6,885
Service - Building Inspection				
Personal services	333,415	333,415	333,413	2
Other	24,692	24,692	22,980	1,712
Total community and economic development	<u>1,038,410</u>	<u>1,038,410</u>	<u>1,028,066</u>	<u>10,344</u>
Transportation				
Street Repair				
Personal services	642,864	642,864	642,861	3
Other	194,808	194,808	194,226	582
AMATS - Subsidy				
Other	6,073	6,073	6,073	-
Total transportation	<u>843,745</u>	<u>843,745</u>	<u>843,160</u>	<u>585</u>
Total expenditures	<u>22,628,253</u>	<u>22,628,253</u>	<u>20,994,892</u>	<u>1,633,361</u>
Excess of revenues over expenditures	<u>3,605,357</u>	<u>3,576,718</u>	<u>227,804</u>	<u>(3,348,914)</u>
Other financing sources (uses):				
Transfers in	400,000	400,000	500,000	100,000
Transfers out	(602,676)	(602,676)	(602,673)	3
Total other financing sources (uses)	<u>(202,676)</u>	<u>(202,676)</u>	<u>(102,673)</u>	<u>100,003</u>
Net change in fund balance	3,402,681	3,374,042	125,131	(3,248,911)
Fund balance at beginning of year	3,540,081	3,540,081	3,540,081	-
Prior year encumbrances appropriated.	509,573	509,573	509,573	-
Fund balance at end of year	<u>\$ 7,452,335</u>	<u>\$ 7,423,696</u>	<u>\$ 4,174,785</u>	<u>\$ (3,248,911)</u>

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
EMS/FIRE TAX LEVY FUND
FOR THE YEAR ENDED DECEMBER 31, 2011*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Property and other local taxes	\$ 1,745,750	\$ 1,745,750	\$ 1,753,402	\$ 7,652
Intergovernmental.	378,767	378,767	239,241	(139,526)
Other	70,136	70,136	2,174	(67,962)
Total revenues.	<u>2,194,653</u>	<u>2,194,653</u>	<u>1,994,817</u>	<u>(199,836)</u>
Expenditures:				
Current:				
Security of persons and property				
Personal services	2,083,404	2,234,897	2,155,262	79,635
Other.	101,488	108,868	54,998	53,870
Capital outlay				
Other	2,417	2,593	579	2,014
Debt service:				
Principal retirement	100,000	100,000	100,000	-
Total expenditures.	<u>2,287,309</u>	<u>2,446,358</u>	<u>2,310,839</u>	<u>135,519</u>
Excess of expenditures over revenues.	<u>(92,656)</u>	<u>(251,705)</u>	<u>(316,022)</u>	<u>(64,317)</u>
Other financing sources (uses):				
Sale of notes	800,000	800,000	475,000	(325,000)
Refunding of notes	(463,175)	(504,126)	(125,000)	379,126
Premium on sale of notes.	27,760	27,760	3,953	(23,807)
Transfers in.	157,837	157,837	-	(157,837)
Total other financing sources (uses).	<u>522,422</u>	<u>481,471</u>	<u>353,953</u>	<u>(127,518)</u>
Net change in fund balance	429,766	229,766	37,931	(191,835)
Fund balance at beginning of year	4,706	4,706	4,706	-
Prior year encumbrances appropriated.	<u>3,661</u>	<u>3,661</u>	<u>3,661</u>	<u>-</u>
Fund balance at end of year	<u>\$ 438,133</u>	<u>\$ 238,133</u>	<u>\$ 46,298</u>	<u>\$ (191,835)</u>

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL CAPITAL IMPROVEMENTS FUND
FOR THE YEAR ENDED DECEMBER 31, 2011*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
Revenues:				
Income taxes	\$ 1,900,000	\$ 1,900,000	\$ 1,117,999	\$ (782,001)
Intergovernmental.	15,335,000	15,335,000	1,978,424	(13,356,576)
Special assessments	15,000	15,000	22,955	7,955
Other	552,000	552,000	89,300	(462,700)
Total revenues.	<u>17,802,000</u>	<u>17,802,000</u>	<u>3,208,678</u>	<u>(14,593,322)</u>
Expenditures:				
Capital outlay				
Other	25,893,829	25,893,829	3,597,423	22,296,406
Debt service:				
Principal retirement.	155,689	155,689	155,689	-
Interest and fiscal charges.	327,497	327,497	327,495	2
Total expenditures	<u>26,377,015</u>	<u>26,377,015</u>	<u>4,080,607</u>	<u>22,296,408</u>
Excess of expenditures over revenues	<u>(8,575,015)</u>	<u>(8,575,015)</u>	<u>(871,929)</u>	<u>7,703,086</u>
Other financing sources (uses):				
Sale of notes	16,415,500	16,415,500	7,400,000	(9,015,500)
Refunding of notes	(7,350,000)	(7,350,000)	(7,350,000)	-
Premium on notes.	-	-	51,582	51,582
Total other financing sources (uses)	<u>9,065,500</u>	<u>9,065,500</u>	<u>101,582</u>	<u>(8,963,918)</u>
Net change in fund balance.	490,485	490,485	(770,347)	(1,260,832)
Fund balance at beginning of year	2,263,472	2,263,472	2,263,472	-
Prior year encumbrances appropriated	<u>608,921</u>	<u>608,921</u>	<u>608,921</u>	<u>-</u>
Fund balance at end of year.	<u>\$ 3,362,878</u>	<u>\$ 3,362,878</u>	<u>\$ 2,102,046</u>	<u>\$ (1,260,832)</u>

CITY OF STOW, OHIO

*BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2011*

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Total Nonmajor Governmental Funds
	<u> </u>	<u> </u>	<u> </u>
Assets:			
Equity in pooled cash and cash equivalents	\$ 4,094,324	\$ 25,000	\$ 4,119,324
Receivables:			
Property taxes	491,770	-	491,770
Income taxes	195,877	155,611	351,488
Intergovernmental	871,691	-	871,691
Materials and supplies	<u>533,237</u>	<u>-</u>	<u>533,237</u>
Total assets	<u>\$ 6,186,899</u>	<u>\$ 180,611</u>	<u>\$ 6,367,510</u>
Liabilities:			
Accounts payable	\$ 137,804	\$ -	\$ 137,804
Accrued wages and benefits	2,894	-	2,894
Intergovernmental payable	324,375	-	324,375
Deferred revenue	607,589	36,895	644,484
Unearned revenue	<u>419,754</u>	<u>-</u>	<u>419,754</u>
Total liabilities	<u>1,492,416</u>	<u>36,895</u>	<u>1,529,311</u>
Fund Balances:			
Nonspendable	533,237	-	533,237
Restricted	3,512,547	-	3,512,547
Committed	962,167	143,716	1,105,883
Unassigned (deficit)	<u>(313,468)</u>	<u>-</u>	<u>(313,468)</u>
Total fund balances	<u>4,694,483</u>	<u>143,716</u>	<u>4,838,199</u>
Total liabilities and fund balance	<u>\$ 6,186,899</u>	<u>\$ 180,611</u>	<u>\$ 6,367,510</u>

CITY OF STOW, OHIO

*COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2011*

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Total Nonmajor Governmental Funds
Revenues:			
Real and other taxes	\$ 654,429	\$ -	\$ 654,429
Income taxes	1,424,436	1,131,612	2,556,048
Special assessments	51,654	-	51,654
Charges for services	610,687	-	610,687
Fines and forfeitures	903,512	-	903,512
Intergovernmental	2,007,990	-	2,007,990
Investment income	7,214	-	7,214
Rent	84,062	-	84,062
Contributions and donations	41,835	-	41,835
Other	68,016	-	68,016
Total revenues	<u>5,853,835</u>	<u>1,131,612</u>	<u>6,985,447</u>
Expenditures:			
Current:			
General government	513,013	-	513,013
Security of persons and property	1,302,168	-	1,302,168
Public health	98,632	-	98,632
Leisure time activities	121,658	-	121,658
Community and economic development	60,644	-	60,644
Transportation	1,917,929	-	1,917,929
Capital outlay	617,762	-	617,762
Debt service:			
Principal retirement.	149,908	566,990	716,898
Interest and fiscal charges	124,754	420,906	545,660
Total expenditures.	<u>4,906,468</u>	<u>987,896</u>	<u>5,894,364</u>
Excess of revenues over expenditures	<u>947,367</u>	<u>143,716</u>	<u>1,091,083</u>
Other financing sources (uses):			
Refunding of notes	(350,000)	-	(350,000)
Transfers in.	1,448,887	-	1,448,887
Transfers out	<u>(1,356,214)</u>	<u>-</u>	<u>(1,356,214)</u>
Total other financing sources (uses).	<u>(257,327)</u>	<u>-</u>	<u>(257,327)</u>
Net change in fund balances	690,040	143,716	833,756
Fund balances at beginning of year (restated) .	<u>4,004,443</u>	<u>-</u>	<u>4,004,443</u>
Fund balances at end of year	<u>\$ 4,694,483</u>	<u>\$ 143,716</u>	<u>\$ 4,838,199</u>

CITY OF STOW, OHIO

*COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2011*

	<u>Street Construction</u>	<u>State Highway Improvement</u>	<u>Police Pension and Disability</u>	<u>Fire Pension and Disability</u>
Assets:				
Equity in pooled cash and cash equivalents.	\$ 737,525	\$ 16,088	\$ -	\$ -
Receivables:				
Property taxes.	-	-	222,624	222,624
Income taxes	195,877	-	-	-
Intergovernmental.	640,214	94,961	15,123	15,123
Materials and supplies.	<u>533,237</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 2,106,853</u>	<u>\$ 111,049</u>	<u>\$ 237,747</u>	<u>\$ 237,747</u>
Liabilities:				
Accounts payable.	\$ 55,253	\$ -	\$ -	\$ -
Accrued wages and benefits	-	-	-	-
Intergovernmental payable	12,141	617	148,958	154,679
Deferred revenue	474,304	77,743	27,771	27,771
Unearned revenue.	<u>-</u>	<u>-</u>	<u>209,877</u>	<u>209,877</u>
Total liabilities.	<u>541,698</u>	<u>78,360</u>	<u>386,606</u>	<u>392,327</u>
Fund Balances:				
Nonspendable	533,237	-	-	-
Restricted.	1,031,918	32,689	-	-
Committed	-	-	-	-
Unassigned (deficit)	<u>-</u>	<u>-</u>	<u>(148,859)</u>	<u>(154,580)</u>
Total fund balances	<u>1,565,155</u>	<u>32,689</u>	<u>(148,859)</u>	<u>(154,580)</u>
Total liabilities and fund balance	<u>\$ 2,106,853</u>	<u>\$ 111,049</u>	<u>\$ 237,747</u>	<u>\$ 237,747</u>

<u>Motor Vehicle License Tax</u>	<u>ODNR Litter Prevention Grant</u>	<u>EMS Transport Fees</u>	<u>Police Enforcement and Education</u>	<u>Special Assessment Improvements</u>	<u>Tree Trust</u>
\$ 534,830	\$ 73,602	\$ 103,662	\$ 5,476	\$ 7,800	\$ 56,848
-	-	-	-	-	-
-	-	-	-	-	-
19,534	-	-	190	-	-
-	-	-	-	-	-
<u>\$ 554,364</u>	<u>\$ 73,602</u>	<u>\$ 103,662</u>	<u>\$ 5,666</u>	<u>\$ 7,800</u>	<u>\$ 56,848</u>
\$ -	\$ 6,765	\$ 22,839	\$ -	\$ 3,303	\$ -
-	-	-	-	-	-
-	304	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>7,069</u>	<u>22,839</u>	<u>-</u>	<u>3,303</u>	<u>-</u>
-	-	-	-	-	-
554,364	66,533	-	5,666	4,497	-
-	-	80,823	-	-	56,848
-	-	-	-	-	-
<u>554,364</u>	<u>66,533</u>	<u>80,823</u>	<u>5,666</u>	<u>4,497</u>	<u>56,848</u>
<u>\$ 554,364</u>	<u>\$ 73,602</u>	<u>\$ 103,662</u>	<u>\$ 5,666</u>	<u>\$ 7,800</u>	<u>\$ 56,848</u>

-- Continued

CITY OF STOW, OHIO

*COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
DECEMBER 31, 2011*

	<u>Communications Tower</u>	<u>Cemetery Trust</u>	<u>Park Improvements</u>	<u>Federal Law Enforcement Forfeited Fees</u>
Assets:				
Equity in pooled cash and cash equivalents.	\$ 404,619	\$ 69,640	\$ 25,603	\$ 19,159
Receivables:				
Property taxes.	-	-	-	-
Income taxes	-	-	-	-
Intergovernmental.	-	-	-	-
Materials and supplies.	-	-	-	-
Total assets	<u>\$ 404,619</u>	<u>\$ 69,640</u>	<u>\$ 25,603</u>	<u>\$ 19,159</u>
Liabilities:				
Accounts payable.	\$ 3,999	\$ 380	\$ -	\$ 224
Accrued wages and benefits	-	-	-	-
Intergovernmental payable	-	-	-	-
Deferred revenue	-	-	-	-
Unearned revenue.	-	-	-	-
Total liabilities.	<u>3,999</u>	<u>380</u>	<u>-</u>	<u>224</u>
Fund Balances:				
Nonspendable	-	-	-	-
Restricted.	-	69,260	-	18,935
Committed	400,620	-	25,603	-
Unassigned (deficit)	-	-	-	-
Total fund balances	<u>400,620</u>	<u>69,260</u>	<u>25,603</u>	<u>18,935</u>
Total liabilities and fund balance	<u>\$ 404,619</u>	<u>\$ 69,640</u>	<u>\$ 25,603</u>	<u>\$ 19,159</u>

<u>Community Events</u>	<u>Safety Town</u>	<u>D.A.R.E. Program</u>	<u>Youth Division Donations</u>	<u>Fire Department Emergency Equipment</u>	<u>Parks Youth</u>
\$ 195	\$ 2,108	\$ 19,626	\$ 6,059	\$ 3,049	\$ 862
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 195</u>	<u>\$ 2,108</u>	<u>\$ 19,626</u>	<u>\$ 6,059</u>	<u>\$ 3,049</u>	<u>\$ 862</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
1,761	-	748	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>1,761</u>	<u>-</u>	<u>748</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
-	-	18,878	-	-	862
-	2,108	-	6,059	3,049	-
<u>(1,566)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(1,566)</u>	<u>2,108</u>	<u>18,878</u>	<u>6,059</u>	<u>3,049</u>	<u>862</u>
<u>\$ 195</u>	<u>\$ 2,108</u>	<u>\$ 19,626</u>	<u>\$ 6,059</u>	<u>\$ 3,049</u>	<u>\$ 862</u>

-- Continued

CITY OF STOW, OHIO

*COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
DECEMBER 31, 2011*

	Police Department Emergency Equipment	Youth Division Teen Center	Parks Lodge Improvement	Community Relations
Assets:				
Equity in pooled cash and cash equivalents.	\$ 3,739	\$ 1,155	\$ 48,619	\$ 6,180
Receivables:				
Property taxes.	-	-	-	-
Income taxes	-	-	-	-
Intergovernmental.	-	-	-	-
Materials and supplies.	-	-	-	-
Total assets	<u>\$ 3,739</u>	<u>\$ 1,155</u>	<u>\$ 48,619</u>	<u>\$ 6,180</u>
Liabilities:				
Accounts payable.	\$ -	\$ -	\$ -	\$ 14,643
Accrued wages and benefits	-	-	-	-
Intergovernmental payable	-	-	-	-
Deferred revenue	-	-	-	-
Unearned revenue.	-	-	-	-
Total liabilities.	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,643</u>
Fund Balances:				
Nonspendable	-	-	-	-
Restricted.	3,739	-	-	-
Committed	-	1,155	48,619	-
Unassigned (deficit)	-	-	-	(8,463)
Total fund balances	<u>3,739</u>	<u>1,155</u>	<u>48,619</u>	<u>(8,463)</u>
Total liabilities and fund balance	<u>\$ 3,739</u>	<u>\$ 1,155</u>	<u>\$ 48,619</u>	<u>\$ 6,180</u>

<u>SS Ballfield Complex</u>	<u>Park and Recreation Scholarship</u>	<u>Business Assistance</u>	<u>City Lodging Tax</u>	<u>Enhanced 911 Wireless</u>	<u>Adopt a Tree/ Tree City</u>
\$ 1,025	\$ 1,858	\$ 494	\$ 297,303	\$ 43,463	\$ 3,262
-	-	-	46,522	-	-
-	-	-	-	-	-
-	-	-	-	19,724	-
-	-	-	-	-	-
<u>\$ 1,025</u>	<u>\$ 1,858</u>	<u>\$ 494</u>	<u>\$ 343,825</u>	<u>\$ 63,187</u>	<u>\$ 3,262</u>
\$ -	\$ -	\$ -	\$ -	\$ 275	\$ -
-	-	-	2,894	-	-
-	-	-	5,167	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	8,061	275	-
-	-	-	-	-	-
-	1,858	-	-	62,912	3,262
1,025	-	494	335,764	-	-
-	-	-	-	-	-
<u>1,025</u>	<u>1,858</u>	<u>494</u>	<u>335,764</u>	<u>62,912</u>	<u>3,262</u>
<u>\$ 1,025</u>	<u>\$ 1,858</u>	<u>\$ 494</u>	<u>\$ 343,825</u>	<u>\$ 63,187</u>	<u>\$ 3,262</u>

-- Continued

CITY OF STOW, OHIO

*COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
DECEMBER 31, 2011*

	<u>Police Officer Training</u>	<u>Court Special Projects</u>	<u>Probation</u>	<u>Indigent Drivers</u>
Assets:				
Equity in pooled cash and cash equivalents.	\$ 3,546	\$ 1,060,982	\$ 52,785	\$ 225,592
Receivables:				
Property taxes.	-	-	-	-
Income taxes	-	-	-	-
Intergovernmental.	-	40,520	11,237	2,014
Materials and supplies.	-	-	-	-
Total assets	<u>\$ 3,546</u>	<u>\$ 1,101,502</u>	<u>\$ 64,022</u>	<u>\$ 227,606</u>
Liabilities:				
Accounts payable.	\$ -	\$ 1,301	\$ 14,882	\$ -
Accrued wages and benefits	-	-	-	-
Intergovernmental payable	-	-	-	-
Deferred revenue	-	-	-	-
Unearned revenue.	-	-	-	-
Total liabilities.	<u>-</u>	<u>1,301</u>	<u>14,882</u>	<u>-</u>
Fund Balances:				
Nonspendable	-	-	-	-
Restricted.	3,546	1,100,201	49,140	227,606
Committed	-	-	-	-
Unassigned (deficit)	-	-	-	-
Total fund balances	<u>3,546</u>	<u>1,100,201</u>	<u>49,140</u>	<u>227,606</u>
Total liabilities and fund balance	<u>\$ 3,546</u>	<u>\$ 1,101,502</u>	<u>\$ 64,022</u>	<u>\$ 227,606</u>

Court Technology	Court Clerk Technology	IDIA Monitoring	Safe Route to School	Total Nonmajor Special Revenue Funds
\$ 12,202	\$ 3,211	\$ 241,875	\$ 282	\$ 4,094,324
-	-	-	-	491,770
-	-	-	-	195,877
3,772	3,777	5,502	-	871,691
-	-	-	-	533,237
<u>\$ 15,974</u>	<u>\$ 6,988</u>	<u>\$ 247,377</u>	<u>\$ 282</u>	<u>\$ 6,186,899</u>
\$ 12,281	\$ 1,659	\$ -	\$ -	\$ 137,804
-	-	-	-	2,894
-	-	-	-	324,375
-	-	-	-	607,589
-	-	-	-	419,754
<u>12,281</u>	<u>1,659</u>	<u>-</u>	<u>-</u>	<u>1,492,416</u>
-	-	-	-	533,237
3,693	5,329	247,377	282	3,512,547
-	-	-	-	962,167
-	-	-	-	(313,468)
<u>3,693</u>	<u>5,329</u>	<u>247,377</u>	<u>282</u>	<u>4,694,483</u>
<u>\$ 15,974</u>	<u>\$ 6,988</u>	<u>\$ 247,377</u>	<u>\$ 282</u>	<u>\$ 6,186,899</u>

CITY OF STOW, OHIO

*COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2011*

	<u>Street Construction</u>	<u>State Highway Improvement</u>	<u>Police Pension and Disability</u>	<u>Fire Pension and Disability</u>
Revenues:				
Property and other taxes	\$ -	\$ -	\$ 228,705	\$ 228,705
Income taxes	1,424,436	-	-	-
Special assessments	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Intergovernmental	1,396,623	97,483	40,224	40,224
Investment income	633	29	-	-
Rent	-	-	-	-
Contributions and donations.	-	-	-	-
Other	18,654	572	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total revenues.	2,840,346	98,084	268,929	268,929
	<hr/>	<hr/>	<hr/>	<hr/>
Expenditures:				
Current:				
General government	-	-	-	-
Security of persons and property.	-	-	566,798	563,325
Public health	-	-	-	-
Leisure time activities	-	-	-	-
Community and economic development	-	-	-	-
Transportation	1,834,360	83,569	-	-
Capital outlay.	471,538	-	-	-
Debt service:				
Principal retirement.	15,281	-	-	-
Interest and fiscal charges.	1,212	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditures	2,322,391	83,569	566,798	563,325
	<hr/>	<hr/>	<hr/>	<hr/>
Excess (deficiency) of revenues over (under) expenditures	517,955	14,515	(297,869)	(294,396)
	<hr/>	<hr/>	<hr/>	<hr/>
Other financing sources (uses):				
Refunding of notes.	-	-	-	-
Transfers in.	-	-	304,356	284,317
Transfers out	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	-	-	304,356	284,317
	<hr/>	<hr/>	<hr/>	<hr/>
Net change in fund balances.	517,955	14,515	6,487	(10,079)
	<hr/>	<hr/>	<hr/>	<hr/>
Fund balances (deficits) at beginning of year (restated)	1,047,200	18,174	(155,346)	(144,501)
	<hr/>	<hr/>	<hr/>	<hr/>
Fund balances (deficits) at end of year	<u>\$ 1,565,155</u>	<u>\$ 32,689</u>	<u>\$ (148,859)</u>	<u>\$ (154,580)</u>

Motor Vehicle License Tax	ODNR Litter Prevention Grant	EMS Transport Fees	Police Enforcement and Education	Special Assessment Improvements	Tree Trust
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	51,654	-
-	-	584,992	-	-	-
-	-	-	2,965	-	-
244,153	31,194	-	-	-	-
1,476	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	14	-	-	25,619
<u>245,629</u>	<u>31,194</u>	<u>585,006</u>	<u>2,965</u>	<u>51,654</u>	<u>25,619</u>
-	-	-	-	-	-
-	-	74,336	-	47,750	-
-	46,568	-	-	-	-
-	-	-	-	-	62,854
-	-	-	-	-	-
121,106	-	-	-	-	-
-	-	54,000	-	-	-
-	-	95,959	-	-	-
<u>121,106</u>	<u>46,568</u>	<u>224,295</u>	<u>-</u>	<u>47,750</u>	<u>62,854</u>
-	-	-	-	-	-
124,523	(15,374)	360,711	2,965	3,904	(37,235)
-	-	(350,000)	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	(350,000)	-	-	-
<u>124,523</u>	<u>(15,374)</u>	<u>10,711</u>	<u>2,965</u>	<u>3,904</u>	<u>(37,235)</u>
-	-	-	-	-	-
429,841	81,907	70,112	2,701	593	94,083
<u>\$ 554,364</u>	<u>\$ 66,533</u>	<u>\$ 80,823</u>	<u>\$ 5,666</u>	<u>\$ 4,497</u>	<u>\$ 56,848</u>

-- Continued

CITY OF STOW, OHIO

*COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2011*

	Communications Tower	Cemetery Trust	Park Improvements	Federal Law Enforcement Forfeited Fees
Revenues:				
Property and other taxes	\$ -	\$ -	\$ -	\$ -
Income taxes	-	-	-	-
Special assessments	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Intergovernmental	-	-	-	-
Investment income	-	-	-	-
Rent	84,062	-	-	-
Contributions and donations.	9,987	-	525	-
Other	-	15,269	-	-
Total revenues.	94,049	15,269	525	-
Expenditures:				
Current:				
General government	-	-	-	-
Security of persons and property.	-	-	-	7,980
Public health	-	52,064	-	-
Leisure time activities	-	-	3,828	-
Community and economic development	45,102	-	-	-
Transportation	-	-	-	-
Capital outlay.	-	-	-	4,909
Debt service:				
Principal retirement.	20,821	-	-	-
Interest and fiscal charges.	4,452	-	-	-
Total expenditures	70,375	52,064	3,828	12,889
Excess (deficiency) of revenues over (under) expenditures	23,674	(36,795)	(3,303)	(12,889)
Other financing sources (uses):				
Refunding of notes.	-	-	-	-
Transfers in.	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances.	23,674	(36,795)	(3,303)	(12,889)
Fund balances (deficits) at beginning of year (restated)	376,946	106,055	28,906	31,824
Fund balances (deficits) at end of year	\$ 400,620	\$ 69,260	\$ 25,603	\$ 18,935

<u>Community Events</u>	<u>Safety Town</u>	<u>D.A.R.E. Program</u>	<u>Youth Division Donations</u>	<u>Fire Department Emergency Equipment</u>	<u>Parks Youth</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
10,387	-	-	-	-	-
-	-	-	-	-	-
-	-	28,919	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
16,752	7,410	-	-	715	-
2,347	-	-	-	-	-
<u>29,486</u>	<u>7,410</u>	<u>28,919</u>	<u>-</u>	<u>715</u>	<u>-</u>
-	-	-	-	-	-
-	5,827	35,376	-	200	-
-	-	-	-	-	-
34,573	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>34,573</u>	<u>5,827</u>	<u>35,376</u>	<u>-</u>	<u>200</u>	<u>-</u>
<u>(5,087)</u>	<u>1,583</u>	<u>(6,457)</u>	<u>-</u>	<u>515</u>	<u>-</u>
-	-	-	-	-	-
-	-	4,000	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>4,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
(5,087)	1,583	(2,457)	-	515	-
<u>3,521</u>	<u>525</u>	<u>21,335</u>	<u>6,059</u>	<u>2,534</u>	<u>862</u>
<u>\$ (1,566)</u>	<u>\$ 2,108</u>	<u>\$ 18,878</u>	<u>\$ 6,059</u>	<u>\$ 3,049</u>	<u>\$ 862</u>

-- Continued

CITY OF STOW, OHIO

*COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2011*

	Police Department Emergency Equipment	Youth Division Teen Center	Parks Lodge Improvement	Community Relations
Revenues:				
Property and other taxes	\$ -	\$ -	\$ -	\$ -
Income taxes	-	-	-	-
Special assessments	-	-	-	-
Charges for services	-	1,473	13,835	-
Fines and forfeitures	-	-	-	-
Intergovernmental	-	-	-	-
Investment income	-	-	-	-
Rent	-	-	-	-
Contributions and donations.	1,346	-	-	250
Other	-	-	-	-
Total revenues.	<u>1,346</u>	<u>1,473</u>	<u>13,835</u>	<u>250</u>
Expenditures:				
Current:				
General government	-	-	-	-
Security of persons and property.	199	-	-	-
Public health	-	-	-	-
Leisure time activities	-	532	5,043	-
Community and economic development	-	-	-	15,542
Transportation	-	-	-	-
Capital outlay.	-	-	3,500	-
Debt service:				
Principal retirement.	-	-	-	-
Interest and fiscal charges.	-	-	-	-
Total expenditures	<u>199</u>	<u>532</u>	<u>8,543</u>	<u>15,542</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,147</u>	<u>941</u>	<u>5,292</u>	<u>(15,292)</u>
Other financing sources (uses):				
Refunding of notes.	-	-	-	-
Transfers in.	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances.	1,147	941	5,292	(15,292)
Fund balances (deficits) at beginning of year (restated)	<u>2,592</u>	<u>214</u>	<u>43,327</u>	<u>6,829</u>
Fund balances (deficits) at end of year	<u>\$ 3,739</u>	<u>\$ 1,155</u>	<u>\$ 48,619</u>	<u>\$ (8,463)</u>

SS Ballfield Complex	Park and Recreation Scholarship	Business Assistance	City Lodging Tax	Enhanced 911 Wireless	Adopt a Tree/ Tree City
\$ -	\$ -	\$ -	\$ 197,019	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	123,186	-
-	-	-	-	-	-
-	-	200	-	-	-
4,732	-	-	-	589	-
<u>4,732</u>	<u>-</u>	<u>-</u>	<u>197,019</u>	<u>123,775</u>	<u>-</u>
-	-	-	230,271	-	-
-	-	-	-	377	-
-	-	-	-	-	-
14,828	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	59,806	-
-	-	-	-	23,131	-
<u>14,828</u>	<u>-</u>	<u>-</u>	<u>230,271</u>	<u>83,314</u>	<u>-</u>
(10,096)	-	200	(33,252)	40,461	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>(10,096)</u>	<u>-</u>	<u>200</u>	<u>(33,252)</u>	<u>40,461</u>	<u>-</u>
11,121	1,858	294	369,016	22,451	3,262
<u>\$ 1,025</u>	<u>\$ 1,858</u>	<u>\$ 494</u>	<u>\$ 335,764</u>	<u>\$ 62,912</u>	<u>\$ 3,262</u>

-- Continued

CITY OF STOW, OHIO

*COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2011*

	Police Officer Training	Court Special Projects	Probation	Indigent Drivers
Revenues:				
Property and other taxes	\$ -	\$ -	\$ -	\$ -
Income taxes	-	-	-	-
Special assessments	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	545,494	161,452	42,481
Intergovernmental	-	-	-	200
Investment income	-	5,076	-	-
Rent	-	-	-	-
Contributions and donations.	-	4,650	-	-
Other	-	-	-	-
Total revenues.	<u>-</u>	<u>555,220</u>	<u>161,452</u>	<u>42,681</u>
Expenditures:				
Current:				
General government	-	44,983	91,721	-
Security of persons and property.	-	-	-	-
Public health	-	-	-	-
Leisure time activities	-	-	-	-
Community and economic development	-	-	-	-
Transportation	-	-	-	-
Capital outlay.	-	11,630	-	-
Debt service:				
Principal retirement.	-	-	-	-
Interest and fiscal charges.	-	-	-	-
Total expenditures	<u>-</u>	<u>56,613</u>	<u>91,721</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>498,607</u>	<u>69,731</u>	<u>42,681</u>
Other financing sources (uses):				
Refunding of notes.	-	-	-	-
Transfers in.	-	356,214	-	-
Transfers out	-	(450,000)	(50,000)	(500,000)
Total other financing sources (uses)	<u>-</u>	<u>(93,786)</u>	<u>(50,000)</u>	<u>(500,000)</u>
Net change in fund balances.	-	404,821	19,731	(457,319)
Fund balances (deficits) at beginning of year (restated)	<u>3,546</u>	<u>695,380</u>	<u>29,409</u>	<u>684,925</u>
Fund balances (deficits) at end of year	<u>\$ 3,546</u>	<u>\$ 1,100,201</u>	<u>\$ 49,140</u>	<u>\$ 227,606</u>

<u>Court Technology</u>	<u>Court Clerk Technology</u>	<u>IDIA Monitoring</u>	<u>Safe Route to School</u>	<u>Nonmajor Special Revenue Funds</u>
\$ -	\$ -	\$ -	\$ -	\$ 654,429
-	-	-	-	1,424,436
-	-	-	-	51,654
-	-	-	-	610,687
51,274	51,299	48,547	-	903,512
-	-	5,502	282	2,007,990
-	-	-	-	7,214
-	-	-	-	84,062
-	-	-	-	41,835
-	220	-	-	68,016
<u>51,274</u>	<u>51,519</u>	<u>54,049</u>	<u>282</u>	<u>5,853,835</u>
98,905	47,133	-	-	513,013
-	-	-	-	1,302,168
-	-	-	-	98,632
-	-	-	-	121,658
-	-	-	-	60,644
-	-	-	-	1,917,929
-	5,079	-	-	617,762
-	-	-	-	149,908
-	-	-	-	124,754
<u>98,905</u>	<u>52,212</u>	<u>-</u>	<u>-</u>	<u>4,906,468</u>
<u>(47,631)</u>	<u>(693)</u>	<u>54,049</u>	<u>282</u>	<u>947,367</u>
-	-	-	-	(350,000)
-	-	500,000	-	1,448,887
-	-	(356,214)	-	(1,356,214)
-	-	143,786	-	(257,327)
<u>(47,631)</u>	<u>(693)</u>	<u>197,835</u>	<u>282</u>	<u>690,040</u>
<u>51,324</u>	<u>6,022</u>	<u>49,542</u>	<u>-</u>	<u>4,004,443</u>
<u>\$ 3,693</u>	<u>\$ 5,329</u>	<u>\$ 247,377</u>	<u>\$ 282</u>	<u>\$ 4,694,483</u>

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
STREET CONSTRUCTION FUND
FOR THE YEAR ENDED DECEMBER 31, 2011*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Income taxes	\$ 1,217,475	\$ 1,217,475	\$ 1,275,000	\$ 57,525
Fines and forfeitures.	12,000	12,000	-	(12,000)
Intergovernmental.	1,930,130	1,930,130	1,460,707	(469,423)
Investment income	300	300	1,679	1,379
Other	8,050	8,050	18,654	10,604
Total revenues.	<u>3,167,955</u>	<u>3,167,955</u>	<u>2,756,040</u>	<u>(411,915)</u>
Expenditures:				
Current:				
Transportation				
Personal services	924,893	964,164	835,232	128,932
Other	1,546,744	1,612,418	1,457,459	154,959
Capital outlay				
Other	455,843	475,898	475,468	430
Debt service:				
Principal retirement.	15,281	15,281	15,281	-
Interest and fiscal charges.	1,212	1,212	1,212	-
Total expenditures	<u>2,943,973</u>	<u>3,068,973</u>	<u>2,784,652</u>	<u>284,321</u>
Net change in fund balance.	223,982	98,982	(28,612)	(127,594)
Fund balance at beginning of year	305,759	305,759	305,759	-
Prior year encumbrances appropriated	<u>161,423</u>	<u>161,423</u>	<u>161,423</u>	<u>-</u>
Fund balance at end of year.	<u>\$ 691,164</u>	<u>\$ 566,164</u>	<u>\$ 438,570</u>	<u>\$ (127,594)</u>

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
STATE HIGHWAY IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2011*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 164,050	\$ 164,050	\$ 105,014	\$ (59,036)
Investment income	50	50	29	(21)
Other	3,000	3,000	572	(2,428)
Total revenues.	<u>167,100</u>	<u>167,100</u>	<u>105,615</u>	<u>(61,485)</u>
Expenditures:				
Current:				
Transportation				
Personal services	34,900	34,900	26,923	7,977
Other	80,760	80,760	79,946	814
Total expenditures.	<u>115,660</u>	<u>115,660</u>	<u>106,869</u>	<u>8,791</u>
Net change in fund balance	51,440	51,440	(1,254)	(52,694)
Fund balance at beginning of year.	8,781	8,781	8,781	-
Prior year encumbrances appropriated. . . .	<u>208</u>	<u>208</u>	<u>208</u>	<u>-</u>
Fund balance at end of year	<u>\$ 60,429</u>	<u>\$ 60,429</u>	<u>\$ 7,735</u>	<u>\$ (52,694)</u>

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
POLICE PENSION AND DISABILITY FUND
FOR THE YEAR ENDED DECEMBER 31, 2011*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Property and other local taxes.	\$ 227,700	\$ 227,700	\$ 228,705	\$ 1,005
Intergovernmental.	43,136	43,136	40,227	(2,909)
Total revenues.	<u>270,836</u>	<u>270,836</u>	<u>268,932</u>	<u>(1,904)</u>
Expenditures:				
Current:				
Security of persons and property				
Personal services	551,438	575,844	566,701	9,143
Other	13,426	14,020	6,587	7,433
Total expenditures	<u>564,864</u>	<u>589,864</u>	<u>573,288</u>	<u>16,576</u>
Excess of expenditures over revenues	<u>(294,028)</u>	<u>(319,028)</u>	<u>(304,356)</u>	<u>14,672</u>
Other financing sources:				
Transfers in	380,134	380,134	304,356	(75,778)
Total other financing sources.	<u>380,134</u>	<u>380,134</u>	<u>304,356</u>	<u>(75,778)</u>
Net change in fund balance	86,106	61,106	-	(61,106)
Fund balance at beginning of year.	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year	<u>\$ 86,106</u>	<u>\$ 61,106</u>	<u>\$ -</u>	<u>\$ (61,106)</u>

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FIRE PENSION AND DISABILITY FUND
FOR THE YEAR ENDED DECEMBER 31, 2011*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Property and other local taxes	\$ 227,700	\$ 227,700	\$ 228,705	\$ 1,005
Intergovernmental	44,136	44,136	40,227	(3,909)
Total revenues.	<u>271,836</u>	<u>271,836</u>	<u>268,932</u>	<u>(2,904)</u>
Expenditures:				
Current:				
Security of persons and property				
Personal services	518,484	557,503	546,662	10,841
Other	13,039	14,020	6,587	7,433
Total expenditures	<u>531,523</u>	<u>571,523</u>	<u>553,249</u>	<u>18,274</u>
Excess of expenditures over revenues	<u>(259,687)</u>	<u>(299,687)</u>	<u>(284,317)</u>	<u>15,370</u>
Other financing sources:				
Transfers in.	372,545	372,545	284,317	(88,228)
Total other financing sources.	<u>372,545</u>	<u>372,545</u>	<u>284,317</u>	<u>(88,228)</u>
Net change in fund balance.	112,858	72,858	-	(72,858)
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year	<u>\$ 112,858</u>	<u>\$ 72,858</u>	<u>\$ -</u>	<u>\$ (72,858)</u>

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
MOTOR VEHICLE LICENSE TAX FUND
FOR THE YEAR ENDED DECEMBER 31, 2011*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 334,055	\$ 334,055	\$ 243,276	\$ (90,779)
Investment income	1,000	1,000	1,468	468
Total revenues.	<u>335,055</u>	<u>335,055</u>	<u>244,744</u>	<u>(90,311)</u>
Expenditures:				
Capital outlay				
Other	<u>338,000</u>	<u>538,000</u>	<u>122,733</u>	<u>415,267</u>
Total expenditures	<u>338,000</u>	<u>538,000</u>	<u>122,733</u>	<u>415,267</u>
Net change in fund balance	(2,945)	(202,945)	122,011	324,956
Fund balance at beginning of year.	<u>411,192</u>	<u>411,192</u>	<u>411,192</u>	<u>-</u>
Fund balance at end of year	<u>\$ 408,247</u>	<u>\$ 208,247</u>	<u>\$ 533,203</u>	<u>\$ 324,956</u>

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
ODNR LITTER PREVENTION GRANT FUND
FOR THE YEAR ENDED DECEMBER 31, 2011*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Intergovernmental.	\$ 41,265	\$ 41,265	\$ 31,194	\$ (10,071)
Total revenues.	<u>41,265</u>	<u>41,265</u>	<u>31,194</u>	<u>(10,071)</u>
Expenditures:				
Current:				
Public health				
Personal services	4,654	9,242	8,769	473
Other	46,076	91,488	44,871	46,617
Total expenditures.	<u>50,730</u>	<u>100,730</u>	<u>53,640</u>	<u>47,090</u>
Excess of expenditures over revenues	<u>(9,465)</u>	<u>(59,465)</u>	<u>(22,446)</u>	<u>37,019</u>
Other financing sources:				
Transfers in	17,850	17,850	-	(17,850)
Total other financing sources	<u>17,850</u>	<u>17,850</u>	<u>-</u>	<u>(17,850)</u>
Net change in fund balance	8,385	(41,615)	(22,446)	19,169
Fund balance at beginning of year	76,442	76,442	76,442	-
Prior year encumbrances appropriated. . .	<u>5,730</u>	<u>5,730</u>	<u>5,730</u>	<u>-</u>
Fund balance at end of year	<u>\$ 90,557</u>	<u>\$ 40,557</u>	<u>\$ 59,726</u>	<u>\$ 19,169</u>

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
EMS TRANSPORT FEES FUND
FOR THE YEAR ENDED DECEMBER 31, 2011*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Charges for services	\$ 713,310	\$ 713,310	\$ 584,992	\$ (128,318)
Other	-	-	14	14
Total revenues	<u>713,310</u>	<u>713,310</u>	<u>585,006</u>	<u>(128,304)</u>
Expenditures:				
Current:				
Security of persons and property				
Other	154,974	154,974	96,940	58,034
Debt service:				
Principal retirement	54,000	54,000	54,000	-
Interest and fiscal charges	<u>95,976</u>	<u>95,976</u>	<u>95,959</u>	<u>17</u>
Total expenditures	<u>304,950</u>	<u>304,950</u>	<u>246,899</u>	<u>58,051</u>
Excess of revenues over expenditures	<u>408,360</u>	<u>408,360</u>	<u>338,107</u>	<u>(186,355)</u>
Other financing uses:				
Refunding of notes	<u>(350,000)</u>	<u>(350,000)</u>	<u>(350,000)</u>	<u>-</u>
Total other financing uses	<u>(350,000)</u>	<u>(350,000)</u>	<u>(350,000)</u>	<u>-</u>
Net change in fund balance	58,360	58,360	(11,893)	(70,253)
Fund balance at beginning of year	73,049	73,049	73,049	-
Prior year encumbrances appropriated. . .	<u>19,950</u>	<u>19,950</u>	<u>19,950</u>	<u>-</u>
Fund balance at end of year	<u>\$ 151,359</u>	<u>\$ 151,359</u>	<u>\$ 81,106</u>	<u>\$ (70,253)</u>

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
POLICE ENFORCEMENT AND EDUCATION FUND
FOR THE YEAR ENDED DECEMBER 31, 2011*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Fines and forfeitures	\$ 5,885	\$ 5,885	\$ 3,030	\$ (2,855)
Total revenues	<u>5,885</u>	<u>5,885</u>	<u>3,030</u>	<u>(2,855)</u>
Expenditures:				
Capital outlay				
Other	2,400	2,400	-	2,400
Total expenditures	<u>2,400</u>	<u>2,400</u>	<u>-</u>	<u>2,400</u>
Net change in fund balance.	3,485	3,485	3,030	(455)
Fund balance at beginning of year	<u>2,446</u>	<u>2,446</u>	<u>2,446</u>	<u>-</u>
Fund balance at end of year	<u>\$ 5,931</u>	<u>\$ 5,931</u>	<u>\$ 5,476</u>	<u>\$ (455)</u>

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL ASSESSMENT IMPROVEMENTS FUND
FOR THE YEAR ENDED DECEMBER 31, 2011*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Special assessments.	\$ 96,000	\$ 96,000	\$ 51,654	\$ (44,346)
Total revenues.	<u>96,000</u>	<u>96,000</u>	<u>51,654</u>	<u>(44,346)</u>
Expenditures:				
Current:				
Security of persons and property				
Other	65,159	65,159	49,512	15,647
Total expenditures.	<u>65,159</u>	<u>65,159</u>	<u>49,512</u>	<u>15,647</u>
Net change in fund balance.	30,841	30,841	2,142	(28,699)
Fund balance at beginning of year	5,203	5,203	5,203	-
Prior year encumbrances appropriated . .	<u>159</u>	<u>159</u>	<u>159</u>	<u>-</u>
Fund balance at end of year.	<u>\$ 36,203</u>	<u>\$ 36,203</u>	<u>\$ 7,504</u>	<u>\$ (28,699)</u>

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
TREE TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 2011*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Other	\$ 1,000,000	\$ 1,000,000	\$ 25,619	\$ (974,381)
Total revenues.	1,000,000	1,000,000	25,619	(974,381)
Expenditures:				
Current:				
Leisure time activities				
Other	1,000,000	1,000,000	63,204	936,796
Total expenditures	1,000,000	1,000,000	63,204	936,796
Net change in fund balance.	-	-	(37,585)	(37,585)
Fund balance at beginning of year	94,083	94,083	94,083	-
Fund balance at end of year.	\$ 94,083	\$ 94,083	\$ 56,498	\$ (37,585)

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
COMMUNICATIONS TOWER FUND
FOR THE YEAR ENDED DECEMBER 31, 2011*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Rental income	\$ -	\$ -	\$ 84,062	\$ 84,062
Contributions and donations	-	-	9,987	9,987
Total revenues.	<u>-</u>	<u>-</u>	<u>94,049</u>	<u>94,049</u>
Expenditures:				
Current:				
Economic development				
Other	126,600	126,600	53,648	72,952
Debt service:				
Principal retirement	20,821	20,821	20,821	-
Interest and fiscal charges	4,479	4,479	4,452	27
Total expenditures.	<u>151,900</u>	<u>151,900</u>	<u>78,921</u>	<u>72,979</u>
Net change in fund balance.	(151,900)	(151,900)	15,128	167,028
Fund balance at beginning of year	375,046	375,046	375,046	-
Prior year encumbrances appropriated . .	<u>1,900</u>	<u>1,900</u>	<u>1,900</u>	<u>-</u>
Fund balance at end of year.	<u>\$ 225,046</u>	<u>\$ 225,046</u>	<u>\$ 392,074</u>	<u>\$ 167,028</u>

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CEMETERY TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 2011*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Other	\$ -	\$ -	\$ 15,269	\$ 15,269
Total revenues.	-	-	15,269	15,269
Expenditures:				
Current:				
Public health				
Other	67,583	67,583	55,804	11,779
Capital outlay				
Other	8,754	8,754	-	8,754
Total expenditures	76,337	76,337	55,804	20,533
Net change in fund balance.	(76,337)	(76,337)	(40,535)	35,802
Fund balance at beginning of year	100,912	100,912	100,912	-
Prior year encumbrances appropriated . . .	5,337	5,337	5,337	-
Fund balance at end of year	<u>\$ 29,912</u>	<u>\$ 29,912</u>	<u>\$ 65,714</u>	<u>\$ 35,802</u>

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
PARK IMPROVEMENTS FUND
FOR THE YEAR ENDED DECEMBER 31, 2011*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Contributions and donations	\$ -	\$ -	\$ 525	\$ 525
Total revenues.	-	-	525	525
Expenditures:				
Current:				
Leisure time activities				
Other	3,850	3,850	3,829	21
Capital outlay				
Other	7,400	7,400	7,363	37
Total expenditures	11,250	11,250	11,192	58
Net change in fund balance.	(11,250)	(11,250)	(10,667)	583
Fund balance at beginning of year	<u>28,906</u>	<u>28,906</u>	<u>28,906</u>	<u>-</u>
Fund balance at end of year	<u>\$ 17,656</u>	<u>\$ 17,656</u>	<u>\$ 18,239</u>	<u>\$ 583</u>

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FEDERAL LAW ENFORCEMENT FORFEITED FEES FUND
FOR THE YEAR ENDED DECEMBER 31, 2011*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Expenditures:				
Current:				
Security of persons and property				
Other	\$ 19,830	\$ 19,830	\$ 9,823	\$ 10,007
Capital outlay				
Other	4,923	4,923	4,909	14
Total expenditures	<u>24,753</u>	<u>24,753</u>	<u>14,732</u>	<u>10,021</u>
Net change in fund balance.	(24,753)	(24,753)	(14,732)	10,021
Fund balance at beginning of year	30,551	30,551	30,551	-
Prior year encumbrances appropriated . . .	<u>1,503</u>	<u>1,503</u>	<u>1,503</u>	<u>-</u>
Fund balance at end of year	<u>\$ 7,301</u>	<u>\$ 7,301</u>	<u>\$ 17,322</u>	<u>\$ 10,021</u>

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
COMMUNITY EVENTS FUND
FOR THE YEAR ENDED DECEMBER 31, 2011*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Charges for services	\$ 19,463	\$ 19,463	\$ 10,387	\$ (9,076)
Contributions and donations.	25,000	25,000	16,752	(8,248)
Other	2,000	2,000	2,347	347
Total revenues.	<u>46,463</u>	<u>46,463</u>	<u>29,486</u>	<u>(16,977)</u>
Expenditures:				
Current:				
Leisure time activities				
Personal services	1,928	1,928	1,927	1
Other	34,572	34,572	32,812	1,760
Total expenditures	<u>36,500</u>	<u>36,500</u>	<u>34,739</u>	<u>1,761</u>
Net change in fund balance.	9,963	9,963	(5,253)	(15,216)
Fund balance at beginning of year	<u>5,448</u>	<u>5,448</u>	<u>5,448</u>	<u>-</u>
Fund balance at end of year.	<u>\$ 15,411</u>	<u>\$ 15,411</u>	<u>\$ 195</u>	<u>\$ (15,216)</u>

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SAFETY TOWN FUND
FOR THE YEAR ENDED DECEMBER 31, 2011*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Contributions and donations.	\$ 6,673	\$ 6,673	\$ 7,410	\$ 737
Total revenues.	<u>6,673</u>	<u>6,673</u>	<u>7,410</u>	<u>737</u>
Expenditures:				
Current:				
Security of persons and property				
Personal services.	1,471	1,471	-	1,471
Other.	<u>5,829</u>	<u>5,829</u>	<u>5,827</u>	<u>2</u>
Total expenditures	<u>7,300</u>	<u>7,300</u>	<u>5,827</u>	<u>1,473</u>
Excess (deficiency) of revenues over (under) expenditures.	<u>(627)</u>	<u>(627)</u>	<u>1,583</u>	<u>2,210</u>
Other financing sources:				
Transfers in.	<u>1,000</u>	<u>1,000</u>	<u>-</u>	<u>(1,000)</u>
Total other financing sources.	<u>1,000</u>	<u>1,000</u>	<u>-</u>	<u>(1,000)</u>
Net change in fund balance.	373	373	1,583	1,210
Fund balance at beginning of year	<u>525</u>	<u>525</u>	<u>525</u>	<u>-</u>
Fund balance at end of year	<u>\$ 898</u>	<u>\$ 898</u>	<u>\$ 2,108</u>	<u>\$ 1,210</u>

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
D.A.R.E PROGRAM FUND
FOR THE YEAR ENDED DECEMBER 31, 2011*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 53,415	\$ 53,415	\$ 28,919	\$ (24,496)
Total revenues.	<u>53,415</u>	<u>53,415</u>	<u>28,919</u>	<u>(24,496)</u>
Expenditures:				
Current:				
Security of persons and property				
Personal services.	49,538	49,538	32,453	17,085
Other.	13,778	13,778	5,915	7,863
Total expenditures	<u>63,316</u>	<u>63,316</u>	<u>38,368</u>	<u>24,948</u>
Excess of expenditures over revenues	<u>(9,901)</u>	<u>(9,901)</u>	<u>(9,449)</u>	<u>452</u>
Other financing sources:				
Transfers in.	9,000	9,000	4,000	(5,000)
Total other financing sources.	<u>9,000</u>	<u>9,000</u>	<u>4,000</u>	<u>(5,000)</u>
Net change in fund balance.	(901)	(901)	(5,449)	(4,548)
Fund balance at beginning of year	19,517	19,517	19,517	-
Prior year encumbrances appropriated	<u>2,778</u>	<u>2,778</u>	<u>2,778</u>	<u>-</u>
Fund balance at end of year	<u>\$ 21,394</u>	<u>\$ 21,394</u>	<u>\$ 16,846</u>	<u>\$ (4,548)</u>

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
YOUTH DIVISION DONATIONS FUND
 FOR THE YEAR ENDED DECEMBER 31, 2011*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Fund balance at beginning of year	\$ 6,059	\$ 6,059	\$ 6,059	\$ -
Fund balance at end of year	<u>\$ 6,059</u>	<u>\$ 6,059</u>	<u>\$ 6,059</u>	<u>\$ -</u>

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FIRE DEPARTMENT EMERGENCY EQUIPMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2011*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Contributions and donations	\$ 10,000	\$ 10,000	\$ 715	\$ (9,285)
Total revenues	<u>10,000</u>	<u>10,000</u>	<u>715</u>	<u>(9,285)</u>
Expenditures:				
Current:				
Security of persons and property				
Other.	10,153	10,153	200	9,953
Total expenditures	<u>10,153</u>	<u>10,153</u>	<u>200</u>	<u>9,953</u>
Net change in fund balance.	(153)	(153)	515	668
Fund balance at beginning of year	2,380	2,380	2,380	-
Prior year encumbrances appropriated . . .	<u>154</u>	<u>154</u>	<u>154</u>	<u>-</u>
Fund balance at end of year	<u>\$ 2,381</u>	<u>\$ 2,381</u>	<u>\$ 3,049</u>	<u>\$ 668</u>

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
PARKS YOUTH FUND
FOR THE YEAR ENDED DECEMBER 31, 2011*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Fund balance at beginning of year	\$ 862	\$ 862	\$ 862	\$ -
Fund balance at end of year	<u>\$ 862</u>	<u>\$ 862</u>	<u>\$ 862</u>	<u>\$ -</u>

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
POLICE DEPARTMENT EMERGENCY EQUIPMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2011*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Contributions and donations.	\$ 10,000	\$ 10,000	\$ 1,346	\$ (8,654)
Total revenues	<u>10,000</u>	<u>10,000</u>	<u>1,346</u>	<u>(8,654)</u>
Expenditures:				
Current:				
Security of persons and property				
Other.	10,000	10,000	199	9,801
Total expenditures	<u>10,000</u>	<u>10,000</u>	<u>199</u>	<u>9,801</u>
Net change in fund balance.	-	-	1,147	1,147
Fund balance at beginning of year	<u>2,592</u>	<u>2,592</u>	<u>2,592</u>	<u>-</u>
Fund balance at end of year	<u>\$ 2,592</u>	<u>\$ 2,592</u>	<u>\$ 3,739</u>	<u>\$ 1,147</u>

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
YOUTH DIVISION TEEN CENTER FUND
FOR THE YEAR ENDED DECEMBER 31, 2011*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Charges for services	\$ 2,500	\$ 2,500	\$ 1,473	\$ (1,027)
Other	6,500	6,500	-	(6,500)
Total revenues	<u>9,000</u>	<u>9,000</u>	<u>1,473</u>	<u>(7,527)</u>
Expenditures:				
Current:				
Leisure time activities				
Other	3,686	3,686	690	2,996
Total expenditures	<u>3,686</u>	<u>3,686</u>	<u>690</u>	<u>2,996</u>
Excess of revenues over expenditures	<u>5,314</u>	<u>5,314</u>	<u>783</u>	<u>(4,531)</u>
Other financing sources:				
Transfers in	1,000	1,000	-	(1,000)
Total other financing sources	<u>1,000</u>	<u>1,000</u>	<u>-</u>	<u>(1,000)</u>
Net change in fund balance	6,314	6,314	783	(5,531)
Fund balance at beginning of year	128	128	128	-
Prior year encumbrances appropriated . . .	86	86	86	-
Fund balance at end of year	<u>\$ 6,528</u>	<u>\$ 6,528</u>	<u>\$ 997</u>	<u>\$ (5,531)</u>

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
PARKS LODGE IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2011*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Charges for services	\$ 2,000,000	\$ 2,000,000	\$ 13,860	\$ (1,986,140)
Total revenues.	<u>2,000,000</u>	<u>2,000,000</u>	<u>13,860</u>	<u>(1,986,140)</u>
Expenditures:				
Current:				
Leisure time activities				
Other	1,006,674	1,006,674	5,585	1,001,089
Capital outlay				
Other	<u>1,003,500</u>	<u>1,003,500</u>	<u>3,500</u>	<u>1,000,000</u>
Total expenditures	<u>2,010,174</u>	<u>2,010,174</u>	<u>9,085</u>	<u>2,001,089</u>
Net change in fund balance.	(10,174)	(10,174)	4,775	14,949
Fund balance at beginning of year	43,670	43,670	43,670	-
Prior year encumbrances appropriated . . .	<u>174</u>	<u>174</u>	<u>174</u>	<u>-</u>
Fund balance at end of year	<u>\$ 33,670</u>	<u>\$ 33,670</u>	<u>\$ 48,619</u>	<u>\$ 14,949</u>

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
COMMUNITY RELATIONS FUND
FOR THE YEAR ENDED DECEMBER 31, 2011*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Contributions and donations	\$ -	\$ -	\$ 250	\$ 250
Total revenues.	-	-	250	250
Expenditures:				
Current:				
Community development				
Other	3,851	3,851	2,199	1,652
Total expenditures	3,851	3,851	2,199	1,652
Net change in fund balance.	(3,851)	(3,851)	(1,949)	1,902
Fund balance at beginning of year	5,178	5,178	5,178	-
Prior year encumbrances appropriated . . .	1,651	1,651	1,651	-
Fund balance at end of year.	<u>\$ 2,978</u>	<u>\$ 2,978</u>	<u>\$ 4,880</u>	<u>\$ 1,902</u>

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SS BALLFIELD COMPLEX FUND
FOR THE YEAR ENDED DECEMBER 31, 2011*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Other	\$ 8,000	\$ 8,000	\$ 4,732	\$ (3,268)
Total revenues	<u>8,000</u>	<u>8,000</u>	<u>4,732</u>	<u>(3,268)</u>
Expenditures:				
Current:				
Leisure time activities				
Other	19,975	19,975	17,131	2,844
Capital outlay				
Other	1,144	1,144	984	160
Total expenditures	<u>21,119</u>	<u>21,119</u>	<u>18,115</u>	<u>3,004</u>
Net change in fund balance	(13,119)	(13,119)	(13,383)	(264)
Fund balance at beginning of year	10,464	10,464	10,464	-
Prior year encumbrances appropriated	<u>2,945</u>	<u>2,945</u>	<u>2,945</u>	<u>-</u>
Fund balance at end of year.	<u>\$ 290</u>	<u>\$ 290</u>	<u>\$ 26</u>	<u>\$ (264)</u>

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
PARK AND RECREATION SCHOLARSHIP FUND
 FOR THE YEAR ENDED DECEMBER 31, 2011*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Fund balance at beginning of year	\$ 1,858	\$ 1,858	\$ 1,858	\$ -
Fund balance at end of year.	<u>\$ 1,858</u>	<u>\$ 1,858</u>	<u>\$ 1,858</u>	<u>\$ -</u>

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
COMMUNITY DEVELOPMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2010*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 94,650	\$ 94,650	\$ -	\$ (94,650)
Total revenues.	<u>94,650</u>	<u>94,650</u>	<u>-</u>	<u>(94,650)</u>
Expenditures:				
Capital outlay				
Other	25,000	25,000	-	25,000
Total expenditures	<u>25,000</u>	<u>25,000</u>	<u>-</u>	<u>25,000</u>
Net change in fund balance.	69,650	69,650	-	(69,650)
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year.	<u>\$ 69,650</u>	<u>\$ 69,650</u>	<u>\$ -</u>	<u>\$ (69,650)</u>

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FEMA FUND
FOR THE YEAR ENDED DECEMBER 31, 2011*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 21,630	\$ 21,630	\$ -	\$ (21,630)
Total revenues.	<u>21,630</u>	<u>21,630</u>	<u>-</u>	<u>(21,630)</u>
Expenditures:				
Capital outlay				
Other	10,000	10,000	-	10,000
Total expenditures	<u>10,000</u>	<u>10,000</u>	<u>-</u>	<u>10,000</u>
Net change in fund balance.	11,630	11,630	-	(11,630)
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year.	<u>\$ 11,630</u>	<u>\$ 11,630</u>	<u>\$ -</u>	<u>\$ (11,630)</u>

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
BUSINESS ASSISTANCE FUND
FOR THE YEAR ENDED DECEMBER 31, 2011*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Contributions and donations.	\$ -	\$ -	\$ 200	\$ 200
Total revenues.	-	-	200	200
Net change in fund balance.	-	-	200	200
Fund balance at beginning of year	<u>294</u>	<u>294</u>	<u>294</u>	<u>-</u>
Fund balance at end of year.	<u>\$ 294</u>	<u>\$ 294</u>	<u>\$ 494</u>	<u>\$ 200</u>

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CITY LODGING TAX FUND
FOR THE YEAR ENDED DECEMBER 31, 2011*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Property and other local taxes	\$ 183,750	\$ 183,750	\$ 192,583	\$ 8,833
Total revenues	<u>183,750</u>	<u>183,750</u>	<u>192,583</u>	<u>8,833</u>
Expenditures:				
Current:				
General government				
Personal services	209,468	209,468	180,545	28,923
Other	50,000	50,000	50,000	-
Capital outlay				
Other	<u>165,532</u>	<u>165,532</u>	<u>-</u>	<u>165,532</u>
Total expenditures	<u>425,000</u>	<u>425,000</u>	<u>230,545</u>	<u>194,455</u>
Net change in fund balance.	(241,250)	(241,250)	(37,962)	203,288
Fund balance at beginning of year	<u>335,265</u>	<u>335,265</u>	<u>335,265</u>	<u>-</u>
Fund balance at end of year.	<u>\$ 94,015</u>	<u>\$ 94,015</u>	<u>\$ 297,303</u>	<u>\$ 203,288</u>

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
ENHANCED 911 WIRELESS FUND
FOR THE YEAR ENDED DECEMBER 31, 2011*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 150,000	\$ 150,000	\$ 113,945	\$ (36,055)
Other	-	-	589	589
Total revenues.	<u>150,000</u>	<u>150,000</u>	<u>114,534</u>	<u>(35,466)</u>
Expenditures:				
Current:				
Security of persons and property				
Other	24,721	24,721	17,615	7,106
Debt service:				
Principal retirement.	59,806	59,806	59,806	-
Interest and fiscal charges.	<u>23,194</u>	<u>23,194</u>	<u>23,131</u>	<u>63</u>
Total expenditures	<u>107,721</u>	<u>107,721</u>	<u>100,552</u>	<u>7,169</u>
Net change in fund balance.	42,279	42,279	13,982	(28,297)
Fund balance at beginning of year	19,540	19,540	19,540	-
Prior year encumbrances appropriated . .	<u>7,071</u>	<u>7,071</u>	<u>7,071</u>	<u>-</u>
Fund balance at end of year.	<u>\$ 68,890</u>	<u>\$ 68,890</u>	<u>\$ 40,593</u>	<u>\$ (28,297)</u>

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
ADOPT A TREE/TREE CITY FUND
FOR THE YEAR ENDED DECEMBER 31, 2011*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Fund balance at beginning of year	\$ 3,262	\$ 3,262	\$ 3,262	\$ -
Fund balance at end of year.	<u>\$ 3,262</u>	<u>\$ 3,262</u>	<u>\$ 3,262</u>	<u>\$ -</u>

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
POLICE OFFICER TRAINING FUND
FOR THE YEAR ENDED DECEMBER 31, 2011*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental.	\$ 7,000	\$ 7,000	\$ -	\$ (7,000)
Total revenues	<u>7,000</u>	<u>7,000</u>	<u>-</u>	<u>(7,000)</u>
Expenditures:				
Current:				
Security of persons and property				
Other.	10,000	10,000	-	10,000
Total expenditures	<u>10,000</u>	<u>10,000</u>	<u>-</u>	<u>10,000</u>
Net change in fund balance.	(3,000)	(3,000)	-	3,000
Fund balance at beginning of year	<u>3,546</u>	<u>3,546</u>	<u>3,546</u>	<u>-</u>
Fund balance at end of year.	<u>\$ 546</u>	<u>\$ 546</u>	<u>\$ 3,546</u>	<u>\$ 3,000</u>

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
COURT SPECIAL PROJECTS FUND
FOR THE YEAR ENDED DECEMBER 31, 2011*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
Revenues:				
Fines and forfeitures	\$ 610,000	\$ 610,000	\$ 549,444	\$ (60,556)
Investment income	500	500	5,153	4,653
Contributions and donations	-	-	4,650	4,650
Total revenues.	<u>610,500</u>	<u>610,500</u>	<u>559,247</u>	<u>(51,253)</u>
Expenditures:				
Current:				
General government				
Other	217,875	217,875	52,466	165,409
Capital outlay				
Other.	<u>100,000</u>	<u>100,000</u>	<u>11,630</u>	<u>88,370</u>
Total expenditures	<u>317,875</u>	<u>317,875</u>	<u>64,096</u>	<u>253,779</u>
Excess of revenues over expenditures	<u>292,625</u>	<u>292,625</u>	<u>495,151</u>	<u>202,526</u>
Other financing sources (uses):				
Transfers in	239,500	239,500	356,214	116,714
Transfers out.	<u>(610,500)</u>	<u>(910,500)</u>	<u>(450,000)</u>	<u>460,500</u>
Total other financing sources (uses)	<u>(371,000)</u>	<u>(671,000)</u>	<u>(93,786)</u>	<u>577,214</u>
Net change in fund balance.	(78,375)	(378,375)	401,365	779,740
Fund balance at beginning of year	640,309	640,309	640,309	-
Prior year encumbrances appropriated	<u>17,875</u>	<u>17,875</u>	<u>17,875</u>	<u>-</u>
Fund balance at end of year.	<u>\$ 579,809</u>	<u>\$ 279,809</u>	<u>\$ 1,059,549</u>	<u>\$ 779,740</u>

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
PROBATION FUND
FOR THE YEAR ENDED DECEMBER 31, 2011*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Fines and forfeitures	\$ 236,675	\$ 236,675	\$ 162,552	\$ (74,123)
Total revenues.	<u>236,675</u>	<u>236,675</u>	<u>162,552</u>	<u>(74,123)</u>
Expenditures:				
Current:				
General government				
Other	139,289	139,289	111,688	27,601
Total expenditures	<u>139,289</u>	<u>139,289</u>	<u>111,688</u>	<u>27,601</u>
Excess of revenues over expenditures	<u>97,386</u>	<u>97,386</u>	<u>50,864</u>	<u>(46,522)</u>
Other financing (uses):				
Transfers out	(25,000)	(50,000)	(50,000)	-
Total other financing (uses).	<u>(25,000)</u>	<u>(50,000)</u>	<u>(50,000)</u>	<u>-</u>
Net change in fund balance.	72,386	47,386	864	(46,522)
Fund balance at beginning of year	22,202	22,202	22,202	-
Prior year encumbrances appropriated . .	<u>4,289</u>	<u>4,289</u>	<u>4,289</u>	<u>-</u>
Fund balance at end of year.	<u>\$ 98,877</u>	<u>\$ 73,877</u>	<u>\$ 27,355</u>	<u>\$ (46,522)</u>

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
INDIGENT DRIVERS FUND
FOR THE YEAR ENDED DECEMBER 31, 2011*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Fines and forfeitures	\$ 373,350	\$ 373,350	\$ 57,798	\$ (315,552)
Intergovernmental	-	-	200	200
Total revenues.	<u>373,350</u>	<u>373,350</u>	<u>57,998</u>	<u>(315,352)</u>
Expenditures:				
Current:				
General government				
Other	<u>340,000</u>	<u>340,000</u>	<u>-</u>	<u>340,000</u>
Total expenditures.	<u>340,000</u>	<u>340,000</u>	<u>-</u>	<u>340,000</u>
Excess of revenues over expenditures	<u>33,350</u>	<u>33,350</u>	<u>57,998</u>	<u>24,648</u>
Other financing (uses):				
Transfers out	<u>(300,000)</u>	<u>(500,000)</u>	<u>(500,000)</u>	<u>-</u>
Total other financing (uses).	<u>(300,000)</u>	<u>(500,000)</u>	<u>(500,000)</u>	<u>-</u>
Net change in fund balance.	(266,650)	(466,650)	(442,002)	24,648
Fund balance at beginning of year	<u>667,594</u>	<u>667,594</u>	<u>667,594</u>	<u>-</u>
Fund balance at end of year.	<u>\$ 400,944</u>	<u>\$ 200,944</u>	<u>\$ 225,592</u>	<u>\$ 24,648</u>

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
COURT TECHNOLOGY FUND
FOR THE YEAR ENDED DECEMBER 31, 2011*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Fines and forfeitures	\$ 70,000	\$ 70,000	\$ 50,621	\$ (19,379)
Total revenues	<u>70,000</u>	<u>70,000</u>	<u>50,621</u>	<u>(19,379)</u>
Expenditures:				
Current:				
General government				
Other.	93,830	118,830	97,858	20,972
Total expenditures	<u>93,830</u>	<u>118,830</u>	<u>97,858</u>	<u>20,972</u>
Net change in fund balance.	(23,830)	(48,830)	(47,237)	1,593
Fund balance at beginning of year	32,531	32,531	32,531	-
Prior year encumbrances appropriated . .	<u>20,830</u>	<u>20,830</u>	<u>20,830</u>	<u>-</u>
Fund balance at end of year.	<u>\$ 29,531</u>	<u>\$ 4,531</u>	<u>\$ 6,124</u>	<u>\$ 1,593</u>

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
COURT CLERK TECHNOLOGY FUND
FOR THE YEAR ENDED DECEMBER 31, 2011*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Fines and forfeitures	\$ 70,000	\$ 70,000	\$ 50,644	\$ (19,356)
Other	-	-	220	220
Total revenues	<u>70,000</u>	<u>70,000</u>	<u>50,864</u>	<u>(19,136)</u>
Expenditures:				
Current:				
General government				
Other	48,332	66,921	56,211	10,710
Capital outlay				
Other	3,668	5,079	5,079	-
Total expenditures	<u>52,000</u>	<u>72,000</u>	<u>61,290</u>	<u>10,710</u>
Net change in fund balance.	18,000	(2,000)	(10,426)	(8,426)
Fund balance at beginning of year	<u>13,637</u>	<u>13,637</u>	<u>13,637</u>	<u>-</u>
Fund balance at end of year.	<u>\$ 31,637</u>	<u>\$ 11,637</u>	<u>\$ 3,211</u>	<u>\$ (8,426)</u>

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
IDA MONITORING FUND
FOR THE YEAR ENDED DECEMBER 31, 2011*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Fines and forfeitures	\$ 102,500	\$ 102,500	\$ 52,341	\$ (50,159)
Total revenues.	<u>102,500</u>	<u>102,500</u>	<u>52,341</u>	<u>(50,159)</u>
Excess of revenues over expenditures	<u>102,500</u>	<u>102,500</u>	<u>52,341</u>	<u>(50,159)</u>
Other financing sources (uses):				
Transfers in	50,000	500,000	500,000	-
Transfers out	<u>(90,000)</u>	<u>(540,000)</u>	<u>(356,214)</u>	<u>183,786</u>
Total other financing sources (uses)	<u>(40,000)</u>	<u>(40,000)</u>	<u>143,786</u>	<u>183,786</u>
Net change in fund balance.	62,500	62,500	196,127	133,627
Fund balance at beginning of year	<u>45,748</u>	<u>45,748</u>	<u>45,748</u>	<u>-</u>
Fund balance at end of year.	<u>\$ 108,248</u>	<u>\$ 108,248</u>	<u>\$ 241,875</u>	<u>\$ 133,627</u>

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SAFE ROUTE TO SCHOOL
FOR THE YEAR ENDED DECEMBER 31, 2011*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ -	\$ -	\$ 282	\$ 282
Total revenues.	-	-	282	282
Net change in fund balance.	-	-	282	282
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year.	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 282</u>	<u>\$ 282</u>

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
RESIDENTIAL SNOW REMOVAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2011*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Expenditures:				
Current:				
Security of persons and property				
Other	\$ 27,444	\$ 27,444	\$ 19,936	\$ 7,508
Total expenditures	<u>27,444</u>	<u>27,444</u>	<u>19,936</u>	<u>7,508</u>
Excess of expenditures over revenues	<u>(27,444)</u>	<u>(27,444)</u>	<u>(19,936)</u>	<u>7,508</u>
Other financing sources:				
Transfers in	19,483	19,483	10,000	(9,483)
Total other financing sources.	<u>19,483</u>	<u>19,483</u>	<u>10,000</u>	<u>(9,483)</u>
Net change in fund balance.	(7,961)	(7,961)	(9,936)	(1,975)
Fund balance at beginning of year	3,401	3,401	3,401	-
Prior year encumbrances appropriated	<u>10,444</u>	<u>10,444</u>	<u>10,444</u>	<u>-</u>
Fund balance at end of year.	<u>\$ 5,884</u>	<u>\$ 5,884</u>	<u>\$ 3,909</u>	<u>\$ (1,975)</u>

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL OBLIGATION BOND RETIREMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2011*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Income taxes	\$ 1,190,496	\$ 1,190,496	\$ 1,012,896	\$ (177,600)
Total revenues	<u>1,190,496</u>	<u>1,190,496</u>	<u>1,012,896</u>	<u>(177,600)</u>
Expenditures:				
Debt service:				
Principal retirement.	544,550	591,990	566,990	25,000
Interest and fiscal charges.	<u>394,132</u>	<u>421,692</u>	<u>420,906</u>	<u>786</u>
Total expenditures	<u>938,682</u>	<u>1,013,682</u>	<u>987,896</u>	<u>25,786</u>
Net change in fund balance.	251,814	176,814	25,000	(151,814)
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year.	<u>\$ 251,814</u>	<u>\$ 176,814</u>	<u>\$ 25,000</u>	<u>\$ (151,814)</u>

CITY OF STOW, OHIO

*INDIVIDUAL FUND SCHEDULES
FUND DESCRIPTIONS - PROPRIETARY FUNDS*

ENTERPRISE FUNDS

To account for the financing of costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis that are financed or recovered primarily through user charges.

Major Enterprise Funds

Water Fund

This fund accounts for revenues generated from the charges for the treatment and provision of water to the residents and commercial users of the City.

Golf Fund

This fund accounts for revenues generated and expenses for the Fox Den Golf Course.

Storm Water Utility Fund

This fund accounts for the provision of storm drainage runoff service to the residents and commercial users located within the City.

INTERNAL SERVICE FUNDS

To account for the financing of services provided by one department or agency to other departments or agencies of the City on a cost-reimbursement basis.

Nonmajor Internal Service Funds

Administrative Insurance Fund

This fund accounts for the receipt and disbursement of funds to administrate the City's self-funded insurance plan for health, hospitalization and dental coverage and payment of premiums of life, accidental death and dismemberment insurance.

Self-Insurance Fund

This fund accounts for the operation of the City's self-insurance program for employee health benefits.

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
WATER FUND
FOR THE YEAR ENDED DECEMBER 31, 2011*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Operating revenues:				
Charges for services	\$ 4,980,300	\$ 4,980,300	\$ 4,961,549	\$ (18,751)
Tap-in fees	5,000	5,000	24,183	19,183
Other.	11,000	11,000	3,769	(7,231)
Total revenues.	<u>4,996,300</u>	<u>4,996,300</u>	<u>4,989,501</u>	<u>(6,799)</u>
Operating expenses:				
Personal services.	1,138,873	1,138,873	1,133,113	5,760
Materials and supplies	246,513	246,513	231,750	14,763
Contractual services	4,649,589	4,649,589	2,873,123	1,776,466
Capital outlay	1,904,354	1,904,354	1,689,982	214,372
Total expenses	<u>7,939,329</u>	<u>7,939,329</u>	<u>5,927,968</u>	<u>2,011,361</u>
Operating loss	<u>(2,943,029)</u>	<u>(2,943,029)</u>	<u>(938,467)</u>	<u>2,004,562</u>
Nonoperating revenues (expenses):				
Intergovernmental	232,800	232,800	441,169	208,369
Special assessments	-	-	1,721	1,721
Notes issued	600,000	600,000	600,000	-
Premium on notes issued.	-	-	4,993	4,993
Debt service:				
Principal retirement	(862,626)	(862,626)	(819,802)	42,824
Interest and fiscal charges.	(37,212)	(37,212)	(37,127)	85
Note issuance costs	-	-	-	-
Total nonoperating revenues (expenses)	<u>(67,038)</u>	<u>(67,038)</u>	<u>190,954</u>	<u>257,992</u>
Net change in fund equity	<u>(3,010,067)</u>	<u>(3,010,067)</u>	<u>(747,513)</u>	<u>2,262,554</u>
Fund equity at beginning of year.	3,423,170	3,423,170	3,423,170	-
Prior year encumbrances appropriated	<u>1,160,167</u>	<u>1,160,167</u>	<u>1,160,167</u>	<u>-</u>
Fund equity at end of year	<u>\$ 1,573,270</u>	<u>\$ 1,573,270</u>	<u>\$ 3,835,824</u>	<u>\$ 2,262,554</u>

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GOLF FUND
FOR THE YEAR ENDED DECEMBER 31, 2011*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Operating revenues:				
Charges for services	\$ 800,000	\$ 800,000	\$ 685,125	\$ (114,875)
Other.	108,000	108,000	91,612	(16,388)
Total revenues.	<u>908,000</u>	<u>908,000</u>	<u>776,737</u>	<u>(131,263)</u>
Operating expenses:				
Personal services.	434,887	434,887	433,635	1,252
Materials and supplies	352,782	352,782	337,983	14,799
Contractual services	102,604	102,604	98,336	4,268
Capital outlay	2,500	2,500	-	2,500
Total expenses	<u>892,773</u>	<u>892,773</u>	<u>869,954</u>	<u>22,819</u>
Operating income (loss)	<u>15,227</u>	<u>15,227</u>	<u>(93,217)</u>	<u>(108,444)</u>
Nonoperating revenues (expenses):				
Income taxes.	514,375	514,375	406,405	(107,970)
Debt service:				
Principal retirement	(150,000)	(150,000)	(150,000)	-
Interest and fiscal charges.	(169,215)	(169,215)	(169,215)	-
Total nonoperating revenues (expenses)	<u>195,160</u>	<u>195,160</u>	<u>87,190</u>	<u>(107,970)</u>
Net change in fund equity	210,387	210,387	(6,027)	(216,414)
Fund equity at beginning of year.	6,612	6,612	6,612	-
Prior year encumbrances appropriated	<u>7,772</u>	<u>7,772</u>	<u>7,772</u>	<u>-</u>
Fund equity at end of year	<u>\$ 224,771</u>	<u>\$ 224,771</u>	<u>\$ 8,357</u>	<u>\$ (216,414)</u>

CITY OF STOW, OHIO

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
STORM WATER UTILITY FUND
 FOR THE YEAR ENDED DECEMBER 31, 2011

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Operating revenues:				
Charges for services	\$ 667,500	\$ 667,500	\$ 806,668	\$ 139,168
Other.	-	-	596	596
Total revenues.	<u>667,500</u>	<u>667,500</u>	<u>807,264</u>	<u>139,764</u>
Operating expenses:				
Personal services.	357,442	357,442	323,249	34,193
Materials and supplies	233,298	233,298	227,315	5,983
Contractual services	138,949	138,949	121,520	17,429
Capital outlay	313,368	313,368	233,074	80,294
Total expenses	<u>1,043,057</u>	<u>1,043,057</u>	<u>905,158</u>	<u>137,899</u>
Operating loss	<u>(375,557)</u>	<u>(375,557)</u>	<u>(97,894)</u>	<u>277,663</u>
Nonoperating revenues (expenses):				
Special assessments	20,000	20,000	20,700	700
Debt service:				
Principal retirement	(43,689)	(43,689)	(43,689)	-
Interest and fiscal charges.	(13,507)	(13,507)	(13,507)	-
Total nonoperating revenues (expenses).	<u>(37,196)</u>	<u>(37,196)</u>	<u>(36,496)</u>	<u>700</u>
Net change in fund equity	(412,753)	(412,753)	(134,390)	278,363
Fund equity at beginning of year.	610,366	610,366	610,366	-
Prior year encumbrances appropriated	<u>65,253</u>	<u>65,253</u>	<u>65,253</u>	<u>-</u>
Fund equity at end of year	<u>\$ 262,866</u>	<u>\$ 262,866</u>	<u>\$ 541,229</u>	<u>\$ 278,363</u>

CITY OF STOW, OHIO

*COMBINING STATEMENT OF NET ASSETS
NONMAJOR INTERNAL SERVICE FUNDS
DECEMBER 31, 2011*

	<u>Administrative Insurance</u>	<u>Self-Insurance</u>	<u>Total Nonmajor Internal Service Funds</u>
Assets:			
Current assets:			
Equity in pooled cash and cash equivalents . . .	\$ 210	\$ 1,451,788	\$ 1,451,998
Receivables (net of allowance for uncollectibles):			
Accounts	-	26,322	26,322
Total assets	<u>210</u>	<u>1,478,110</u>	<u>1,478,320</u>
Liabilities:			
Current liabilities:			
Claims payable.	-	520,387	520,387
Total liabilities	<u>-</u>	<u>520,387</u>	<u>520,387</u>
Net assets:			
Unrestricted	<u>210</u>	<u>957,723</u>	<u>957,933</u>
Total net assets	<u>\$ 210</u>	<u>\$ 957,723</u>	<u>\$ 957,933</u>

CITY OF STOW, OHIO

*COMBINING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET ASSETS
NONMAJOR INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2011*

	Administrative Insurance	Self-Insurance	Total Nonmajor Internal Service Funds
Operating revenues:			
Charges for services	\$ 300,055	\$ 2,071,093	\$ 2,371,148
Other	-	387,413	387,413
Total operating revenues	<u>300,055</u>	<u>2,458,506</u>	<u>2,758,561</u>
Operating expenses:			
Contract services	301,025	-	301,025
Claims	-	2,725,304	2,725,304
Total operating expenses	<u>301,025</u>	<u>2,725,304</u>	<u>3,026,329</u>
Operating loss/change in net assets	(970)	(266,798)	(267,768)
Net assets at beginning of year	<u>1,180</u>	<u>1,224,521</u>	<u>1,225,701</u>
Net assets at end of year	<u>\$ 210</u>	<u>\$ 957,723</u>	<u>\$ 957,933</u>

CITY OF STOW, OHIO

*COMBINING STATEMENT OF CASH FLOWS
NONMAJOR INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2011*

	Administrative Insurance	Self-Insurance	Total Nonmajor Internal Service Funds
	<hr/>	<hr/>	<hr/>
Cash flows from operating activities:			
Cash received from customers	\$ 300,055	\$ 2,071,093	\$ 2,371,148
Cash received from other operations	-	362,977	362,977
Cash payments for contract services	(301,025)	-	(301,025)
Cash payments for claims.	-	(2,514,144)	(2,514,144)
	<hr/>	<hr/>	<hr/>
Net cash used in operating activities.	(970)	(80,074)	(81,044)
Net decrease in cash and cash equivalents.	(970)	(80,074)	(81,044)
Cash and cash equivalents at beginning of year	<hr/> 1,180	<hr/> 1,531,862	<hr/> 1,533,042
Cash and cash equivalents at end of year	<hr/> <u>\$ 210</u>	<hr/> <u>\$ 1,451,788</u>	<hr/> <u>\$ 1,451,998</u>
Reconciliation of operating loss to net cash used in operating activities:			
Operating loss.	\$ (970)	\$ (266,798)	\$ (267,768)
Changes in assets and liabilities:			
(Increase) in accounts receivable.	-	(24,436)	(24,436)
Increase in claims payable	-	211,160	211,160
	<hr/>	<hr/>	<hr/>
Net cash used in operating activities.	<u>\$ (970)</u>	<u>\$ (80,074)</u>	<u>\$ (81,044)</u>

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
ADMINISTRATIVE INSURANCE FUND
FOR THE YEAR ENDED DECEMBER 31, 2011*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Operating revenues:				
Charges for services	\$ 338,000	\$ 338,000	\$ 300,055	\$ (37,945)
Total revenues	<u>338,000</u>	<u>338,000</u>	<u>300,055</u>	<u>(37,945)</u>
Operating expenses:				
Contractual services	<u>271,500</u>	<u>313,500</u>	<u>301,025</u>	<u>12,475</u>
Total expenses	<u>271,500</u>	<u>313,500</u>	<u>301,025</u>	<u>12,475</u>
Operating income (loss)	<u>66,500</u>	<u>24,500</u>	<u>(970)</u>	<u>(25,470)</u>
Nonoperating revenues:				
Transfers in	<u>7,000</u>	<u>7,000</u>	<u>-</u>	<u>(7,000)</u>
Total nonoperating revenues.	<u>7,000</u>	<u>7,000</u>	<u>-</u>	<u>(7,000)</u>
Net change in fund equity	73,500	31,500	(970)	(32,470)
Fund equity at beginning of year.	<u>1,180</u>	<u>1,180</u>	<u>1,180</u>	<u>-</u>
Fund equity at end of year	<u>\$ 74,680</u>	<u>\$ 32,680</u>	<u>\$ 210</u>	<u>\$ (32,470)</u>

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SELF-INSURANCE FUND
FOR THE YEAR ENDED DECEMBER 31, 2011*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Operating revenues:				
Charges for services	\$ 2,728,431	\$ 2,728,431	\$ 2,071,093	\$ (657,338)
Other.	246,569	246,569	362,977	116,408
Total revenues.	<u>2,975,000</u>	<u>2,975,000</u>	<u>2,434,070</u>	<u>(540,930)</u>
Operating expenses:				
Claims	<u>3,983,192</u>	<u>3,983,192</u>	<u>2,514,144</u>	<u>1,469,048</u>
Total expenses	<u>3,983,192</u>	<u>3,983,192</u>	<u>2,514,144</u>	<u>1,469,048</u>
Operating income (loss)/net change in fund equity	(1,008,192)	(1,008,192)	(80,074)	928,118
Fund equity at beginning of year.	<u>1,531,862</u>	<u>1,531,862</u>	<u>1,531,862</u>	<u>-</u>
Fund equity at end of year	<u>\$ 523,670</u>	<u>\$ 523,670</u>	<u>\$ 1,451,788</u>	<u>\$ 928,118</u>

CITY OF STOW, OHIO

*INDIVIDUAL FUND SCHEDULES
FUND DESCRIPTIONS - FIDUCIARY FUNDS*

Fiduciary funds are used to account for assets held by the City in a trustee capacity, or as an agency for individuals, private organizations, other governments and/or funds. The following are the City's fiduciary fund types:

Private Purpose Trust Funds

Private purpose trust funds are used to account for assets held by the City under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the City's own programs. The following are the City's Private Purpose Trust Funds.

Stutler Scholarship Fund

To account for donations in memory of Police Officer Stutler to provide scholarships.

Wells Perkins Cemetery Fund

To account for funds bequeathed to the City for the perpetual care of the urn on the Wells-Perkins cemetery plot.

Stow Seniors Commision Fund

To account for donations to the City for the Senior Center Commission.

Agency Fund

Agency funds maintain assets held by the City as an agent for individuals, private organizations, other governmental units and/or funds. These funds are purely custodial (assets equal liabilities) and therefore do not involve the measurement of results. The following are the City's agency funds.

Road Construction Bonds Fund

To account for deposits from contractors, held by the City to ensure compliance with the contract.

Allotment Deposits Fund

To account for deposits from subdivision developers for engineering oversight.

Miscellaneous Service Deposits Fund

To account for various service department non-recurring deposits.

Bond Forfeitures Fund

To account for forfeitures of bonds by developers and/or contractors.

Park and Recreation Deposits Fund

To account for the receipt and subsequent refund of Parks and Recreation deposit monies for rentals to cover extraordinary events or damages.

Municipal Court Fund

To account for fines and fees collected by the Stow Municipal Court, which are required to be disbursed to various parties.

Other Agency Funds

Payroll Advance Rotary	Ohio BBS 3% Surcharge
Deferred Compensation Rotary	Unclaimed Money
Well Performance Bond	Fire Bond Insurance
Police Forfeited Cash	Unclaimed Court Bonds
Police Drug Forfeiture Cash	Flexible Spending Plan

CITY OF STOW, OHIO

*COMBINING STATEMENT OF NET ASSETS
PRIVATE PURPOSE TRUST FUNDS
DECEMBER 31, 2011*

	<u>Stutler Scholarship Fund</u>	<u>Wells Perkins Cemetery</u>	<u>Stow Seniors Commission</u>	<u>Total Private Purpose Trust</u>
Assets:				
Equity in pooled cash and cash equivalents	\$ 450	\$ 500	\$ 336	\$ 1,286
Total assets.	<u>450</u>	<u>500</u>	<u>336</u>	<u>1,286</u>
Net assets:				
Held in trust.	<u>450</u>	<u>500</u>	<u>336</u>	<u>1,286</u>
Total net assets.	<u>\$ 450</u>	<u>\$ 500</u>	<u>\$ 336</u>	<u>\$ 1,286</u>

CITY OF STOW, OHIO

*COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND BALANCES
PRIVATE PURPOSE TRUST FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2011*

	<u>Stutler Scholarship Fund</u>	<u>Wells Perkins Cemetery</u>	<u>Stow Seniors Commission</u>	<u>Totals</u>
Net assets at beginning of year.	\$ 500	\$ 450	\$ 336	\$ 1,286
Net assets at end of year	<u>\$ 500</u>	<u>\$ 450</u>	<u>\$ 336</u>	<u>\$ 1,286</u>

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
STUTLER SCHOLARSHIP FUND
FOR THE YEAR ENDED DECEMBER 31, 2011*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Fund equity at beginning of year	\$ 450	\$ 450	\$ 450	\$ -
Fund equity at end of year.	<u>\$ 450</u>	<u>\$ 450</u>	<u>\$ 450</u>	<u>\$ -</u>

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
WELLS PERKINS CEMETERY FUND
 FOR THE YEAR ENDED DECEMBER 31, 2011*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Fund equity at beginning of year	<u>\$ 500</u>	<u>\$ 500</u>	<u>\$ 500</u>	<u>\$ -</u>
Fund equity at end of year.	<u><u>\$ 500</u></u>	<u><u>\$ 500</u></u>	<u><u>\$ 500</u></u>	<u><u>\$ -</u></u>

CITY OF STOW, OHIO

*SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
STOW SENIORS COMMISSION FUND
 FOR THE YEAR ENDED DECEMBER 31, 2011*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Fund equity at beginning of year	\$ 336	\$ 336	\$ 336	\$ -
Fund equity at end of year.	<u>\$ 336</u>	<u>\$ 336</u>	<u>\$ 336</u>	<u>\$ -</u>

CITY OF STOW, OHIO

*STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2011*

	Beginning Balance 12/31/2010	Additions	Reductions	Ending Balance 12/31/2011
Road Construction Bonds				
Assets:				
Equity in pooled cash and cash equivalents	\$ 316,759	\$ 7,200	\$ 3,456	\$ 320,503
Total assets	<u>\$ 316,759</u>	<u>\$ 7,200</u>	<u>\$ 3,456</u>	<u>\$ 320,503</u>
Liabilities:				
Undistributed monies	\$ 316,759	\$ 7,200	\$ 3,456	\$ 320,503
Total liabilities	<u>\$ 316,759</u>	<u>\$ 7,200</u>	<u>\$ 3,456</u>	<u>\$ 320,503</u>
 Allotment Deposits				
Assets:				
Equity in pooled cash and cash equivalents	\$ 64,512	\$ -	\$ -	\$ 64,512
Total assets	<u>\$ 64,512</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 64,512</u>
Liabilities:				
Undistributed monies	\$ 64,512	\$ -	\$ -	\$ 64,512
Total liabilities	<u>\$ 64,512</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 64,512</u>
 Miscellaneous Service Deposits				
Assets:				
Equity in pooled cash and cash equivalents	\$ 11,128	\$ 117	\$ 1,000	\$ 10,245
Total assets	<u>\$ 11,128</u>	<u>\$ 117</u>	<u>\$ 1,000</u>	<u>\$ 10,245</u>
Liabilities:				
Undistributed monies	\$ 11,128	\$ 117	\$ 1,000	\$ 10,245
Total liabilities	<u>\$ 11,128</u>	<u>\$ 117</u>	<u>\$ 1,000</u>	<u>\$ 10,245</u>
 Bond Forfeitures				
Assets:				
Equity in pooled cash and cash equivalents	\$ 20,557	\$ -	\$ -	\$ 20,557
Total assets	<u>\$ 20,557</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20,557</u>
Liabilities:				
Deposits held and due to others	\$ 20,557	\$ -	\$ -	\$ 20,557
Total liabilities	<u>\$ 20,557</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20,557</u>

-- Continued

CITY OF STOW, OHIO

*STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2011*

	Beginning Balance 12/31/2010	Additions	Reductions	Ending Balance 12/31/2011
Park and Recreation Deposits				
Assets:				
Equity in pooled cash and cash equivalents	\$ 66,981	\$ 276,036	\$ 275,370	\$ 67,647
Receivables:				
Accounts	66	-	66	-
Total assets	<u>\$ 67,047</u>	<u>\$ 276,036</u>	<u>\$ 275,436</u>	<u>\$ 67,647</u>
Liabilities:				
Undistributed monies	\$ 67,047	\$ 276,036	\$ 275,436	\$ 67,647
Total liabilities	<u>\$ 67,047</u>	<u>\$ 276,036</u>	<u>\$ 275,436</u>	<u>\$ 67,647</u>
Municipal Court Fund				
Assets:				
Cash in segregated accounts	\$ 490,077	\$ 7,843,769	\$ 7,797,547	\$ 536,299
Total assets	<u>\$ 490,077</u>	<u>\$ 7,843,769</u>	<u>\$ 7,797,547</u>	<u>\$ 536,299</u>
Liabilities:				
Intergovernmental payable.	\$ 229,715	\$ 249,988	\$ 229,715	\$ 249,988
Undistributed monies	260,362	7,593,781	7,567,832	286,311
Total liabilities	<u>\$ 490,077</u>	<u>\$ 7,843,769</u>	<u>\$ 7,797,547</u>	<u>\$ 536,299</u>
Deferred Compensation Rotary				
Assets:				
Equity in pooled cash and cash equivalents	\$ -	\$ 485	\$ 485	\$ -
Total assets	<u>\$ -</u>	<u>\$ 485</u>	<u>\$ 485</u>	<u>\$ -</u>
Liabilities:				
Undistributed monies	\$ -	\$ 485	\$ 485	\$ -
Total liabilities	<u>\$ -</u>	<u>\$ 485</u>	<u>\$ 485</u>	<u>\$ -</u>
Well Performance Bond				
Assets:				
Equity in pooled cash and cash equivalents	\$ 40,000	\$ -	\$ -	\$ 40,000
Total assets	<u>\$ 40,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 40,000</u>
Liabilities:				
Undistributed monies	\$ 40,000	\$ -	\$ -	\$ 40,000
Total liabilities	<u>\$ 40,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 40,000</u>

- - Continued

CITY OF STOW, OHIO

*STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2011*

	Beginning Balance 12/31/2010	Additions	Reductions	Ending Balance 12/31/2011
Police Forfeited Cash				
Assets:				
Equity in pooled cash and cash equivalents	\$ 929	\$ -	\$ -	\$ 929
Total assets	<u>\$ 929</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 929</u>
Liabilities:				
Undistributed monies	\$ 929	\$ -	\$ -	\$ 929
Total liabilities	<u>\$ 929</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 929</u>
Police Drug Forfeiture Cash				
Assets:				
Equity in pooled cash and cash equivalents	\$ 11,324	\$ 8,455	\$ 284	\$ 19,495
Receivables:				
Intergovernmental	524	685	524	685
Total assets	<u>\$ 11,848</u>	<u>\$ 9,140</u>	<u>\$ 808</u>	<u>\$ 20,180</u>
Liabilities:				
Accounts payable.	\$ 285	\$ -	\$ 285	\$ -
Undistributed monies	11,563	9,140	523	20,180
Total liabilities	<u>\$ 11,848</u>	<u>\$ 9,140</u>	<u>\$ 808</u>	<u>\$ 20,180</u>
Ohio BBS 3% Surcharge				
Assets:				
Equity in pooled cash and cash equivalents	\$ 45	\$ 2,833	\$ 2,817	\$ 61
Receivables:				
Intergovernmental	17	-	17	-
Total assets	<u>\$ 62</u>	<u>\$ 2,833</u>	<u>\$ 2,834</u>	<u>\$ 61</u>
Liabilities:				
Undistributed monies	\$ 62	\$ 2,833	\$ 2,834	\$ 61
Total liabilities	<u>\$ 62</u>	<u>\$ 2,833</u>	<u>\$ 2,834</u>	<u>\$ 61</u>
Unclaimed Money				
Assets:				
Equity in pooled cash and cash equivalents	\$ 41,459	\$ 7,502	\$ 5,739	\$ 43,222
Total assets	<u>\$ 41,459</u>	<u>\$ 7,502</u>	<u>\$ 5,739</u>	<u>\$ 43,222</u>
Liabilities:				
Undistributed monies	\$ 41,459	\$ 7,502	\$ 5,739	\$ 43,222
Total liabilities	<u>\$ 41,459</u>	<u>\$ 7,502</u>	<u>\$ 5,739</u>	<u>\$ 43,222</u>

- - Continued

CITY OF STOW, OHIO

*STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2011*

	Beginning Balance 12/31/2010	Additions	Reductions	Ending Balance 12/31/2011
Fire Bond Insurance				
Assets:				
Equity in pooled cash and cash equivalents	\$ -	\$ 35,440	\$ -	\$ 35,440
Total assets	<u>\$ -</u>	<u>\$ 35,440</u>	<u>\$ -</u>	<u>\$ 35,440</u>
Liabilities:				
Undistributed monies	\$ -	\$ 35,440	\$ -	\$ 35,440
Total liabilities	<u>\$ -</u>	<u>\$ 35,440</u>	<u>\$ -</u>	<u>\$ 35,440</u>
Unclaimed Court Bonds				
Assets:				
Equity in pooled cash and cash equivalents	\$ 11,952	\$ 2,789	\$ -	\$ 14,741
Receivables:				
Intergovernmental	-	5,164	-	5,164
Total assets	<u>\$ 11,952</u>	<u>\$ 7,953</u>	<u>\$ -</u>	<u>\$ 19,905</u>
Liabilities:				
Undistributed monies	\$ 11,952	\$ 7,953	\$ -	\$ 19,905
Total liabilities	<u>\$ 11,952</u>	<u>\$ 7,953</u>	<u>\$ -</u>	<u>\$ 19,905</u>
Flexible Spending Plan				
Assets:				
Cash in segregated accounts	\$ 15,880	\$ 39,979	\$ 45,529	\$ 10,330
Total assets	<u>\$ 15,880</u>	<u>\$ 39,979</u>	<u>\$ 45,529</u>	<u>\$ 10,330</u>
Liabilities:				
Deposits held and due to others	\$ 15,880	\$ 39,979	\$ 45,529	\$ 10,330
Total liabilities	<u>\$ 15,880</u>	<u>\$ 39,979</u>	<u>\$ 45,529</u>	<u>\$ 10,330</u>
Total Agency				
Assets:				
Equity in pooled cash and cash equivalents	\$ 585,646	\$ 340,857	\$ 289,151	\$ 647,682
Cash in segregated accounts	505,957	7,883,748	7,843,076	536,299
Receivables:				
Accounts	66	-	66	-
Intergovernmental	541	5,849	541	5,849
Total assets	<u>\$ 1,092,210</u>	<u>\$ 8,230,454</u>	<u>\$ 8,132,834</u>	<u>\$ 1,189,830</u>
Liabilities:				
Accounts payable.	\$ 285	\$ -	\$ 285	\$ -
Intergovernmental payable.	229,715	249,988	229,715	249,988
Deposits held and due to others	36,437	39,979	45,529	30,887
Undistributed monies	825,773	7,940,487	7,857,305	908,955
Total liabilities	<u>\$ 1,092,210</u>	<u>\$ 8,230,454</u>	<u>\$ 8,132,834</u>	<u>\$ 1,189,830</u>

CITY OF STOW, OHIO
STATISTICAL SECTION

This part of the City of Stow'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.

<u>Contents</u>	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	161
Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue sources, the income tax and property tax.	173
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.	181
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	187
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.	191

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 2003; schedules presenting government-wide information include information beginning in that year.

THIS PAGE IS INTENTIONALLY LEFT BLANK

STATISTICAL SECTION

FINANCIAL TRENDS

CITY OF STOW, OHIO

NET ASSETS BY COMPONENT
LAST NINE YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year			
	2011	2010	2009	2008
Governmental activities				
Invested in capital assets, net of related debt	\$ 41,520,421	\$ 41,222,186	\$ 38,242,890	\$ 34,733,562
Restricted	6,958,099	7,658,087	7,561,593	11,437,818
Unrestricted	4,746,565	3,516,064	2,481,660	2,893,903
Total governmental activities net assets	<u>\$ 53,225,085</u>	<u>\$ 52,396,337</u>	<u>\$ 48,286,143</u>	<u>\$ 49,065,283</u>
Business-type activities				
Invested in capital assets, net of related debt	\$ 27,562,287	\$ 26,282,921	\$ 24,875,802	\$ 23,018,961
Unrestricted	5,712,740	5,385,246	4,148,920	2,800,179
Total business-type activities net assets	<u>\$ 33,275,027</u>	<u>\$ 31,668,167</u>	<u>\$ 29,024,722</u>	<u>\$ 25,819,140</u>
Primary government				
Invested in capital assets, net of related debt	\$ 69,082,708	\$ 67,505,107	\$ 63,118,692	\$ 57,752,523
Restricted	6,958,099	7,658,087	7,561,593	11,437,818
Unrestricted	10,459,305	8,901,310	6,630,580	5,694,082
Total primary government net assets	<u>\$ 86,500,112</u>	<u>\$ 84,064,504</u>	<u>\$ 77,310,865</u>	<u>\$ 74,884,423</u>

Source: City of Stow, Financial Records

Note: 2003 was the first year the City implemented GASB Statement No. 34, so comparative information before that year is not available.

2007	2006	2005	2004	2003
\$ 32,776,346	\$ 29,534,790	\$ 27,553,492	\$ 25,216,608	\$ 20,570,820
7,217,515	8,857,474	7,001,862	7,635,153	9,036,658
3,145,164	4,086,986	7,739,333	7,163,602	7,685,369
<u>\$ 43,139,025</u>	<u>\$ 42,479,250</u>	<u>\$ 42,294,687</u>	<u>\$ 40,015,363</u>	<u>\$ 37,292,847</u>
\$ 21,095,746	\$ 18,074,614	\$ 18,532,258	\$ 17,251,673	\$ 15,839,601
3,288,345	4,966,486	3,654,574	2,548,005	1,425,497
<u>\$ 24,384,091</u>	<u>\$ 23,041,100</u>	<u>\$ 22,186,832</u>	<u>\$ 19,799,678</u>	<u>\$ 17,265,098</u>
\$ 53,872,092	\$ 47,609,404	\$ 46,085,750	\$ 42,468,281	\$ 36,410,421
7,217,515	8,857,474	7,001,862	7,635,153	9,036,658
6,433,509	9,053,472	11,393,907	9,711,607	9,110,866
<u>\$ 67,523,116</u>	<u>\$ 65,520,350</u>	<u>\$ 64,481,519</u>	<u>\$ 59,815,041</u>	<u>\$ 54,557,945</u>

CITY OF STOW, OHIO
CHANGES IN NET ASSETS
LAST NINE YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year			
	2011	2010	2009	2008
Expenses				
Governmental activities:				
General government	\$ 8,669,487	\$ 8,737,033	\$ 10,154,101	\$ 6,147,957
Security of persons and property	14,453,109	14,199,929	14,418,225	13,327,278
Public health	497,770	445,503	421,832	425,367
Leisure time activities	1,793,620	1,867,648	2,286,945	2,044,492
Community and economic development	1,082,363	686,144	1,380,821	1,420,185
Transportation	4,201,252	5,165,638	4,429,498	3,574,568
Interest and fiscal charges	840,657	889,212	1,074,985	859,793
Depreciation - (Unallocated)	-	-	-	-
Total governmental activities expenses	<u>31,538,258</u>	<u>31,991,107</u>	<u>34,166,407</u>	<u>27,799,640</u>
Business-type activities:				
Water	3,860,564	2,913,323	3,555,964	4,073,731
Golf	1,032,230	1,130,238	1,194,315	1,328,960
Storm Water Utility	1,180,802	737,255	752,345	1,037,405
Total business-type activities expenses	<u>6,073,596</u>	<u>4,780,816</u>	<u>5,502,624</u>	<u>6,440,096</u>
Total primary government expenses	<u>\$ 37,611,854</u>	<u>\$ 36,771,923</u>	<u>\$ 39,669,031</u>	<u>\$ 34,239,736</u>
Program Revenues				
Governmental activities:				
Charges for services:				
General government	\$ 4,080,373	\$ 4,156,491	\$ 3,778,715	\$ 1,175,185
Security of persons and property	645,493	643,889	551,960	602,385
Public health	54,824	58,851	47,841	42,465
Leisure time activities	335,481	295,434	294,675	363,040
Community and economic development	187,218	165,268	166,893	235,657
Transportation	22,955	66,156	81,544	43,775
Operating grants and contributions				
General government	15,648	100	44,497	1,002,209
Security of persons and property	164,835	240,066	159,580	412,760
Public health	46,463	52,084	41,912	34,590
Leisure time activities	49,975	53,580	74,462	149,192
Community and economic development	10,237	26,895	109,625	4,547
Transportation	1,811,591	2,107,461	1,645,161	1,949,031
Capital grants and contributions				
General Government	-	137,134	464,326	831,888
Security of persons and property	-	-	-	-
Leisure time activities	-	-	552	365,276
Transportation	2,042,998	4,557,230	3,922,217	2,150,731
Total governmental program revenues	<u>9,468,091</u>	<u>12,560,639</u>	<u>11,383,960</u>	<u>9,362,731</u>
Business-type activities:				
Charges for services:				
Water	4,999,870	4,934,014	4,824,385	4,937,932
Golf	685,125	750,361	890,927	888,706
Storm Water Utility	830,508	818,358	815,747	785,235
Operating grants and contributions	-	-	-	-
Capital grants and contributions	225,169	216,000	-	734,860
Total business-type activities program revenues	<u>6,740,672</u>	<u>6,718,733</u>	<u>6,531,059</u>	<u>7,346,733</u>
Total primary government program revenue	<u>\$ 16,208,763</u>	<u>\$ 19,279,372</u>	<u>\$ 17,915,019</u>	<u>\$ 16,709,464</u>

	2007	2006	2005	2004	2003
\$	6,578,566	\$ 6,918,887	\$ 6,090,778	\$ 5,432,973	\$ 4,868,501
	14,252,725	15,284,191	12,048,393	11,853,463	12,358,496
	434,833	478,870	440,074	492,311	472,916
	2,208,765	2,362,474	1,951,619	2,078,775	1,734,052
	1,527,660	1,723,424	1,545,734	1,529,252	1,242,741
	5,164,464	3,466,779	3,779,144	3,815,181	2,008,079
	831,442	594,333	694,127	350,575	889,842
	-	-	-	7,428	672,634
	<u>30,998,455</u>	<u>30,828,958</u>	<u>26,549,869</u>	<u>25,559,958</u>	<u>24,247,261</u>
	4,404,703	3,980,833	3,614,891	3,647,156	3,712,059
	1,304,665	1,361,329	-	-	-
	907,519	803,296	642,835	-	-
	<u>6,616,887</u>	<u>6,145,458</u>	<u>4,257,726</u>	<u>3,647,156</u>	<u>3,712,059</u>
\$	<u>37,615,342</u>	<u>\$ 36,974,416</u>	<u>\$ 30,807,595</u>	<u>\$ 29,207,114</u>	<u>\$ 27,959,320</u>
\$	857,393	\$ 878,026	\$ 809,517	\$ 393,667	\$ 367,955
	708,292	564,625	611,180	1,258,830	1,308,313
	47,869	50,759	56,361	29,730	27,104
	295,613	272,149	351,952	152,107	145,037
	243,228	252,718	250,583	237,401	94,760
	20,248	-	-	61,887	64,972
	170,986	-	-	18,831	51,518
	61,514	413,210	522,180	109,192	115,821
	34,394	5,000	-	10,922	21,795
	3,550	-	-	6,229	16,584
	219,517	-	-	23,026	124,114
	1,818,004	1,592,073	1,404,271	2,960	9,096
	1,000,000	-	-	-	-
	-	-	-	64,810	-
	-	-	-	-	-
	<u>406,531</u>	<u>550,997</u>	<u>1,444,831</u>	<u>431,525</u>	<u>903,400</u>
	<u>5,887,139</u>	<u>4,579,557</u>	<u>5,450,875</u>	<u>2,801,117</u>	<u>3,250,469</u>
	5,167,026	4,905,336	4,929,505	4,441,491	4,099,615
	961,526	936,183	-	-	-
	788,270	774,892	725,359	-	-
	-	177,876	106,378	-	-
	414,871	-	856,697	958,467	83,675
	<u>7,331,693</u>	<u>6,794,287</u>	<u>6,617,939</u>	<u>5,399,958</u>	<u>4,183,290</u>
\$	<u>13,218,832</u>	<u>\$ 11,373,844</u>	<u>\$ 12,068,814</u>	<u>\$ 8,201,075</u>	<u>\$ 7,433,759</u>

- - Continued

CITY OF STOW, OHIO

CHANGES IN NET ASSETS (CONTINUED)
LAST NINE YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year			
	2011	2010	2009	2008
Net (Expense)/Revenue				
Governmental activities	\$ (22,070,167)	\$ (19,430,468)	\$ (22,782,447)	\$ (18,436,909)
Business-type activities	667,076	1,937,917	1,028,435	906,637
Total primary government net expense	<u>\$ (21,403,091)</u>	<u>\$ (17,492,551)</u>	<u>\$ (21,754,012)</u>	<u>\$ (17,530,272)</u>
General Revenues, Special Items, and Transfers				
Governmental activities:				
Taxes				
Property taxes	\$ 7,506,559	\$ 7,533,686	\$ 7,414,664	\$ 7,052,140
Income taxes	12,346,779	11,573,713	11,415,940	12,504,118
Grants and entitlements not restricted to specific programs	2,945,092	3,933,904	3,881,534	3,942,230
Investment earnings	70,797	102,494	192,603	470,727
Other	396,105	612,143	660,823	321,544
Premium on debt issued	-	-	-	-
Special item - Municipal Court	-	-	1,778,978	-
Transfers	(366,417)	(215,278)	(346,219)	72,408
Total governmental activities	<u>22,898,915</u>	<u>23,540,662</u>	<u>24,998,323</u>	<u>24,363,167</u>
Business-type activities:				
Municipal income taxes	468,841	361,828	354,440	300,000
Investment earnings	-	-	-	-
Other	104,526	128,422	245,021	300,820
Premium on debt issued	-	-	-	-
Transfers	366,417	215,278	346,219	(72,408)
Total business-type activities	<u>939,784</u>	<u>705,528</u>	<u>945,680</u>	<u>528,412</u>
Total primary government	<u>\$ 23,838,699</u>	<u>\$ 24,246,190</u>	<u>\$ 25,944,003</u>	<u>\$ 24,891,579</u>
Change in Net Assets				
Governmental activities	\$ 828,748	\$ 4,110,194	\$ 2,215,876	\$ 5,926,258
Business-type activities	1,606,860	2,643,445	1,974,115	1,435,049
Total primary government	<u>\$ 2,435,608</u>	<u>\$ 6,753,639</u>	<u>\$ 4,189,991</u>	<u>\$ 7,361,307</u>

Source: City of Stow, Financial Records

Note: 2003 was the first year the City implemented GASB Statement No. 34, so comparative information before that year is not available.

2007	2006	2005	2004	2003
\$ (25,111,316)	\$ (26,249,401)	\$ (21,098,994)	\$ (22,758,841)	\$ (20,996,792)
714,806	648,829	2,360,213	1,752,802	471,231
<u>\$ (24,396,510)</u>	<u>\$ (25,600,572)</u>	<u>\$ (18,738,781)</u>	<u>\$ (21,006,039)</u>	<u>\$ (20,525,561)</u>
\$ 7,639,945	\$ 7,871,452	\$ 7,459,294	\$ 6,844,640	\$ 6,797,865
12,642,876	11,579,104	11,209,387	11,422,047	11,167,214
3,890,054	3,814,628	3,354,221	4,655,070	4,092,246
1,293,813	894,418	471,060	219,668	290,877
414,403	2,274,362	884,356	416,504	519,809
-	-	-	146,083	78,919
-	-	-	-	34,474
(110,000)	-	-	753,480	88,196
<u>25,771,091</u>	<u>26,433,964</u>	<u>23,378,318</u>	<u>24,457,492</u>	<u>23,069,600</u>
197,571	-	-	-	-
-	-	-	4,963	9,133
320,614	205,439	26,941	100,622	63,272
-	-	-	20,470	11,398
110,000	-	-	(753,480)	(88,196)
<u>628,185</u>	<u>205,439</u>	<u>26,941</u>	<u>(627,425)</u>	<u>(4,393)</u>
<u>\$ 26,399,276</u>	<u>\$ 26,639,403</u>	<u>\$ 23,405,259</u>	<u>\$ 23,830,067</u>	<u>\$ 23,065,207</u>
\$ 659,775	\$ 184,563	\$ 2,279,324	\$ 1,698,651	\$ 2,072,808
1,342,991	854,268	2,387,154	1,125,377	466,838
<u>\$ 2,002,766</u>	<u>\$ 1,038,831</u>	<u>\$ 4,666,478</u>	<u>\$ 2,824,028</u>	<u>\$ 2,539,646</u>

CITY OF STOW, OHIO

FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	<u>2011 (1)</u>	<u>2010 (2)</u>	<u>2009</u>	<u>2008</u>
General Fund				
Nonspendable	\$ 320,672	\$ -	\$ -	\$ -
Committed	64,876	-	-	-
Assigned	2,485,844	-	-	-
Unassigned	2,502,787	-	-	-
Reserved	-	714,764	605,178	493,673
Unreserved:				
Designated	-	1,000,000	1,000,000	-
Undesignated	-	2,976,313	2,856,832	5,140,973
Total general fund	<u>\$ 5,374,179</u>	<u>\$ 4,691,077</u>	<u>\$ 4,462,010</u>	<u>\$ 5,634,646</u>
All Other Governmental Funds				
Nonspendable	\$ 533,237	\$ -	\$ -	\$ -
Restricted	5,568,649	-	-	-
Committed	1,420,126	-	-	-
Unassigned (deficit)	(536,592)	-	-	-
Reserved	-	1,383,270	1,340,169	1,979,695
Unreserved, undesignated reported in:				
Special revenue funds	-	2,968,820	3,142,525	2,221,047
Capital projects funds	-	2,083,262	1,842,344	6,255,297
Total all other governmental funds	<u>\$ 6,985,420</u>	<u>\$ 6,435,352</u>	<u>\$ 6,325,038</u>	<u>\$ 10,456,039</u>

Source: City of Stow, Financial Records

- (1) The City implemented GASB Statement No. 54 in 2011. Only balances at December 31, 2011 are presented in accordance with GASB Statement No. 54.
- (2) Amounts have been restated from prior year's CAFR.

<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
648,662	1,003,425	734,620	570,919	640,154	1,803,014
-	-	-	-	-	-
5,234,108	5,275,404	4,795,925	5,226,327	5,117,349	4,549,300
<u>\$ 5,882,770</u>	<u>\$ 6,278,829</u>	<u>\$ 5,530,545</u>	<u>\$ 5,797,246</u>	<u>\$ 5,757,503</u>	<u>\$ 6,352,314</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
7,444,910	2,239,930	1,300,045	1,138,739	3,712,841	9,310,570
1,553,319	1,779,727	1,554,666	2,129,062	2,030,952	(1,480,404)
4,694,850	4,193,828	3,896,066	3,730,693	4,836,697	(4,155,417)
<u>\$ 13,693,079</u>	<u>\$ 8,213,485</u>	<u>\$ 6,750,777</u>	<u>\$ 6,998,494</u>	<u>\$ 10,580,490</u>	<u>\$ 3,674,749</u>

CITY OF STOW, OHIO

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Revenues				
Property and other taxes	\$ 7,439,333	\$ 7,440,114	\$ 7,433,923	\$ 7,233,714
Income taxes	12,510,420	11,602,741	10,878,906	12,785,284
Special assessments	79,284	79,891	87,235	80,553
Charges for services	989,297	989,314	891,690	998,218
Licenses and permits	610,777	757,871	745,026	646,657
Fines and forfeitures	3,318,885	3,290,911	2,931,853	467,519
Intergovernmental	7,229,340	10,787,212	7,551,001	9,298,787
Investment income	81,151	71,668	198,896	465,201
Rent	251,610	279,040	283,061	295,768
Contributions and donations	41,899	51,542	538,048	206,791
Other	625,040	891,784	3,092,860	1,169,349
Total revenues	<u>33,177,036</u>	<u>36,242,088</u>	<u>34,632,499</u>	<u>33,647,841</u>
Expenditures				
Current:				
General government	8,016,135	8,390,076	9,327,006	6,178,362
Security of persons and property	12,993,041	13,349,173	13,342,694	12,821,027
Public health	473,722	430,664	423,408	461,549
Leisure time activities	1,551,330	1,688,869	2,057,269	1,963,730
Community and economic development	1,055,196	1,127,128	1,321,055	1,443,280
Transportation	2,736,071	3,321,718	2,561,137	3,068,690
Capital outlay	3,300,320	5,096,319	9,866,073	13,514,969
Other	-	-	-	-
Debt service:				
Principal retirement	894,177	867,277	742,348	14,955,172
Interest and fiscal charges	879,409	934,179	1,059,124	1,234,812
Bond and note issuance costs	-	6,907	48,478	176,146
Total expenditures	<u>31,899,401</u>	<u>35,212,310</u>	<u>40,748,592</u>	<u>55,817,737</u>
Excess of revenues over (under) expenditures	1,277,635	1,029,778	(6,116,093)	(22,169,896)
Other Financing Sources (Uses)				
Notes issued	7,025,000	7,125,000	7,925,000	9,475,000
Premium on notes	55,535	109,603	77,882	228,069
Refunding bonds issued	-	-	-	8,073,932
Accrued interest received on debt issuance	-	-	-	-
Refunding of notes	(7,125,000)	(7,925,000)	(9,475,000)	-
Payment to refunded bond escrow agent	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Capital lease transaction	-	-	505,596	907,731
Loss on sale of common stock	-	-	-	-
Transfers in	1,948,887	1,831,835	1,771,307	734,445
Transfers out	(1,948,887)	(1,831,835)	(1,771,307)	(734,445)
Total other financing sources (uses)	<u>(44,465)</u>	<u>(690,397)</u>	<u>(966,522)</u>	<u>18,684,732</u>
Special item - Municipal Court	-	-	1,778,978	-
Net change in fund balances	<u>\$ 1,233,170</u>	<u>\$ 339,381</u>	<u>\$ (5,303,637)</u>	<u>\$ (3,485,164)</u>
Capital expenditures	2,062,962	4,332,436	8,883,818	15,435,962
Debt service as a percentage of noncapital expenditures	5.94%	5.83%	5.65%	40.09%

Source: City of Stow, Financial Records

	2007	2006	2005	2004	2003	2002
\$	7,429,309	\$ 7,416,170	\$ 6,830,535	\$ 6,847,919	\$ 6,675,497	\$ 6,133,362
	12,595,578	12,013,125	11,832,911	11,422,047	11,167,214	11,281,810
	72,689	51,417	61,809	57,600	53,454	52,917
	913,908	829,301	965,041	1,062,425	977,307	1,043,272
	674,105	812,172	760,506	823,125	878,235	615,963
	159,063	143,822	115,118	152,428	96,039	77,000
	6,910,284	6,480,588	6,447,556	5,212,987	5,274,336	4,425,388
	1,309,078	873,755	451,530	215,183	285,379	457,090
	280,274	264,570	189,731	95,644	-	-
	53,714	12,593	1,338	5,697	-	-
	587,069	2,178,764	883,018	422,376	520,129	718,788
	<u>30,985,071</u>	<u>31,076,277</u>	<u>28,539,093</u>	<u>26,317,431</u>	<u>25,927,590</u>	<u>24,805,590</u>
	5,682,480	5,126,246	4,980,022	4,662,459	4,337,419	4,038,069
	12,211,360	11,668,726	10,720,669	10,613,717	10,107,920	8,874,918
	402,885	400,521	384,994	405,931	435,598	469,082
	1,967,626	1,843,051	1,756,686	1,712,128	1,646,323	1,486,482
	1,357,699	1,368,784	1,329,499	1,293,809	1,163,616	1,132,509
	3,479,526	2,500,585	2,922,095	2,856,791	2,542,914	2,352,871
	8,040,397	4,220,049	4,976,831	7,333,364	12,567,939	10,434,356
	-	-	-	-	3,863	6,389
	10,808,200	11,656,000	12,511,858	14,134,662	15,627,361	180,000
	652,997	586,369	499,341	475,179	735,296	382,395
	60,040	-	-	141,726	-	-
	<u>44,663,210</u>	<u>39,370,331</u>	<u>40,081,995</u>	<u>43,629,766</u>	<u>49,168,249</u>	<u>29,357,071</u>
	(13,678,139)	(8,294,054)	(11,542,902)	(17,312,335)	(23,240,659)	(4,551,481)
	14,565,172	10,423,200	11,281,000	12,141,858	13,923,919	59,694
	106,502	81,846	74,300	95,745	-	-
	4,200,000	-	-	6,440,000	-	-
	-	-	-	16,203	-	-
	-	-	-	-	-	-
	-	-	-	(6,281,301)	-	-
	-	-	-	-	34,474	-
	-	-	-	-	-	-
	-	-	-	-	-	(6,122)
	850,341	569,879	571,188	1,413,421	684,228	6,894,637
	(960,341)	(569,879)	(571,188)	(659,941)	(596,032)	(6,894,637)
	<u>18,761,674</u>	<u>10,505,046</u>	<u>11,355,300</u>	<u>13,165,985</u>	<u>14,046,589</u>	<u>53,572</u>
	-	-	-	-	-	-
\$	<u>5,083,535</u>	<u>\$ 2,210,992</u>	<u>\$ (187,602)</u>	<u>\$ (4,146,350)</u>	<u>\$ (9,194,070)</u>	<u>\$ (4,497,909)</u>
	6,927,367	2,722,203	3,199,104	5,823,962	12,101,292	10,434,356
	30.37%	33.41%	35.28%	38.64%	44.14%	2.97%

THIS PAGE IS INTENTIONALLY LEFT BLANK

REVENUE CAPACITY

CITY OF STOW, OHIO

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN YEARS
(RATE PER \$1,000 OF ASSESSED VALUE)

Collection Year	Real Property (1)		Public Utility Property (2)		Tangible Personal Property (3)	
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
2011	\$ 856,833,320	\$ 2,448,095,200	\$ 7,884,350	\$ 31,537,400	\$ -	\$ -
2010	856,851,080	2,448,145,943	7,716,670	30,866,680	824,295	13,188,720
2009	849,550,200	2,427,286,286	7,155,660	28,622,640	1,772,229	28,355,664
2008	818,636,300	2,338,960,857	6,903,620	27,614,480	13,619,113	217,905,808
2007	807,864,530	2,308,184,371	11,680,280	46,721,120	24,319,941	194,559,528
2006	785,872,830	2,245,350,943	10,062,490	40,249,960	35,360,828	188,591,083
2005	726,040,350	2,074,401,000	11,035,980	44,143,920	35,360,828	141,443,312
2004	705,710,080	2,016,314,514	10,855,300	43,421,200	47,772,680	160,005,088
2003	693,300,320	1,980,858,057	11,361,260	45,445,040	51,014,864	171,524,939
2002	611,933,190	1,748,380,543	10,647,060	42,588,240	54,307,489	186,740,648

Source: Summit County Fiscal Officer

- (1) Real property is assessed at 35% of actual value. Real property taxes collected in a calendar year are levied as of January 1 of that year based on assessed values as of January 1 of the preceding year.
- (2) Public utility is assessed at 25% of actual value. Public utility real and tangible property taxes collected in a calendar year are levied in the preceding calendar year based on assessed values determined as of December 31 of the second preceding year.
- (3) For 2005 and prior, tangible personal is assessed at 25% of true value for capital assets and 23% percent of true value for inventory. For 2006, tangible personal personal property tax is assessed at 18.75% of property value, including inventory. For 2007, tangible personal personal property tax is assessed at 12.50% of property value, including inventory. For 2008, tangible personal personal property tax is assessed at 6.25% of property value, including inventory. For 2009, tangible personal personal property tax is assessed at 0.00% of property value, including inventory, except for telephone tangible personal property which is assessed at 10% of property value, including inventory. In 2009 and 2010 telephone tangible is the only taxable tangible personal property. Tangible personal personal property tax was phased out in 2011.

Total			
Assessed Value	Estimated Actual Value	Total Direct Rate	Ratio
\$ 864,717,670	\$ 2,479,632,600	9.50	34.87%
865,392,045	2,492,201,343	9.50	34.72%
858,478,089	2,484,264,590	9.50	34.56%
839,159,033	2,584,481,145	9.50	32.47%
843,864,751	2,549,465,019	9.50	33.10%
831,296,148	2,474,191,986	9.50	33.60%
772,437,158	2,259,988,232	9.50	34.18%
764,338,060	2,219,740,802	9.50	34.43%
755,676,444	2,197,828,036	9.50	34.38%
676,887,739	1,977,709,431	9.50	34.23%

CITY OF STOW, OHIO

DIRECT AND OVERLAPPING PROPERTY TAX RATES
(RATE PER \$1,000 OF ASSESSED VALUE)
LAST TEN YEARS

Collection Year	City Direct Rates					Overlapping Rates		
	General Operating	Police Pension	Fire Pension	EMS	Total Direct	Stow-Munroe Falls City School District	Summit County	Stow-Munroe Falls Public Library
2011	6.60	0.30	0.30	2.30	9.50	45.62	14.57	1.00
2010	6.60	0.30	0.30	2.30	9.50	45.15	14.16	1.00
2009	6.60	0.30	0.30	2.30	9.50	45.25	14.16	1.00
2008	6.60	0.30	0.30	2.30	9.50	45.93	14.26	1.00
2007	6.60	0.30	0.30	2.30	9.50	45.62	14.57	1.00
2006	6.60	0.30	0.30	2.30	9.50	46.73	13.07	1.00
2005	6.60	0.30	0.30	2.30	9.50	47.88	13.07	-
2004	6.60	0.30	0.30	2.30	9.50	47.93	13.07	-
2003	6.60	0.30	0.30	2.30	9.50	48.32	13.07	-
2002	6.60	0.30	0.30	2.30	9.50	45.74	13.07	-

Source: Summit County Fiscal Officer

CITY OF STOW, OHIO

PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN YEARS

<u>Year</u>	<u>Current Tax Levy</u>	<u>Current Tax Collections</u>	<u>Percent of Current Tax Collections to Current Tax Levy</u>	<u>Delinquent Tax Collections</u>	<u>Total Tax Collections</u>	<u>Percent of Total Tax Collections to Current Tax Levy</u>
2011	\$ 8,214,843	\$ 7,899,776	96.16%	\$ 315,067	\$ 8,214,843	100.00%
2010	8,213,417	7,951,169	96.81%	262,248	8,213,417	100.00%
2009	8,138,730	7,896,204	97.02%	232,571	8,128,775	99.88%
2008	7,846,181	7,632,381	97.28%	232,412	7,864,793	100.24%
2007	7,785,698	7,567,654	97.20%	169,539	7,737,193	99.38%
2006	7,636,480	7,449,227	97.55%	178,019	7,627,246	99.88%
2005	7,002,463	6,829,291	97.53%	170,235	6,999,526	99.96%
2004	6,817,956	6,644,645	97.46%	165,073	6,809,718	99.88%
2003	6,694,114	6,499,566	97.09%	160,251	6,659,817	99.49%
2002	6,102,629	5,791,916	94.91%	144,724	5,936,640	97.28%

Source: Summit County Fiscal Officer

(1) The Summit County Fiscal Officer does not identify delinquent tax collections by tax year.

CITY OF STOW, OHIO

PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO

December 31, 2011			
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
DDR Ohio Opportunity II, LLC	\$ 8,917,250	1	1.03%
Heron Springs Associates, LLC	7,832,080	2	0.91%
Ohio Edison	6,335,100	3	0.73%
Wyndham Ridge, LTD	5,298,990	4	0.61%
Stow Glen Properties, LLC	4,894,380	5	0.57%
JVM Hidden Lake Apartments, LLC	4,636,380	6	0.54%
Morgan Adhesive Co.	4,550,320	7	0.53%
SFC Enterprises, LTD	4,485,470	8	0.52%
Steels Corners Apartment Co, LTD	3,915,990	9	0.45%
NHF RE 2, LLC	3,600,770	10	0.42%
Total	<u>\$ 54,466,730</u>		<u>6.30%</u>
Total Assessed Value of Property	<u>\$ 864,717,670</u>		

December 31, 2002			
Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	
DDR Ohio Opportunity II, LLC	\$ 7,785,070	1	1.15%
Heron Springs Associates, LLC	7,529,010	2	1.11%
Wyndham Ridge, LTD	5,110,690	3	0.76%
Stow Glen Properties, LLC	4,388,820	4	0.65%
Morgan Adhesive Co.	4,109,510	5	0.61%
Steels Corners Apartment Co, LTD	4,077,970	6	0.60%
Stow Associates	3,944,090	7	0.58%
Aetna Life Insurance Co.	3,863,750	8	0.57%
Risman, William B. Trustee	2,960,220	9	0.44%
Stow Falls Retail Limited Partnership	2,538,440	10	0.38%
Total	<u>\$ 46,307,570</u>		<u>6.84%</u>
Total Assessed Value of Property	<u>\$ 676,887,739</u>		

Source: Summit County Fiscal Officer

CITY OF STOW, OHIO

**INCOME TAX REVENUE BASE AND COLLECTIONS
LAST TEN YEARS**

<u>Year</u>	<u>Tax Rate</u>	<u>Total Tax Collected (1)</u>	<u>Taxes from Withholding</u>	<u>Percentage of Taxes from Withholding</u>	<u>Taxes From Net Profits</u>	<u>Percentage of Taxes from Net Profits</u>	<u>Taxes from Individuals</u>	<u>Percentage of Taxes from Individuals</u>
2011	2.00%	\$ 12,825,200	\$ 8,790,473	68.54%	\$ 1,696,480 (2)	13.23%	\$ 2,338,247	18.23%
2010	2.00%	11,614,488	8,351,420	71.91%	1,137,763 (2)	9.80%	2,125,305	18.30%
2009	2.00%	11,952,908	8,275,950	69.24%	1,399,666 (2)	11.71%	2,277,292	19.05%
2008	2.00%	12,936,136	8,733,340	67.51%	1,672,184 (2)	12.93%	2,530,611	19.56%
2007	2.00%	12,739,604	8,630,468	67.75%	1,572,191 (2)	12.34%	2,536,945	19.91%
2006	2.00%	11,886,629	8,102,987	68.17%	1,395,119 (2)	11.74%	2,388,523	20.09%
2005	2.00%	12,054,635	7,833,216	64.98%	1,487,884 (2)	12.34%	2,733,535	22.68%
2004	2.00%	11,463,637	7,745,451	67.57%	997,939 (2)	8.71%	2,720,247	23.73%
2003	2.00%	11,378,531	7,596,252	66.76%	1,132,905 (2)	9.96%	2,649,374	23.28%
2002	2.00%	11,340,627	7,605,139	67.06%	928,622 (2)	8.19%	2,806,866	24.75%

Source: City of Stow, Income Tax Department

(1) These amounts are the actual cash basis income tax collections by the City.

(2) Payments made by electric and telephone companies as mandated by ORC 5745 are included in these amounts.

THIS PAGE IS INTENTIONALLY LEFT BLANK

DEBT CAPACITY

CITY OF STOW, OHIO

RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN YEARS

Fiscal Year	Governmental Activities			Business-Type Activities		
	General Obligation Bonds	Notes	Capital Lease	OWDA Loans	OPWC Loans	General Obligation Bonds
2011	\$ 14,774,275	\$ 7,875,000	\$ 989,182	\$ -	\$ 167,976	\$ 5,555,725
2010	15,490,265	7,925,000	1,167,369	-	173,768	5,719,735
2009	16,186,592	8,575,000	1,338,319	-	191,144	5,878,408
2008	16,853,932	9,475,000	907,731	-	196,936	6,036,068
2007	9,170,000	14,565,172	-	25,984	208,520	5,500,000
2006	5,355,000	10,423,200	-	51,516	220,104	-
2005	5,730,000	11,281,000	-	76,635	231,688	-
2004	6,100,000	12,141,858	-	99,879	195,353	-
2003	5,820,000	13,845,000	-	121,389	-	-
2002	6,015,000	15,505,000	-	141,294	-	-

Source: City of Stow, Financial Records

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

(1) Population and personal income data is presented on page 189.

Business-Type Activities

<u>Notes</u>	<u>Capital Lease</u>	<u>Total Primary Government</u>	<u>Percentage of Personal Income (1)</u>	<u>Per Capita (1)</u>
\$ 600,000	\$ 273,704	\$ 30,235,862	2.83%	987
800,000	317,393	31,593,530	2.98%	1,038
1,000,000	359,280	33,528,743	2.50%	1,039
1,200,000	291,483	34,961,150	2.66%	919
2,579,828	-	32,049,504	2.53%	876
9,021,800	-	25,071,620	2.12%	729
2,064,000	-	19,383,323	1.74%	597
2,503,142	-	21,040,232	1.98%	678
2,000,000	-	21,786,389	2.12%	726
2,300,000	-	23,961,294	2.41%	813

CITY OF STOW, OHIO

RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN YEARS

Fiscal Year	General Bonded Debt Outstanding		Percentage of Estimated Actual Taxable Value of Property	Per Capita
	General Obligation Bonds	Total		
2011	\$ 20,330,000	\$ 20,330,000	0.82%	\$ 584
2010	21,210,000	21,210,000	0.85%	609
2009	22,065,000	22,065,000	0.89%	651
2008	22,890,000	22,890,000	0.89%	672
2007	9,170,000	9,170,000	0.36%	265
2006	5,355,000	5,355,000	0.22%	156
2005	5,730,000	5,730,000	0.25%	167
2004	6,100,000	6,100,000	0.27%	178
2003	5,820,000	5,820,000	0.26%	170
2002	6,015,000	21,520,000	1.09%	637
2001	6,195,000	6,195,000	0.32%	185

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

Source: City of Stow, Financial Records

CITY OF STOW, OHIO

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2011

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Direct:			
City of Stow	\$ 22,649,275	100.00%	\$ 22,649,275
Overlapping Debt:			
Summit County	51,525,000	6.96%	3,586,140
Stow-Munroe Falls City School District	2,885,000	87.24%	2,516,874
Akron Metro Regional Transit Authority	300,000	6.96%	<u>20,880</u>
Subtotal, overlapping debt			<u>6,123,894</u>
Total direct and overlapping debt			<u><u>\$ 28,773,169</u></u>

Source: Ohio Municipal Advisory Council

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

Note: The percentage of debt outstanding applicable to the City was determined by dividing each jurisdiction's assessed valuation within the City by the jurisdiction's total assessed valuation.

CITY OF STOW, OHIO

LEGAL DEBT MARGIN INFORMATION
LAST TEN YEARS

Fiscal Year	Debt Limit - Voted	Debt Limit - Unvoted	Net Debt Applicable to Limit	Legal Debt Margin - Voted	Legal Debt Margin - Unvoted	Total Net Debt Applicable to Limit as a Percentage of Debt Limit
2011 (a)	\$ 90,795,355	\$ 47,559,472	\$ 23,155,000	\$ 67,787,963	\$ 47,559,472	25.50%
2010 (a)	90,866,165	47,551,226	23,935,000	66,931,165	47,551,226	26.34%
2009 (a)	90,013,021	47,149,678	22,065,000	67,948,021	47,149,678	24.51%
2008 (a)	86,681,692	45,404,696	22,890,000	63,791,692	45,404,696	26.41%
2007 (a)	85,546,487	44,810,065	9,170,000	76,376,487	44,810,065	10.72%
2006	87,286,096	45,721,288	5,355,000	81,931,096	45,721,288	6.13%
2005	81,105,902	42,484,044	5,730,000	75,375,902	42,484,044	7.06%
2004	80,255,496	42,038,593	6,100,000	74,155,496	42,038,593	7.60%
2003	79,346,027	41,562,204	5,820,000	73,526,027	41,562,204	7.33%
2002	71,073,213	37,228,826	6,015,000	65,058,213	37,228,826	8.46%

Source: City of Stow, Financial Records

(a) Beginning in 2007, the debt limit excludes the assessed valuation of tangible personal property tax, as well as railroad and telephone public utility personal property in accordance with Ohio House Bill 530.

Note: Ohio Bond Law sets a limit of 10.5% for voted debt and 5.5% for unvoted debt.

DEMOGRAPHIC AND ECONOMIC INFORMATION

THIS PAGE IS INTENTIONALLY LEFT BLANK

CITY OF STOW, OHIO

DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN YEARS

<u>Year</u>	<u>Population (1)</u>	<u>Personal Income (2)</u>	<u>Per Capita Personal Income (2) & (4)</u>	<u>School Enrollment</u>	<u>Unemployment Rate (3)</u>
2011	34,837 (est.)	\$1,067,161,821 (est.)	\$30,633 (est.)	6,019	8.5%
2010	34,837	1,060,473,117	30,441	5,554	8.5%
2009	33,873	1,093,217,202	32,274	5,517	8.5%
2008	34,051	1,295,981,060	38,060	5,688	5.3%
2007	34,550	1,264,391,800	36,596	5,927	4.5%
2006	34,335	1,180,952,325	34,395	6,000	4.3%
2005	34,397	1,116,595,414	32,462	6,080	5.8%
2004	34,343	1,065,216,831	31,017	6,076	6.1%
2003	34,206	1,026,145,794	29,999	6,001	5.7%
2002	33,771	994,758,576	29,456	5,836	6.1%

Sources:

- (1) U.S. Census Estimates
- (2) Ohio Workforce Informer, Akron Metropolitan Statistical Area Data
- (3) Ohio Bureau of Employment Services, U.S. Department of Labor and Bureau of Labor Statistics
- (4) ESRI & Info USA

CITY OF STOW, OHIO

PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

2011		
Employer	Employees	Rank
Stow-Munroe Falls City Schools	720	1
MACtac - Morgan Adhesives	323	2
Akron General Health & Wellness Center	250	3
City of Stow	235	4
Matco Tools Corporation	235	5
National Machine Company	186	6
Wrayco Industries, Inc.	171	7
J.D. Clunk & Associates	141	8
Anderson International	107	9
Audio Technica	105	10
Total	<u>2,473</u>	

2002		
Employer	Employees	Rank
Stow-Munroe Falls City Schools	639	1
MacTac - Morgan Adhesives	400	2
Goodyear Stow Mold Plant	230	3
Oak Technical Inc.	223	4
City of Stow	207	5
Matco Tools Corp.	170	6
Eagle Plastics Division - Plastics Components, Inc.	150	7
Saint Gobain Norpro Corporation	130	8
Wrayco Industries, Inc.	115	9
Audio Technica U.S. Corporation	114	10
Total	<u>2,378</u>	

Source: City of Stow, Department of Planning & Development

OPERATING INFORMATION

THIS PAGE IS INTENTIONALLY LEFT BLANK

CITY OF STOW, OHIO

FULL TIME EQUIVALENT CITY GOVERNMENT
EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN YEARS

Full-time Equivalent Employees as of December 31

Function/Program	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
General government										
Management service	24	23	29	31	30	33	33	31	29	29
Finance	9	9	13	13	13	13	13	13	13	13
Planning	6	6	6	6	6	6	7	7	7	6
Building	4	4	6	6	6	6	7	7	7	7
Other - Public Utilities	12	9	13	14	14	10	10	9	8	8
Municipal court personnel (a)	36	35	33	-	-	-	-	-	-	-
Security of persons and property										
Officers	39	40	40	44	43	38	38	34	34	33
Civilians	78	80	81	83	75	74	74	73	73	73
Public health and welfare	1	1	1	1	1	1	1	1	1	1
Transportation	13	17	22	22	21	23	22	22	21	20
Community environment	3	3	3	3	3	3	3	3	3	3
Leisure time activity	15	15	14	14	14	18	14	13	13	14
Total	240	242	261	237	226	225	222	213	209	207

Source: City of Stow Finance Office

(a) The City of Stow assumed operations of the Municipal Court effective January 1, 2009.

CITY OF STOW, OHIO

**OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN YEARS**

Function/Program	2011	2010	2009	2008
General Government				
Council				
Number of Ordinances & resolutions	141	201	280	268
Court				
Number of court cases	20,098	19,631	18,826	4,135
Number of tickets	12,021	11,292	10,661	7,026
Number of court appearances	3,769	3,339	3,436	1,073
Finance				
Checks issued	5,295	5,680	6,277	6,262
Purchase orders issued	2,403	2,459	2,987	3,310
Number of W-2 forms issued	478	478	511	459
City W-2 Wages	\$ 16,522,771	\$ 16,824,239	\$ 17,590,450	\$ 15,606,792
Security of persons and property				
Police				
Physical arrests	771	868	885	1,826
Parking violations	189	152	201	457
Traffic citations	2,214	2,073	2,950	7,026
Traffic accidents	660	662	697	621
Marked patrol units	21	19	20	20
Unmarked patrol units	8	9	9	9
Calls for service answered	11,899	12,087	12,060	12,226
Fire				
Fire engines	4	4	4	4
Calls answered	3,412	3,311	3,352	3,433
Number of inspections by Fire Prevention Bureau	1,364	1,125	1,437	1,439
Transportation				
Number of bridges	13	13	13	13
Number of street lights	1,247	1,247	1,246	1,246
Number of signalized intersections	47	47	47	47
Community Environment				
Building				
Building permits issued	572	490	542	596
Inspections performed	1,624	1,522	1,024	1,288
Estimated value of construction	\$ 26,150,449	\$ 11,675,618	\$ 13,998,794	\$ 30,356,224
Number of plans examined	128	85	94	61
Public Health and Welfare				
Cemetery (plots sold)	48	64	49	40
Water				
Miles of water mains	165	165	152	152
Number of water tanks	1	1	1	1
Maximum holding capacity of water tank in gallons	2,500,000	2,500,000	2,500,000	2,500,000
Number of service connections	12,000	12,000	12,000	12,000
Number of fire hydrants	2,500	2,500	2,225	2,225
Daily average consumption in gallons	3,000,000	3,000,000	3,100,000	3,200,000

Source: City of Stow, various departments

2007	2006	2005	2004	2003	2002
250	205	226	292	195	247
4,423	4,717	4,073	5,014	4,271	4,041
7,855	7,678	7,171	8,546	7,450	6,898
1,040	1,050	1,000	1,200	1,025	950
6,215	6,311	6,407	6,424	6,749	6,496
3,274	3,270	2,839	3,118	3,376	3,580
460	443	426	415	413	408
\$ 15,048,694	\$ 14,093,448	\$ 13,262,323	\$ 13,144,667	\$ 12,098,984	\$ 11,130,679
1,222	1,399	1,294	1,317	1,354	1,543
444	150	139	303	247	389
6,511	7,528	7,032	8,243	7,203	6,509
655	841	970	1,015	1,031	1,109
21	19	N/A	N/A	N/A	N/A
7	5	5	5	5	5
12,456	21,411	21,267	22,183	21,102	22,439
4	4	4	4	4	3
3,387	3,354	3,531	3,305	3,350	3,404
1,689	1,219	938	846	762	724
13	13	13	13	13	13
1,246	1,239	1,210	1,112	1,074	1,074
47	47	47	46	46	46
672	672	730	877	902	821
1,006	1,415	1,908	2,366	2,231	2,058
\$ 59,582,633	\$ 41,431,980	\$ 28,390,400	\$ 55,325,891	\$ 43,094,062	\$ 52,600,342
78	63	69	65	61	57
60	56	68	52	62	103
152	151	151	151	151	151
1	1	1	1	1	1
2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000
12,000	11,900	11,800	11,600	11,500	10,900
2,225	2,100	2,100	2,100	2,100	2,100
3,000,000	3,000,000	2,950,000	2,900,000	2,800,000	2,700,000

CITY OF STOW, OHIO

**CAPITAL ASSET INDICATORS
LAST TEN YEARS**

Function/Program	2011	2010	2009	2008
Public Safety				
Police:				
Stations	1.00	1.00	1.00	1.00
Fire:				
Stations	3.00	3.00	3.00	3.00
Leisure Time Activities				
City Parks	4.00	4.00	4.00	4.00
Neighborhood Parks	6.00	6.00	6.00	6.00
Park Acreage	407.75	407.75	407.75	407.75
Lodges	3.00	3.00	3.00	3.00
Ballfields	15.00	15.00	15.00	15.00
Tennis Courts	4.00	4.00	4.00	4.00
Volleyball Courts	-	-	-	-
Camp Sites	27.00	27.00	27.00	27.00
Transportation				
City Lanes (Paved Miles)	293.00	293.00	293.00	293.00
State Highways (Paved Miles)	48.00	48.00	48.00	48.00

Source: City of Stow, various departments

<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
1.00	1.00	1.00	1.00	1.00	1.00
3.00	3.00	3.00	3.00	3.00	2.00
4.00	4.00	4.00	4.00	4.00	4.00
6.00	6.00	6.00	6.00	6.00	6.00
407.75	407.75	407.75	407.75	407.75	407.75
3.00	4.00	4.00	4.00	4.00	4.00
15.00	7.00	13.00	7.00	7.00	10.00
4.00	4.00	4.00	4.00	4.00	4.00
-	3.00	1.00	3.00	3.00	4.00
27.00	27.00	27.00	27.00	27.00	27.00
293.00	293.00	293.00	283.00	283.00	343.00
48.00	48.00	48.00	47.00	47.00	44.00

CITY OF STOW, OHIO

**CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM - GOVERNMENTAL ACTIVITIES
LAST NINE YEARS**

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Land	\$ 11,202,207	\$ 11,202,207	\$ 11,202,207	\$ 11,327,515
Construction in progress	3,110,833	1,761,672	7,798,151	15,820,309
Buildings and building improvements	25,073,391	25,757,410	26,493,723	15,875,007
Vehicles	3,343,819	3,641,213	4,049,487	3,897,629
Equipment, furniture and fixtures	2,338,082	2,602,336	2,674,827	1,495,720
Infrastructure	<u>19,789,030</u>	<u>20,780,748</u>	<u>12,040,957</u>	<u>13,123,310</u>
Total Capital Assets, Net	<u>\$ 64,857,362</u>	<u>\$ 65,745,586</u>	<u>\$ 64,259,352</u>	<u>\$ 61,539,490</u>

Source: City of Stow, Financial Records

2007	2006	2005	2004	2003
\$ 11,315,360	\$ 10,127,855	\$ 10,157,855	\$ 10,076,005	\$ 9,937,445
3,108,666	1,071,785	2,755,424	3,526,044	12,102,100
16,517,663	17,088,395	17,793,185	16,446,238	5,273,199
3,912,139	2,931,700	2,931,661	3,372,545	3,096,774
1,003,053	1,280,437	1,183,759	1,025,582	641,600
12,743,822	12,295,937	9,742,608	9,652,052	9,184,702
<u>\$ 48,600,703</u>	<u>\$ 44,796,109</u>	<u>\$ 44,564,492</u>	<u>\$ 44,098,466</u>	<u>\$ 40,235,820</u>

This page intentionally left blank.



Dave Yost • Auditor of State

CITY OF STOW

SUMMIT COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

CERTIFIED
AUGUST 16, 2012